

Adoption of Resolution Amending the Capital Improvement Budget for Krusi Park Recreation Center Replacement for Fiscal Year 2019-20 in the Amount of \$131,000 from the Fund Balance of the Recreation Fund for Additional Construction Expenditures and Furnishings and Fixtures. (Recreation 2080)

To: Honorable Mayor and Members of the City Council

### EXECUTIVE SUMMARY

The Krusi Park Recreation Center Replacement (Krusi Recreation Center) project construction is underway and anticipated to be completed and occupied for after school programs and public rentals by Fall 2020. Project construction has been unique with individual contracts for electrical, site work, and building construction. Additional funding in the amount of \$131,000 is required for fire alarm installation, data/communications design and installation, and furnishings and equipment. This is recommended to be funded from the Recreation Fund balance.

### BACKGROUND

The Krusi Recreation Center is a project funded by the East Bay Regional Park District's (EBRPD) Measure WW grant funding, in the amount of \$1,365,489, including both design and construction costs plus additional funding from Dwelling Unit Taxes (DUT). The Krusi Recreation Center was in dire need of replacement and has been unusable to the public, except for the restrooms, for more than 8 years. Measure WW funds from the EBRPD were allocated to replace the Center. The Center is currently under construction with anticipated completion by September 2020.

### DISCUSSION

The Krusi Recreation Center project has been fraught with stops and starts with four attempts to construct within budget spanning from 2010 to 2020. The approach that is currently underway is unique because it is multi-tiered with a variety of contracts required to complete the project. The building itself is a turnkey installation and the contract with Romtec was approved by City Council on October 16, 2018. There are also two separate electrical and site work contracts that were bid and awarded, each under the pre-approved City Council limit of \$200,000 under the California Uniform Public Construction Cost Construction Cost Accounting Act (CUPCCAA).

While this segmented approach has been successful and resulted in a project that will be completed within a few months and nearly within budget, it also has been more challenging to coordinate and manage. There is not one single set of plans and specifications for the total project, so an unintended consequence is that small components were inadvertently missed and now must be rectified and funded. The primary unfunded components include:

- the fire alarm system installation;
- data and communications design and installation; and
- furnishings, fixtures and equipment.

There are also smaller costs such as:

- re-keying to standard City facilities locks;
- adjusting the sales tax which was incorrect in the Romtec contract;
- the added cost for increased geotechnical inspection time due to COVID-19 delays; and
- a remobilization fee for site work since it was determined in the field that it would be a better process to pour all asphalt pathways after building construction so the pathways would not be damaged during that construction.

The major portion of site work was completed prior to building construction with the asphalt pathways now being poured after the building is complete. This will result in a better final product for the City but does necessitate a remobilization fee.

These additional costs are recommended to be funded from the Recreation Fund, which has a current fund balance of \$648,049.

## ALTERNATIVES

Staff is recommending that the City Council amend the Capital Improvement Plan Budget to use \$131,000 of available Recreation Fund monies to complete the Krusi Recreation Center as envisioned.

### *Alternative 1 – