

**DATE:** September 14, 2010

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT:** Centennial Hall Building Deconstruction: Approval of Plans and Specifications and Call for Bids

### **RECOMMENDATION**

That Council adopts the attached resolution approving the plans and specifications for the Centennial Hall Building Deconstruction project and calling for bids to be received on October 5, 2010.

### **BACKGROUND**

Centennial Hall was originally constructed in 1949 as part of the Hayward Union High School campus and later retrofitted into a community events facility. It was closed down last year due to the ongoing and increasing costs of operation, security, and maintenance, which was resulting in a significant annual loss to the General Fund. Since the close-down, the building has suffered from multiple break-ins, theft, and vandalism, and is a source of blight for the surrounding area. The deconstruction of Centennial Hall will eliminate a major neighborhood nuisance and subsequently prepare the site to attract future development.

Although it has been closed for almost a year, Centennial Hall continues to incur ongoing maintenance and security expenses. The Maintenance Services and Police Departments have had to respond to repeated break-ins and vandalism. If the building is not deconstructed, it is certain to continue to attract such activity and, as with the vacant 11-story building, result in requiring additional security and an increasing calls for service to both the Police and Fire Departments. . The City Attorney office's concurs that not deconstructing the building will result in additional liability risks to the City.

Due to the size, location, and site conditions, the deconstruction of Centennial Hall requires the expertise of a structural consultant with specialty in deconstruction work. In particular, the rear wall of the Safeway building was built in such close proximity to the basement and foundation of Centennial Hall that a structural evaluation was deemed to be necessary.

On June 29, 2010, based on a recommendation from staff, the Council authorized the execution of a contract with FBA, Inc., of Hayward, in an amount not to exceed \$50,500, for preparing plans,

specifications, and bid documents for the deconstruction of Centennial Hall. That report also indicated that an earlier estimate obtained by staff for the deconstruction indicated a cost of \$385,000. There was, however, an assumption that remediation of asbestos and other hazardous materials would be minimal. Staff has since issued a purchase order contract in the amount of \$14,000 with ACC Environmental Consultants to inspect and survey the building for asbestos, lead paint, and other contaminants. Significant amounts of asbestos were found in the fire proofing, dry wall and joint compounds, pipe insulation, and many other construction items. Because of the extent of asbestos found and also the difficult to access locations, abatement of the asbestos and some lead paint will be fairly costly; but for safety reasons abatement must occur, even if the building were not deconstructed at this time.

To recover some costs of the deconstruction, as well as to recycle as much as possible, the City Purchasing Division worked with an online auction company to develop a program for the disposal of furnishings and fixtures in the building.<sup>1</sup> Some of the auctioned items include the main room's hardwood flooring, the tongue and groove dance floor, bathroom stalls and sinks, stage lighting and sound system, roof top HVAC systems, ventilators, dining tables, folding tables, podiums and seminar tables, mobile tables, benches, trash cans, walk in cooler and refrigerator, oven and burner range, commercial steamer and steam cooker. Almost all items have been removed, although the hardwood floor removal is still ongoing. The auction process is expected to result in net revenue of approximately \$15,000.

## DISCUSSION

The project scope includes abatement of asbestos containing material, lead paint, and other hazardous material; removal of the building structure, partial basement, and associated foundations; and, as an optional add-alternate, backfilling and compacting the basement area with clean soil and aggregate base to level the entire site. The optional backfilling work will require a retaining wall to hold the fill material and ensure that no future damage occurs to the alleyway that serves the Safeway Building below Centennial Hall. This new wall would be required because the existing basement wall was not designed as a retaining wall. The base contract does not include construction of either the wall or the backfill as funding may not be sufficient for this added work. Also without knowing what will eventually be built on the site, some of this wall may still have to be replaced or removed for the new construction.

With just the base bid, there will remain a graded and seeded hole in the basement area until new development occurs. Drainage of this area will also be included in the base bid and with or without the wall additive a chain link fence will be installed to enclose the site after deconstruction is complete. With fencing and adequate drainage, staff believes leaving the basement area unfilled will not cause any additional risks to the City pending redevelopment.

