

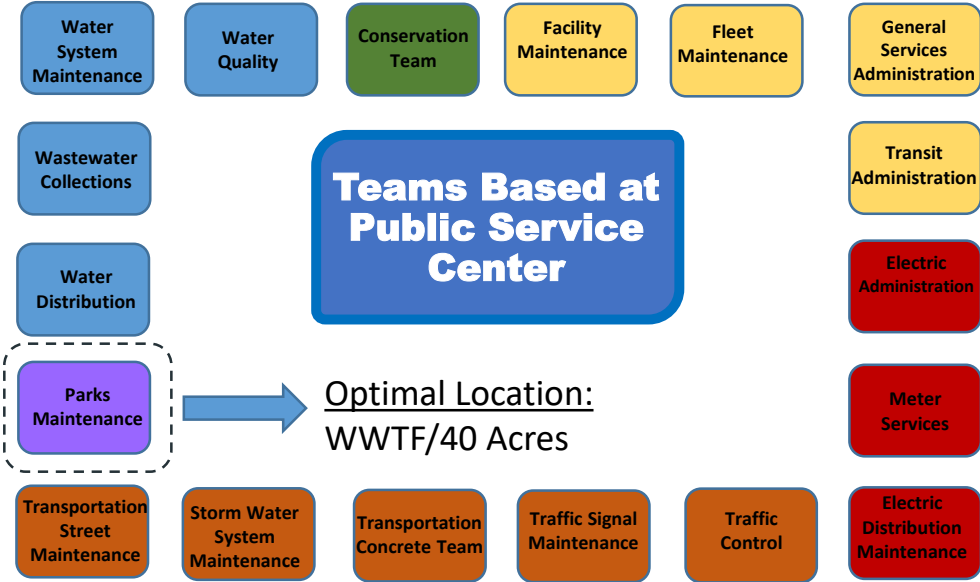
City of San Marcos Public Services Center

April 7, 2020

COSM Public Service Center

This presentation will provide an update on proposed Facility and next steps:

- Latest Department Occupancy/Functional Benefits
- Updated Site and Building Designs
- Proposed Sustainability Measures
- Upcoming Waiver Requests
- Latest Project Cost Estimates
- Procurement Process Next Steps



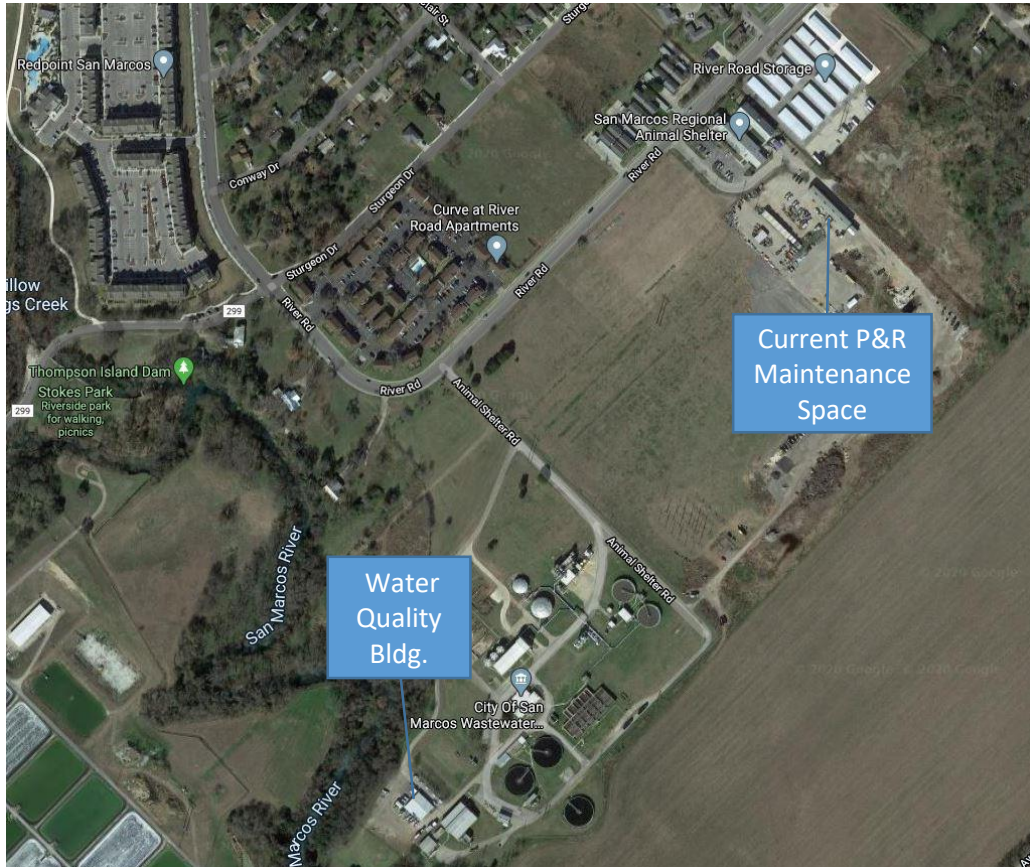
Proposed Solution to Parks & Recreation Operational Needs

