MEMORANDUM

Date: April 11, 2022

To: The Honorable Chair and Members  
Pima County Board of Supervisors  

From: Jan Lester  
County Administrator

Re: Administration East 130 W. Congress Staff Relocation

Over the next 24 months, extensive renovations will take place in Administration East, 130 W. Congress (Admin East) to protect the health and safety of employees and the public and to ensure energy efficiency and cost savings. The attached memorandum from Facilities Management Director Lisa Josker delineates the magnitude of the project, noting that the project will include:

- Replacement of the window system (curtain wall) or Façade Project;
- Replacement of existing elevators;
- Renovation of stairwells;
- Full build out of floors 5 and 10;
- Renovations within floors 3, 4, 6, 7, 8, 9 and 11; and
- Asbestos removal.

With the beginning of the Façade Project last November, it became clear that a significant savings can be realized by moving people out of the building. Since it will be necessary to turn off the fire alarm system during construction, an estimated $3.5 to $4 million will be needed in order to comply with Arizona State Fire Marshall requirements.

As construction crews will be working with asbestos removal, saws, grinders and drills, there is concern about the safety and the working conditions for our employees and the public who visit the County at that location. In addition, it is anticipated that there will be a significant impact on productivity due to noise, odor and physical disruption.

For these reasons, Facilities Management began to look for a location or locations to which County staff could be relocated in order to empty the building, allowing for an expedited construction schedule, cost savings and the health and safety of the public and our employees. The attached memorandum proposes the following temporary relocations of four departments into available space in existing County owned buildings:

- The Clerk of the Board’s offices will move to the first floor of the 33 N. Stone.
- The Department of Justice Services will move to the east side of the second floor of the Public Works Building, 201 N. Stone Avenue.
- The Communications Office will move to the west side of the second floor of the Public Works Building, 201 N. Stone Avenue.
The Grants Management & Innovation Department will move to the west side of the 8th floor of the Public Works Building, 201 N. Stone Avenue.

It is proposed that the Finance and Risk Management Department relocate to the second and third floors of 97 E Congress. The entire four-story building is currently under lease to the Southern New Hampshire University (SNHU). In response to the pandemic, SNHU transitioned to a primarily remote work model. While they have been continuing to pay rent for the entire building, it is no longer needed by the organization. A proposed amendment to the SNHU lease will be coming to the Board of Supervisors on April 19, 2022. While this amendment will decrease the SNHU footprint in 97 E. Congress and reduce revenues received, it provides the final location necessary to completely empty Admin East during the renovation.

The cost to relocate and accommodate the staff currently working in Admin East is estimated at $250,000 and the total loss of revenue from SHNU for the second and third floors is $802,719. However, since the County will not incur the $3.5 to $4 million in anticipated costs to comply with the Arizona State Fire Marshall requirements, the result is an overall savings of between $2.5 and $3 million.

A full explanation of the relocation and renovation plan is attached.

JKL/anc

Attachment

c: Carmine DeBonis, Jr., Deputy County Administrator for Public Works
Francisco Garcia, MD, MPH, Deputy County Administrator & Chief Medical Officer, Health and Community Services
Mark Napier, Assistant County Administrator
Michelle Campagne, Director, Finance and Risk Management
Mark Evans, Director, Communications Office
Lisa Josker, Director, Facilities Management
Regina Kelly, Director, Grants Management and Innovation Office
Kate Vesely, Director, Department of Justice Services
The Facilities Management Department’s on-going project to replace the window system on Administration East, 130 W. Congress, has involved coordination with the General Contractor regarding the most efficient approach to removing the existing window system and replacing it with a new, energy efficient system. The coordination has revealed that relocating the building occupants, i.e. Pima County staff, would benefit Pima County, the General Contractor and the Architect. Facilities Management has reviewed the benefits of relocating staff and has identified a realistic relocation site and approach to the temporary move. Relocating the building occupants would result in:

- Savings to the project budget
- Reduced impact to work force productivity due to construction noise and smell
- Reduced impact of serially relocating building occupants whose work stations are along the outside perimeter of each floor as construction progresses, as was originally planned
- Reduced impact to work force productivity due to uncomfortable or disruptive climate control, and elevator access
- Increased capacity to deliver the other essential projects in the same building at the same time the window replacement progresses
- Overall schedule reduction in delivering the window replacement in combination with other improvement projects

Background

Replacement of the window system (curtain wall) at the Administration East building is a CIP effort that is currently in construction. County Administration directive originally was to keep all occupants in the building undisturbed. While pre-construction planning called for occupants in the eleven story building to remain in place, the construction phase began and details of the approach to removing and replacing the curtain wall have been identified within the context of scheduling and staging materials.

There are other improvement projects at Administration East that overlap the time frame of the curtain wall replacement:

- Replacement of existing elevators (4 total)
- Renovation of both stair wells
- Full build out of tenant improvements on floors 5 and 10, which are currently a shell space
- Renovations within floors 3, 4, 6, 7, 8, 9 and 11 (lobbies and floor plan reconfiguration)
- Removal of miscellaneous asbestos as it’s discovered during demolition of the existing curtain wall

Implementation of the curtain wall project has started on the West side of the building and will progress to the North, East and South facades as each side of the building has its existing curtain wall removed and new curtain wall installed from the ground floor to the roof. As demolition and replacement is completed on a façade, the demolition and replacement work will move to the next façade in a clockwise pattern. The original strategy called for work to proceed as the building was occupied. In order to protect occupants, a temporary barrier wall was planned to be constructed along the façade under construction. The temporary barrier is an interior wall that sits 8 feet from the windows and requires relocating staff who work within the off-set. As demolition and installation moves to the next façade, each group of relocated staff would return and the group of staff working along the next façade would be moved.

As the curtain wall is demolished and replaced at each façade, moving staff in the construction zone requires furniture tear down as well as boxing and relocating staff possessions on each of the occupied floors. As construction moves to the next façade, the displaced staff return in an effort that requires reinstalling furniture and cubicles, then dismantling the next group of staff furniture, possessions and cubicles. Staff that remain on the floor will experience construction noise and interruptions as demolition and installation takes place in a narrow off-set along the window walls separated from staff by only a simple interior wall made of drywall and aluminum studs.

The level of disruption to work day productivity among the occupants has become clear now that the construction approach has been refined. The delivery of other improvements inside the building at the same time the curtain wall replacement progresses leaves multiple contractors working throughout the exterior and interior of the occupied building while staff and contractors share the elevators. Facilities Management’s current understanding of the extreme disruption to occupants has led to a revised approach that recommends the singular relocation of all occupants of the building in the early stage of construction and their return at construction completion.

Benefits of Relocating All Occupants for the Duration of Construction

PROJECT SAVINGS

Savings of $3.5 million to the project budget will be a result of moving occupants out of the building. When this project was anticipated to include only the façade elements, the plan was to turn off the fire alarm system on a couple of floors at a time during the day. Other considerations then came into play. The construction projects in the building grew to encompass other areas of the building such as the
elevators, stairs, lobbies, etc. This then evolved into needing to shut off the fire alarm completely during construction. To prevent false fire alarms caused by construction dust and smoke, the fire alarm system will be disabled throughout the building. The Arizona State Fire Marshall requires an occupied building with a disabled fire alarm to implement a fire watch, i.e. a team of people who walk each floor every hour throughout each day and night on the lookout for fire. These laborers are paid about $25/hr plus benefits. The total cost of the required fire watch for the duration of the project is estimated by the contractor to be between $3.5 and $4.0 million. If the building is vacant, no fire watch is required.

Serial relocations of staff within the construction zone at each façade replacement, as originally planned, requires multiple moves over the course of the approximately two-year project. Project savings will be captured by moving staff out of the building only once as vendors who tear down and set up systems furniture may mobilize one time. Estimated savings associated with move coordination and vendor services is approximately $25,000.

**IMPACT TO PRODUCTIVITY**

All construction must take place during normal business hours Monday through Friday. Any other schedule would be cost prohibitive as labor costs would increase by at least 1.5 times. Demolition and installation of the curtain wall will be consistently noisy, smelly and disruptive. The approach to demolition involves a construction team inside the building that removes glass and metal frame in a noisy process that uses saws, grinders and drills. The window glass will be cut into smaller pieces while it’s on the occupied floor so that the glass may be hand carried to the elevator at the lobby. As asbestos is encountered in previously inaccessible locations, the asbestos will be removed.

For installation of the new curtain wall system, a spider crane on the 11th floor will pick up material on the plaza and deliver it to teams on swings stages hanging at the façade. Grinding, welding and cutting on each floor is required for installation.