The proposed project is exempt from the California Environmental Quality Act (CEQA) under Article 18, Statutory Exemptions, Section 15268, Ministerial Projects. As reported previously, the building is not a significant historical resource and is not eligible for listing under either the Federal or City Register as it lacks the ability to convey its significance due to the:

- 1) Loss of relationship between the building and its location;

- 2) Loss of the sense of design within the form, plan, space, structure, and style of the Hayward Union High School campus, and changes to its architectural character;
- 3) Change of its setting from part of the High School campus to an urban commercial and residential neighborhood;
- 4) Loss of feeling it had within a high school campus, which no longer provides an expression of the aesthetic or historic sense of its period of time; and
- 5) Loss of its direct association with Hayward Union High School.

**FISCAL AND ECONOMIC IMPACT**

The estimated project costs are as follows:

Contract Construction:		\$1,046,000
• Abatement of Hazardous Material	\$320,000	
• Building Structure Deconstruction:	\$533,000	
• Optional Retaining Wall (Add Alternate):	\$193,000	
City Design and Administration		45,000
Consultant - Deconstruction Design		51,000
Consultant - Hazardous Material Survey		14,000
Construction Survey, Inspection, and Testing		90,000
TOTAL (with Add Alternate)		\$1,246,000
TOTAL (without Add Alternate)		\$1,053,000

RDA funds totaling \$65,000 were already used to fund the design and hazardous material survey consultant contracts. As noted above approximately \$15,000 is expected from the sale of materials within the building. Thus, based on present estimates, a total of \$973,000 would be needed for the project without the retaining wall.

As noted in the previous report, the source of these funds would be the \$1,000,000 reserve set aside in the General Fund for a New City Hotel Conference Center. While this project is certainly more costly than previously estimated, staff recommends proceeding with the deconstruction to eliminate continued and increasing liability issues. Once bids are received, and in order to award the project, funds will be transferred from this reserve account into the Capital Improvement Fund and appropriated to a new project established for this deconstruction work.

**SCHEDULE**

The estimated schedule for this project is as follows:

Advertise for Bids	September 14, 2010
Receive bids	October 5, 2010
Award Contract	October 26, 2010
Begin Deconstruction	November 15, 2010
End Deconstruction	January 31, 2011

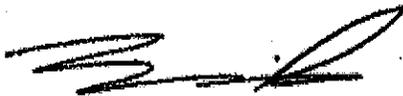
## PUBLIC CONTACT

This project was brought before the Council Downtown Committee in March 2010 and the Hayward Redevelopment Area Committee in May 2010 as part of updates on the City Center Campus project.

*Prepared by:* Morad Fakhrai, Deputy Director of Public Works

*Recommended by:* Robert A. Bauman, Director of Public Works

Approved by:



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Fran David, City Manager

### Attachments:

Attachment I: Resolution  
Attachment II: Project Location Map

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<sup>1</sup> *The decorative murals in the building's lobby, which were painted by renowned artist William T. Wiley, were removed, appraised, cleaned, and placed in a secure art storage facility until a new location is identified in which to display them.*

# DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. 10-\_\_\_\_\_

Introduced by Council Member \_\_\_\_\_

RESOLUTION APPROVING PLANS AND  
SPECIFICATIONS FOR THE CENTENNIAL HALL  
BUILDING DECONSTRUCTION PROJECT, PROJECT NO.  
6993, AND CALL FOR BIDS

BE IT RESOLVED by the City Council of the City of Hayward as follows:

WHEREAS, those certain plans and specifications for the Centennial Hall Building Deconstruction Project, Project No. 6993, on file in the office of the City Clerk, are hereby adopted as the plans and specifications for the project;

WHEREAS, the City Clerk is hereby directed to cause a notice calling for bids for the required work and material to be made in the form and manner provided by law;

WHEREAS, sealed bids therefore will be received by the City Clerk's office at City Hall, 777 B Street, 4<sup>th</sup> Floor, Hayward, California 94541, up to the hour of 2:00 p.m. on Tuesday, October 5, 2010, and immediately thereafter publicly opened and declared by the City Clerk in the Public Works Conference Room, 4D, located on the 4<sup>th</sup> Floor of City Hall, Hayward, California;

NOW, THEREFORE BE IT FURTHER RESOLVED, the City Council will consider a report on the bids at a regular meeting following the aforesaid opening and declaration of same.

