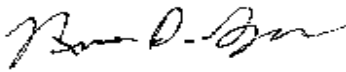


City of Calistoga

Staff Report

TO: Honorable Mayor and City Council
FROM: Michael Kirn, Public Works Director/City Engineer
DATE: October 21, 2014
SUBJECT: Update on Monhoff Building Rain Damage and Direction to Staff

APPROVAL FOR FORWARDING:



Richard Spitler, City Manager

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2 **ISSUE:** Update on Monhoff Building Rain Damage and Direction to Staff.

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4 **RECOMMENDATION:** Receive report and by, motion, provide direction to staff on next
5 steps for the Monhoff Building.

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7 **BACKGROUND/DISCUSSION:** In February of this year the Monhoff Building roof
8 leaked and caused extensive damage to the building interior and contents. The Teen
9 Center and Recreation Services Division have been relocated into temporary modular
10 buildings and the racquetball courts have been closed.

11
12 Due to the amount of effort needed to return the building to full occupancy our Municipal
13 Code requires fire sprinklers be installed and the Building Official has determined that
14 code upgrades are required including ADA compliance. Staff estimates the range of
15 costs is between \$650,000 and \$750,000 to reconstruct the Monhoff Building.

16
17 The adjuster for AIG appealed the determination of the Building Official to the City
18 Building Standards Advisory and Appeals Board (BSAAB). The appeal was denied by
19 the BSAAB on August 26th and the Building Official's determination stands.

20
21 On October 8th the Mayor, Councilmember Barns and City staff met with our broker Bob
22 Frye to review the different alternatives the City might wish to pursue. Previously, the
23 Council approved Councilmember Barns participation in claims discussion given his
24 professional experience in the insurance industry.

25
26 A fundamental concern was the Recreation Services Division being located on the
27 second floor which posed a liability due to access issues and created a hardship for
28 families with small children having to climb the stairs. The current Recreation Services
29 Division modular at Logvy Park lacks restroom facilities and with the coming winter this
30 needs to be addressed through their relocation to an alternative location.

31

32 Staff has identified several alternatives for the Monhoff situation and our Broker
33 provided some insight on each alternative:

34

35 1. Make the necessary improvements to the existing building (including
36 installation of fire sprinklers and ADA upgrades) and resume occupancy of the
37 building. Our Broker indicated that we have code upgrade coverage that should
38 cover the costs associated with reconstruction and re-occupancy.

39 2. Demolish a portion of the building, restore the racquetball court and construct
40 new ADA compliant restrooms. It would be a challenge to restore the Teen
41 Center at the Monhoff location due to lack of remaining area after construction of
42 a new restroom, building set back issues, and costs associated with new
43 construction. A modular may be possible but the capital investment would be the
44 responsibility of the Teen Center.

45 3. Demolish the building and use the insurance proceeds for a new building at a
46 different location and allow the Teen Center to use the area. We would need to
47 provide land for the new facility and the insurance proceeds would not cover
48 100% of the cost of construction. The City would be responsible for the difference
49 which could be as much as one million dollars. The Boys and Girls Club would be
50 responsible for any construction costs for their Teen Club facility.

51 4. Demolish the building and use the insurance proceeds to construct a new
52 building at the current location. It is likely that the insurance proceeds would not
53 cover 100% of the cost of construction. The City would be responsible for the
54 difference which could be as much as one million dollars and building set back
55 issues would result in a smaller facility.

56

57 After reviewing the pros and cons of each alternative, the consensus was that
58 Alternative 1 -reconstruction of the building, was only way to ensure that no individual
59 stakeholder was displaced, notwithstanding the need to relocate the Recreation
60 Services Division. Also, most of the cost of the reconstruction would be covered by our
61 insurance.

62

63 Given the consensus on the reconstruction alternative, staff is seeking Council direction
64 to undertake the necessary actions to reconstruct the Monhoff Building addressing ADA
65 code issues. This would include consultation with the Boys and Girls Club and
66 racquetball players to develop a plan that addresses their needs in an effective manner.
67 We will also need to find a location for the Recreation Services Division which has
68 restroom facilities.