All four elevators are being replaced as the curtain wall project proceeds. Two elevators on a side must be replaced simultaneously due to their shared shaft, leaving two operable elevators at any given time. One of those is a designated construction elevator so that all staff in the building are restricted to using one elevator for the duration of the project. If the single elevator malfunctions, the building occupants would have to use the construction elevator that is full of construction materials, tools and contractors, creating a potential safety issue, construction delays and inconvenienced occupants.

Temporary barrier walls are built as light gauge interior walls so that they are not resistant to climate or wind. Maintaining climate control for a comfortable working environment will be a challenge. A summer storm has the potential to overload the temporary barrier walls with wind and rain, leaving occupants in an unusable work space.
The Board of Supervisors Hearing Room will be available with no construction impacts throughout the duration of the curtain wall replacement and related building improvements. Construction efforts include a safe, protected entrance path to the Hearing Room, which will be fully functional for the duration of construction.

If the building were to be vacant, demolition and installation would move more quickly because fewer interior barriers would be constructed and removed throughout construction, work could occur at more than one façade at a time and there could be scheduling overlap between interior renovation projects and the exterior façade replacement.

SIMULTANEOUS DELIVERY OF MULTIPLE IMPROVEMENT PROJECTS

Essential improvement projects are needed within the building. These will be delivered simultaneously in conjunction with the curtain wall replacement. Each of the identified improvements are immediate needs that address the elevators that are beyond their useful lifespan, stair wells that require improved way finding, and renovations of floors to accommodate County departments that require changes in work space. These multiple projects involve several different general contractors on site for months, each using the limited elevator capacity and moving throughout the building. The level of construction activity places extreme disruption on the occupants.

SCHEDULE

Relocating building occupants results in an expedited overall project delivery schedule. Within a vacant building, construction delays are minimized and the scheduling of multiple improvement projects may be integrated with the schedule for the curtain wall replacement.

The strategic approach to delivering multiple construction efforts and vacating the building is:

*November 2021: Begin construction phase of the Façade Project*

*April 1, 2022 – March 31, 2023: Elevator replacement*

*April 4 – August 31, 2022: Interior renovation design*

*June 1 – June 16, 2022: Occupant move-out*

*September 1 – December 14, 2022: Pre-qualified contractors bid on interior renovation*

*December 15, 2022 – August 23, 2023: Construction/build out of shell space on 5th and 10th floors*

*June 5, 2023 – October 10, 2023: Construction of interior renovations (renovate lobbies; floor plan changes)*

*July 5, 2023 – October 24, 2023: Stairwell refurbishment*
September 1, 2023 – March 27, 2024: Furniture installation

October 12, 2023 – February 12, 2024: Occupant Move-in coordination (IT, computers, phones)

October 27, 2023: Construction of Façade Project is complete

April 1, 2024 – April 26, 2024: Department staff occupies/move-in

See Exhibit A.

Early procurement of long lead materials and equipment, construction bids from pre-qualified contractors, staggered construction to allow continual elevator and stairwell access, and fire alarm monitoring appropriate to a vacant building, are approaches to expediting the overall project schedule. The projected construction schedule may be affected by developing market conditions, e.g. material/equipment delays and labor shortages, but strategic planning by project stakeholders to mitigate delays will continue. There are many variables during construction that may affect the schedule, many of which are out of the County’s control. We will monitor potential project delays and continuously update the project schedule and costs.

Administration East building (ADE) occupant moves are scheduled to begin in June 2022, based on immediate approval by County Administration to proceed with the relocation plan.

Proposed Relocation Plan – Move all occupants out of Administration East, 130 W. Congress

Facilities Management has researched unoccupied spaces within the downtown area in an effort to develop a realistic, implementable relocation plan for all Pima County employees in ADE for the duration of construction. This research was done as part of the original plan to continuously relocate staff away from the 8-foot construction zone at each building façade as it is under construction. FM staff have been in contact multiple times with the affected departments - Clerk of the Board, Department of Justice Services, Communications, Grants Management & Innovation and the Finance Department - to identify in detail the number of staff they have currently (including vacant positions) as well as the number of staff they may gain in the next two years.