BE IT FURTHER RESOLVED, this project is categorically exempt from the California Environmental Quality Act under Article 18, Statutory Exemptions, Section 15268, Ministerial Projects.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2010

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

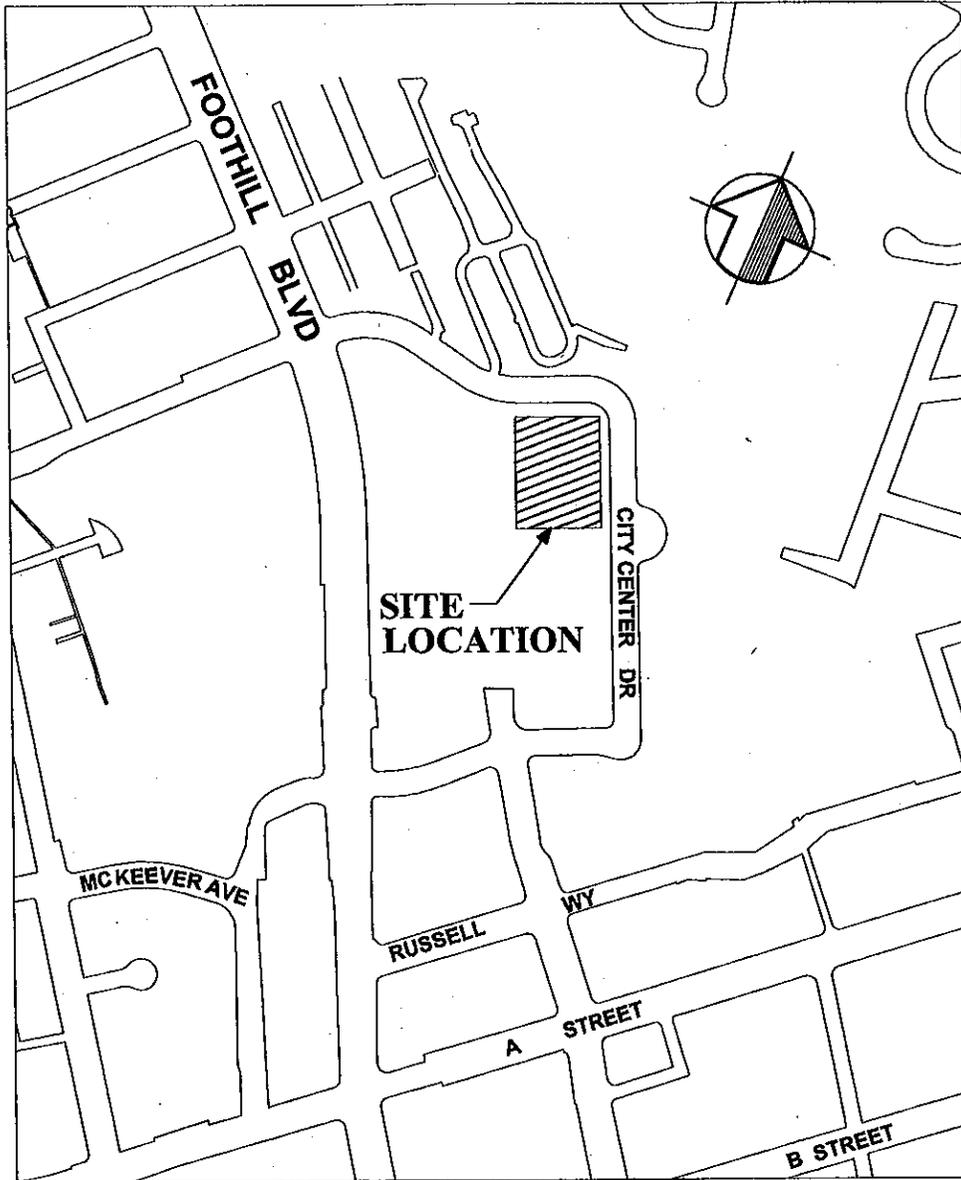
ABSTAIN:

ABSENT:

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward



**PROJECT LOCATION MAP  
CENTENNIAL HALL BUILDING DECONSTRUCTION  
ATTACHMENT II**