

CITY OF SEBASTOPOL CITY COUNCIL
AGENDA ITEM REPORT FOR MEETING OF: May 21, 2024

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To: Honorable Mayor and City Councilmembers
From: Toni Bertolero, Engineering Department, Consultant
Subject: Youth Annex ADA Upgrades Project - Budget Amendment

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RECOMMENDATIONS:

It is recommended that Council adopt a Resolution approving a budget amendment to the Fiscal Year 2023-24 Capital Improvement Program (CIP) budget for the Youth Annex ADA (Americans with Disability Act) Upgrades (CIP#0213-20.05). This amendment would increase the use of Fund 103, General Fund Building/Infrastructure Reserves, by \$20,285 and decrease CDBG grant funding by \$285. The estimated FY 2023-24 ending balance for Fund 103 is \$771,000 and after this proposed budget amendment will be \$750,715.

EXECUTIVE SUMMARY:

The requested action is to increase the project budget from \$161,000 to \$181,000, an increase of \$20,000. The project is funded with CDBG grant Fund 216 and Building/Infrastructure Reserve Fund 103. Due to changes in the project scope, additional architectural and city engineering costs were incurred during the design phase. This resulted in insufficient funding primarily for construction support and construction contingencies. Most of the GHD extra work was for the City Engineer’s review of the documents because the plans and specs changed significantly at least three times. The Architect also incurred extra costs because of the changes.

The cost estimate for the project was originally prepared in 2019 when the CDBG grant was requested. The project cost estimate was not updated until the project design and cost estimate was conducted in late 2023. The reason for the change is that the original 2019 scope was to include indoor and outdoor ADA improvements and when the cost estimate was recently prepared by a cost estimator, it became apparent that there was not sufficient budget. The Architect made various changes to match the budget but that took a few iterations and reviews by the City Engineer and Public Works staff. The project was eventually down-scoped to only include ADA improvements to the exterior site and that took effort to revise the plans and specifications.

This work is in accordance with the City’s ADA Transition Plan that was completed for all City buildings. The ADA Transition Plan was adopted by the City in 2014. The City’s Buildings/Infrastructure reserves fund is the appropriate funding source for ADA improvements for City buildings and facilities. To optimize the use of the reserve fund, staff has actively pursued grant funding and was successful in obtaining CDBG grant funding for the ADA improvements for the Youth Annex building.

BACKGROUND AND DISCUSSION:

The Youth Annex ADA Upgrades project was originally designed to include ADA improvements to the interior of the Youth Annex building as well as site path of travel improvements. However, due to the cost estimate being significantly higher than the CDBG grant funding, the project was downsized to only include ADA improvements to the exterior of the site up to the front door access. This was determined to be the priority for ADA improvements to ensure that ADA accessibility to the front door of the building. The improvements include site grading, signage, and ramp improvements. This work is part of the City’s commitment to ADA improvements to the City’s buildings and facilities.

In the future, the City can complete ADA improvements to the interior of the building. Due to budget constraints, staff will continue to pursue grant opportunities to perform this work. The Architect and City Engineer have

completed the plans and specifications for the interior work and this will make it easier to prepare a future cost estimate for the work and to bid the work, when future funding is secured.

STAFF ANALYSIS:

Although the project has been downsized, the design could not be downsized even more to avoid a budget increase. The minimum scope of the work was limited to only site improvements to allow for path of travel access from the parking lot area to the front door of the building. The interior ADA improvements have been designed and if a future grant can be secured, the design drawings can be utilized for construction. In addition, Public Works staff will be performing on-site inspection to further reduce consultant costs.

Table 1 summarizes the adopted budget versus the proposed budget and the difference is a budget increase of \$20,000. Table 2 breaks down the added costs for the project.

Table 1: Adopted 2023-24 CIP Budget versus Proposed Budget

Description	Adopted	Proposed
Design (architect)	0.	\$13,500.
Construction/construction support	<u>\$161,000.</u>	<u>\$167,500.</u>
Total budget	<u>\$161,000.</u>	<u>\$181,000.</u>
Difference (increase)	\$20,000.	

Table 2: Breakdown of Added Costs for Youth Annex ADA Project

City Engineer/Construction support (GHD)	\$5,000.
Construction support (Architect)	<u>15,000.</u>
Total	<u>\$20,000.</u>

COMMUNITY OUTREACH:

This item has been noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to the scheduled meeting date.