- After further review of operational needs for Parks Maintenance staff, it makes more sense to keep them centrally located near the 40 acres.
- Water quality moving out of their current facility frees ~ 3,850 sqft of office and work space adjacent to the 40 acres that fits the needs of the Parks and Rec. Maintenance staff (converted former animal shelter bldg.).

Advantages

- Near perfect functional fit for both office and workspace
- Improved efficiency for P&R staff travel time utilization
- Provides additional day one expansion space at Public Service Center
- Preserves building footprint expansion for anticipated 15 year growth
- Avoids ~\$1M+ increase in project costs
- Consolidates Parks & Rec staff, equipment, storage yards adjacent to 40 acres

Keeping Parks and Rec Centrally Located





COSM Public Service Center Staff

Staff based at this location will be:

Department	November Update	Current Design
Public Services	203	217
General Services	22	22
Parks and Rec	19	0
Total Staff	244	239

Facility Capacity/Life/Growth profile

- The facility will be designed to house the 2021 staffing level space requirement with associated parking, vehicle needs, and equipment
- The facility site plan includes additional area for staff expansion and building expansion room with additional square footage to serve a City population of 110,000 (15 years)
- Future additional facilities could be at satellite locations or this location with reallocation of existing parking, storage or other areas.

Facility Site Plan

- **Show a video of the 3D model flyover with an internal flythrough of the admin building**

Interior Renderings



CONTROL CENTER

Interior Renderings



Interior Renderings



TRAINING ROOM

Interior Renderings



TRAINING ROOM

Interior Renderings



FIRST FLOOR HALLWAY

Proposed Sustainability Measures

- **HVAC with economizer and outside air demand control ventilation**
- **Low flow plumbing fixtures**
- **Four 5,000 gallon rainwater capture cisterns**
- **Additional daylighting in the Utility Building and Warehouse**
- **~500 KW rooftop solar panels on utility building (not included in current pricing)**

Solar Panel Design/ ROI estimate



- ~500 KW (1,278 panels) or roughly 75% average load
- Construction Cost Estimate ~\$750K
- Payback 15-19 years depending on electricity rate escalation assumptions (0%-3%/year)
- Includes 25 yr manufacturer performance monitoring agreement and linear power output warranty

Solar Panel Annual Environmental Savings

Environmental Savings Summary For COSM Public Service Center

Estimated Solar Array Size: 510 kW
Estimated Annual kWh Savings: 774,920 kWh

Estimated Annual Environmental Savings Results:

580	Tons of Carbon Dioxide
110	Cars Removed from Road
59,920	Gallons of Gasoline
13,520	Trees Planted
50	Homes Powered
11,790	Light Bulbs Powered