With this information and a lessening of work space area needs of other departments such as RWRD and Pima County’s leased building at 97 E. Congress that is occupied by the Southern New Hampshire University (SNHU), we have developed a plan that will allow for the complete relocation of all building occupants as a short-term solution to the challenges brought about by the extensive construction projects. The floor plans are shown in Exhibit B and the relocation proposal is as follows:

- Temporarily relocate Clerk of the Board to the currently vacant space at the former Bank of America, first floor suite, at 33 N. Stone building. This suite is currently unoccupied and will be accommodated by creating an entry reception area adjacent to the elevators, adding cubicles as needed and finishing improvements to the existing offices. There is access to newly remodeled
Pima County-only private restrooms and a breakroom. This suite will accommodate 18 total staff, more than the current staffing at their existing location. See Exhibit B1

- Temporarily relocate the Department of Justice Services from the second floor ADE to the east side of the Public Works Building (PWB) 2nd floor. This accommodates 19 staff, more than the current staffing at their existing location, and includes a copy area, conference room and communal break area. Entry will be separate from the adjacent Communications Office. See Exhibit B2.

- Temporarily relocate the Communications Office (Comms) from the second floor ADE to the west side of the PWB, 2nd floor. This area provides for a permanent location for the four Comms staff designated for Public Works departments. It also accommodates the entire staff from the ADE 2nd floor. The proposed PWB work space includes a copy area, conference rooms and communal break area. The relocation plan provides 24 work spaces for 20 Comms staff. It should be noted the photography studio/conference room in ADE will be available for Comms’ use during construction. The times of use will be coordinated with FM construction management staff. See Exhibit B2.

- Temporarily relocate the Grants Management & Innovation Department (GMI) from the third and fourth floors of ADE to the west side of the PWB, 8th floor. RWRD management offices are located on the east side and both departments will have a separate entry. A GMI-designated area accommodates the entire staff from both floors. The proposed relocation plan provides 50 work spaces, more than current staffing at their existing location. See Exhibit B3.

- Nearby parking is available for staff who will be relocated to the PWB. Parking Operations is prepared to reassign monthly parking access from other garages to the Public Works Garage. Staff will not lose their ability to return to their original assigned monthly parking garage when they return to 130 W. Congress.

- Temporarily relocate the Finance and Risk Department (FN) from the sixth, seventh, eighth and ninth floors ADE to the 2nd and 3rd floors at 97 E. Congress St. This 4-story building is currently under lease to the Southern New Hampshire University (SNHU). Due to Covid, they have been minimally occupying the building while paying rent. SNHU has agreed to Pima County occupying these floors while the ADE is under construction. If the proposed relocation plan is approved, a lease amendment will be sent to the Board of Supervisors stating as such. Due to the larger floor plate at 97 E. Congress, the FN staff from ADE will fit on the two upper floors. The proposed relocation plan provides 175 work spaces, more than current FN staffing at their existing location.
The other FN staff will remain at the other locations until final construction completion at ADE. See Exhibits B4 and B5.

- The Scott Avenue Garage (SAG) is adjacent to the 97 E. Congress building. The garage has been used by SNHU staff as a part of the building lease. Since SNHU employees are now working from home and will continue to do so, the SAG garage will be available to Pima County FN employees for monthly parking at the typical monthly cost of $70 per space. There are at least 150 spaces available. Staff will not lose their ability to return to their original assigned monthly parking garage when they return to 130 W. Congress.

Moves are tentatively scheduled to take place in the month of June. Exhibit C is a location map of all the buildings involved in the relocation plan. After sharing the approved plan with the impacted department directors, the building location map and the construction schedule (Exhibits A and C) will be placed on both the Facilities Management Intranet and Internet pages. The approximately 2-year construction schedule will be updated frequently with "look ahead" information.

**Financial Impacts of Proposed Relocation Plan**

The proposed relocation plan requires an amendment to the lease agreement between Pima County and SNHU for the use of 97 E. Congress St. As two of the floors that are currently leased to SNHU will be occupied by Pima County staff as part of the relocation plan, Pima County will experience a revenue reduction since SNHU’s rental payments are based on their square footage of use.

The revenue reduction associated with the lease amendment required to support the relocation plan totals $802,719, broken down as:

- $650,969 - 22 Month Temporary Use of 97 E Congress, Floors 2 and 3, by Pima County
- $150,750 - 22 Month Reduction in Parking Spaces in the Scott Avenue Garage from 150 to 75

Savings will be captured as the result of a single move that relocates all staff for the duration of construction compared to sequential moves as construction progresses from one façade to the next.

- Cost of moving staff once from 130 W. Congress to the locations identified above for the duration of construction: $100,000
- Cost of moving multiple staff in a series of smaller moves to an alternate location over the course of 2 years as construction progresses: $150,000

Overall, the relocation plan saves an estimated $2.7 to $3.2 million.