FISCAL IMPACT:

Table 2: Adopted and Proposed FY 2023-24 Budget for Youth Annex ADA Project

Fund No.	Fund Name	Adopted CIP Budget FY 2023-24	Proposed CIP Budget Amendment	Change in Fund Allocation
216	CDBG (Community Development Block Grant)	\$153,500.	153,215.	-\$285.
103	Bldg./Facilities/Infrastruc. Reserve	<u>7,500.</u>	<u>27,785.</u>	<u>20,285.</u>
Total		\$161,000.	\$181,000.	\$20,000.

There is an estimated FY 2023-24 ending fund balance of \$771,000 in Fund 103 and is sufficient to accommodate the proposed budget amendment. Fund 103 is a special General Fund reserve set aside for improvements to

public facilities. The reason for the reduction in available CDBG grant funding is because the Sonoma County CDC recently informed the City that it used CDBG funds to conduct environmental review.

Our working estimate of the General Fund year-end is that we will have a \$1.3 million operating deficit, an additional \$1.1 million reduction in fund balance with a loan to the sewer fund, and an ending fund balance of \$3.4 million, or approximately 20%.

Because capital projects seem to often require additional funding, staff will review how we estimate costs and budget for projects with the goal of improving our practices. This is particularly challenging for projects where initial estimates are completed years in advance of construction or include underground work. Nonetheless, this may be an opportunity for improvement in our fiscal practices.

OPTIONS:

No reasonable alternatives have been identified, given that the final construction price has been determined and the construction contract has been awarded. The work is expected to be completed this summer.

ATTACHMENT:

Resolution

APPROVALS:

Department Head Approval: Approval Date: 5/8/24

CEQA Determination (Planning): Approval Date: 5/1/24

The proposed action is not a project under the California Environmental Quality Act (CEQA)

Administrative Services (Financial) Approval Date: 5/8/24

Costs authorized in City Approved Budget: Yes No N/A

Account Code (f applicable)

City Attorney Approval: Approval Date: 5/1/24

City Manager Approval: Approval Date: 5/15/24

RESOLUTION NUMBER: 2024-____
CITY OF SEBASTOPOL

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEBASTOPOL AUTHORIZING A CIP BUDGET AMENDMENT FOR YOUTH ANNEX ADA PROJECT #0213-20.05

WHEREAS, on March 26, 2024 the construction contract was awarded DMR Builders; and

WHEREAS, a budget amendment is needed primarily due to additional costs for changes in the design plans resulting in insufficient funding for construction support, contingencies and city engineering support during the construction phase; and

WHEREAS, a budget amendment to the adopted Fiscal Year 2023-24 Capital Improvement Program (CIP) budget to proposed expenditures and funding sources is necessary for incorporating cost changes due to the reasons listed above; and

WHEREAS, on June 20, 2023 City Council adopted the Fiscal Year 2023-24 CIP Budget for the Youth Annex ADA Upgrades Project #0213-20.05 in the amount of \$161,000; and

WHEREAS, the adopted and proposed amended budget to incorporate cost changes as described above and required to complete the Youth Annex ADA Upgrades Project is shown in the table below.

Table: Adopted and Proposed FY 2023-24 Budget for Youth Annex ADA Project #0213-20.05

Fund No.	Fund Name	Adopted CIP Budget FY 2023-24	Proposed CIP Budget Amendment	Change in Fund Allocation
216	CDBG	\$153,500.	153,215.	-\$285.
103	Bldg./Facilities/Infrastruc. Reserve	7,500.	27,785.	20,285.
Total		\$161,000.	\$181,000.	\$20,000.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Sebastopol does hereby approve a budget amendment for Youth Annex ADA Upgrades Project from the designated funds and in the amounts shown on the table above.

The above and foregoing Resolution was duly passed, approved, and adopted at a meeting by the City Council on the 21st day of May 2024 by the following vote:

VOTE:

Ayes:

Noes:

Absent:

Abstain:

APPROVED: _____
Mayor Diana Gardner Rich

ATTEST: _____
Mary Gourley, Assistant City Manager/City Clerk, MMC

APPROVED AS TO FORM: _____
Larry McLaughlin, City Attorney