Waiver/Exemption Requests

- **Block length waiver to allow for security purposes, no roadway bisecting the property between Clovis Barker and FM110**
- **Partial landscaping/tree requirement waiver**
- **Parking count and parking island waiver**
- **Perimeter fence in front of utility building**
- **Permit and Development Fees**

Current Project Cost Estimate

Construction Cost*	\$34.5M
Design Cost	\$2.5M
FF&E Cost	\$2.0M
Fees/Soft Cost	\$3.6M
<u>Financing Cost</u>	<u>\$1.4M</u>
Total	\$44M

* Does not include concrete for laydown yard alternate(~\$400K) and solar panels alternate (~750K)

Financial Capacity Analysis

	Electric	W/WW	Drainage	General Fund	Total
Cost allocation by Fund	31%	31%	7%	31%	
Total Project Cost*					45,000,000
Debt/Cash funds available**	4,520,000	4,525,000	-	500,000	9,545,000
Project Cost Allocation	13,950,000	13,950,000	3,150,000	13,950,000	45,000,000
Debt Issuance Needed	9,430,000	9,425,000	3,150,000	13,450,000	35,455,000
Annual Debt Service:					
Existing Debt Service	39,000	299,000	-	32,500	370,500
30 Year @ 0.052 interest	490,360	490,100	163,800	699,400	1,843,660
25 Year @ 0.057 interest	537,510	537,225	179,550	766,650	2,020,935
20 Year @ 0.065 interest	612,950	612,625	204,750	874,250	2,304,575

* Does not include \$2.4M for the land that has been purchased

** Electric Utility used \$4M in cash funds, all other funds are debt funded

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Funding Considerations

Period	Phases
Q4 2019	Contract approved by Council
Q2 2020	Design complete
Q3 2020	Construction Begins
Q4 2021	Construction Complete
Q1 2022	Move in and Buy out
FY2023	First Debt Payment Due Enterprise Funds
FY2026-28	First Debt Payment Due General Fund

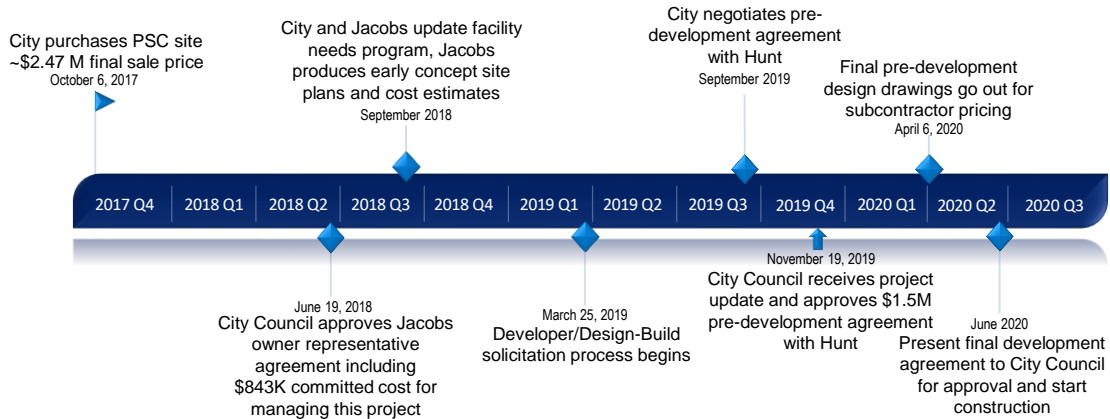
Funding considerations:

- Delay debt service for General Fund 3-5 years
- Front load Enterprise Funds debt service without significant impact to rates
- COVID-19 revenue effects mitigated with the debt plan