- $3.5 to $4.0 million savings (elimination of a State Fire Marshall required fire watch for an occupied building)
- $802,719 in revenue reduction (cost of the lease amendment with SNHU)
$25,000 savings in reduced move coordination
Total savings associated with the proposed relocation plan: $2.7 to $3.2 million

Request for Approval to Temporarily Relocate ADE Occupants

Facilities Management requests approval to move forward with the proposed plan to vacate ADE. The relocation plan will expedite the overall project delivery, generate cost savings, and relieve impacts to current Pima County staff and visitors at the ADE. Staff relocation may begin in June with approval of the proposed relocation plan.

Concur:

Mark Napier, Assistant County Administrator

Date: 04-07-2022

_____ Approved or _____ Not Approved

Jan Lesher, Acting County Administrator

Date

LJ/IP/dlm

Exhibits

Exhibit A – Construction Schedule

Exhibit B1 – 33 N. Stone, 1st Floor - Floor Plan for Clerk of the Board

Exhibit B2 – 201 N. Stone, 2nd Floor – Floor Plan for Justice Services and Communications Office

Exhibit B3 – 201 N. Stone, 8th Floor – Floor Plan for Grants Management and Innovation

Exhibit B4 – 97 E. Congress, 2nd Floor - Floor Plan for Finance and Risk Management

Exhibit B5 – 97 E. Congress, 3rd Floor – Floor Plan for Finance and Risk Management

Exhibit C – Location Map
## 130 West Congress Facade and Interior Improvement Construction

<table>
<thead>
<tr>
<th>ID</th>
<th>Task Name</th>
<th>Start</th>
<th>Finish</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Qtr 1</td>
<td>Qtr 2</td>
<td>Qtr 3</td>
<td>Qtr 4</td>
<td>Qtr 1</td>
</tr>
<tr>
<td>1</td>
<td>Façade Construction</td>
<td>Mon 11/1/21</td>
<td>Fri 10/27/23</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Move-out Coordination</td>
<td>Mon 4/4/22</td>
<td>Wed 6/1/22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Department Move-out</td>
<td>Wed 6/1/22</td>
<td>Thu 6/16/22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Floor 1 COB</td>
<td>Wed 6/15/22</td>
<td>Thu 6/16/22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Floor 2 - Comms/Justice</td>
<td>Wed 6/8/22</td>
<td>Fri 6/10/22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Floor 3 - GMI</td>
<td>Wed 6/8/22</td>
<td>Fri 6/10/22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Floor 4 - GMI</td>
<td>Wed 6/8/22</td>
<td>Fri 6/10/22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Floor 6 - Finance</td>
<td>Wed 6/1/22</td>
<td>Fri 6/3/22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Floor 7 - Finance</td>
<td>Wed 6/1/22</td>
<td>Fri 6/3/22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Floor 8 - Finance</td>
<td>Wed 6/1/22</td>
<td>Fri 6/3/22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Floor 9 - Finance</td>
<td>Wed 6/1/22</td>
<td>Fri 6/3/22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Interior Renovation Design</td>
<td>Mon 4/4/22</td>
<td>Wed 8/31/22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Interior Renovation Pre-qualified Bid</td>
<td>Thu 9/1/22</td>
<td>Wed 12/14/22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>5th and 10th Floor Construction</td>
<td>Thu 12/15/22</td>
<td>Wed 12/27/23</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>5th and 10th Floor Material Procurement</td>
<td>Thu 12/15/22</td>
<td>Wed 5/31/23</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>5th and 10th Floor Build-Out Construction</td>
<td>Thu 6/1/23</td>
<td>Wed 12/27/23</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Interior Renovation Construction - Floors 3, 4, 6, 7, 8, 9 and 11</td>
<td>Thu 6/1/23</td>
<td>Wed 12/13/23</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Stairwell Refurbishment</td>
<td>Wed 7/5/23</td>
<td>Tue 10/24/23</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Elevator Replacement</td>
<td>Mon 5/16/22</td>
<td>Fri 9/29/23</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Department Move-in Coordination - IT, Boxes, Phones, Computers, Equipment</td>
<td>Mon 10/12/09</td>
<td>Fri 2/12/10</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>Furniture Install</td>
<td>Fri 9/1/23</td>
<td>Wed 3/27/24</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>41</td>
<td>Department Move-in</td>
<td>Mon 4/1/24</td>
<td>Fri 4/26/24</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*80 days*