Procurement Process

- **City decided to procure project via Design-Build-Finance Method**
- **Project to be implemented in Two Phases to maximize flexibility**
 - Phase 1: Validation of Scope, Schedule, Budget
 - Phase 2: Implementation of Final Design and Construction
- **Currently working through Phase 1 with end goal of Guaranteed Maximum Purchase Price (GMPP) agreement**
- **GMPP proposal negotiations based on 100% Design Development documents due early April**
- **Final estimate due/ GMPP proposal negotiations to begin early May**
- **Contract award recommendation and final GMPP Proposal to be presented at a June Council Agenda**
- **Financial Close and Phase 2 to begin after Council approval**

Project Development Timeline



Staff Recommendation to Continue Project as Planned

- **The condition of the facilities, crowding, safety issues, staff levels needed to operate the utilities, maintain roads and service the fleet make completing a replacement facility critical to providing these essential public health and welfare services to the community**
- This disruption is short term and the project is a long-term investment with payment over a very extended period
- The project has been delayed multiple times since starting in 2007 with the result of more than doubling the cost.
- The City has committed a large amount of capital and work to progress to the current status

Staff Recommendation to Continue Project as Planned

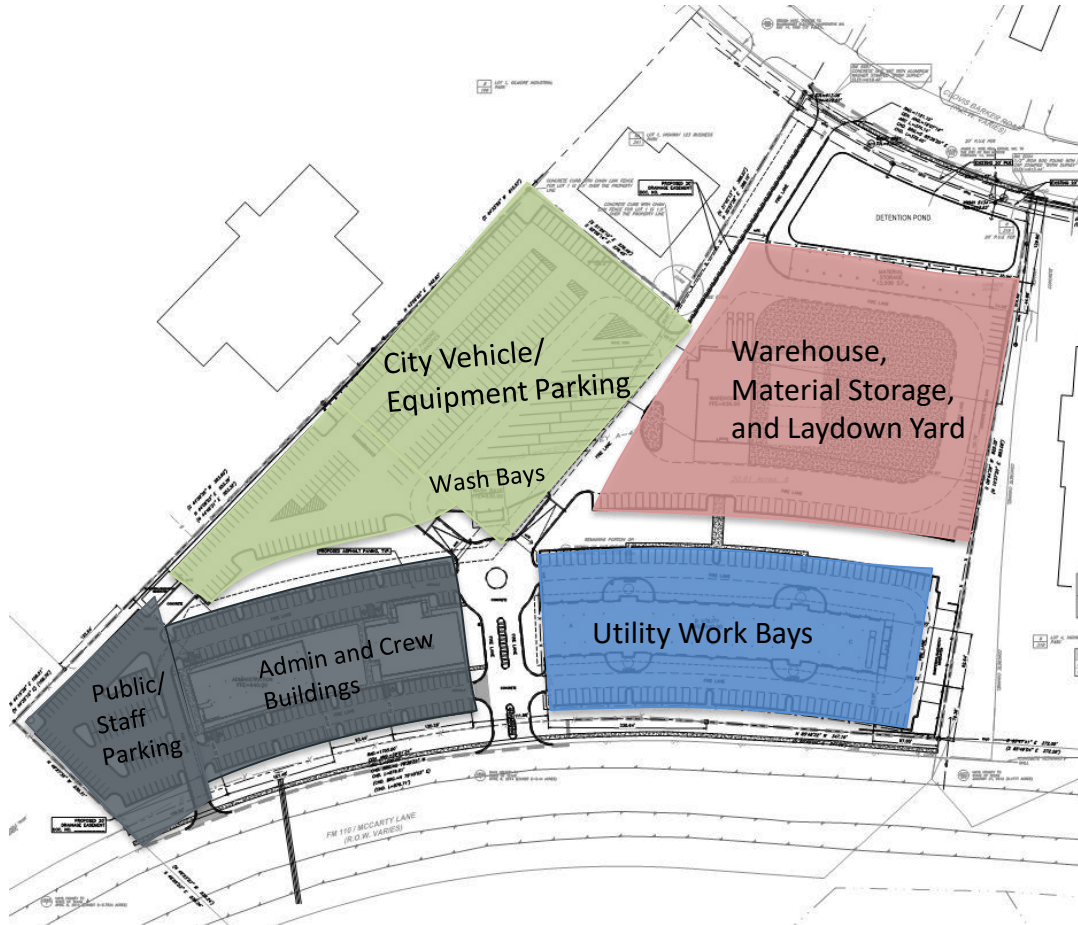
- The downturn in markets and resulting action from the Federal Reserve have reduced interest rates that may lower borrowing costs for project debt.
- The Purchase agreement is flexible as to private or public debt which allows us to benefit from best rates available
- Bidding by sub-contractors may be aggressive given the broader construction market conditions which could lower construction costs
- The Enterprise Funds have the capacity to handle the debt load
- Funding strategy allows General Fund time to recover from current economic downturn

Next Steps

- **Council to consider the exception requests**
- **Council to consider the Guaranteed Maximum Price Proposal agreement on a June Council Agenda**

Questions?

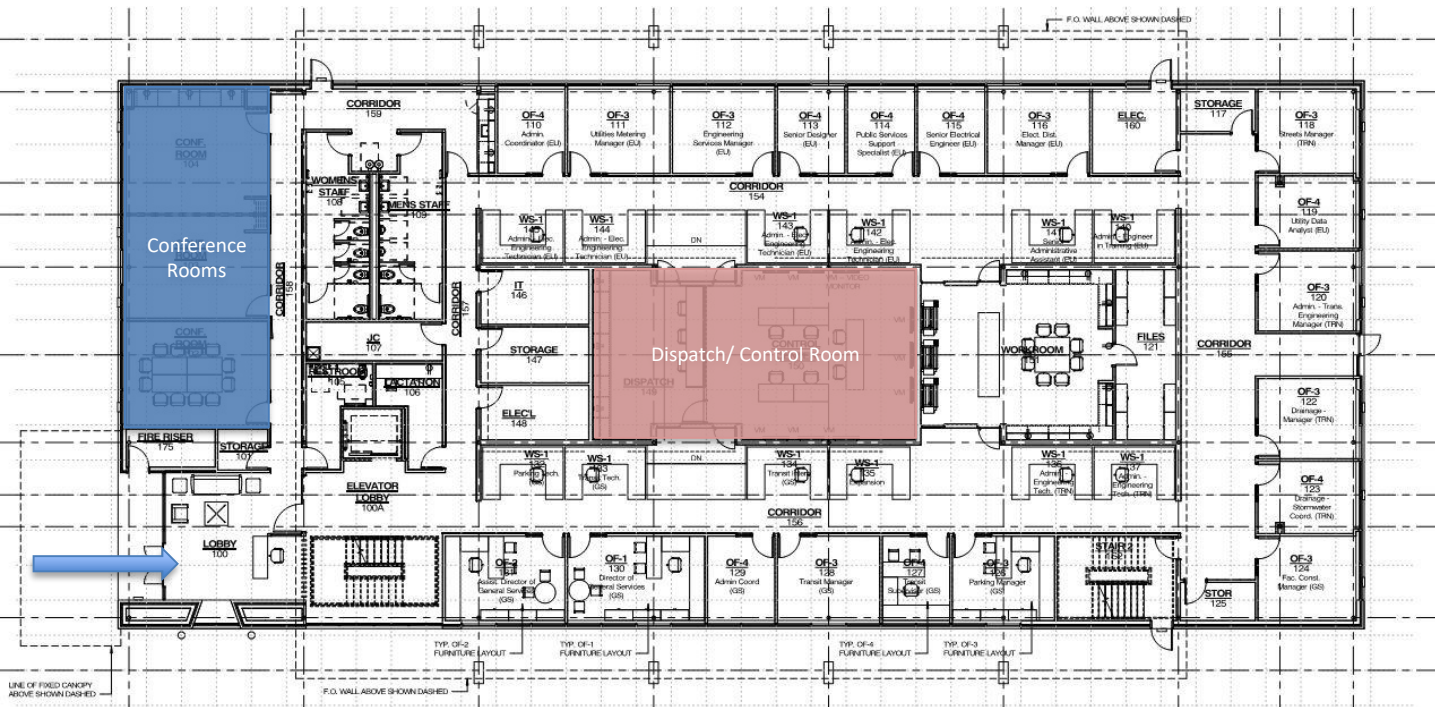
Site Plan



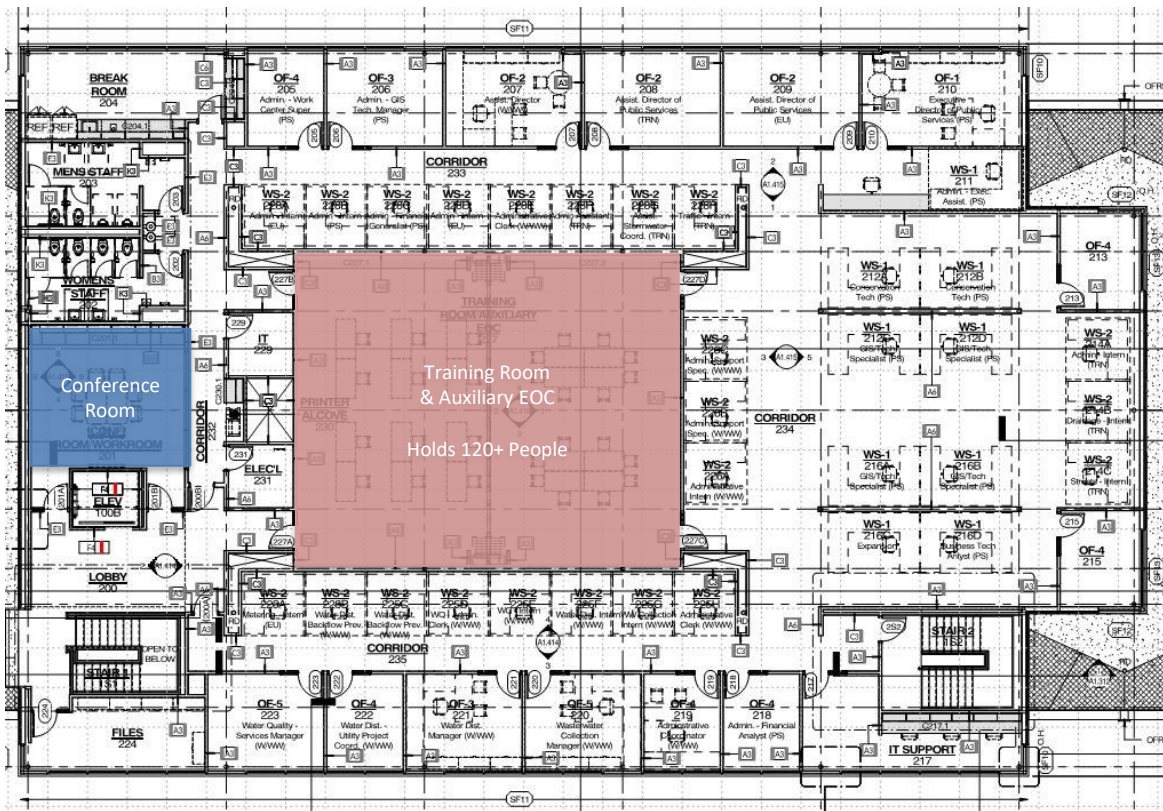
Public Service Center Parking Load

Parking Type	Concept Design	Current Design
Staff/ Visitor Parking	270	241
City Vehicle/ Equipment Parking	377	419
Total	647	660

Admin Building 1st Floor



Admin Building 2nd Floor





Utility Building West

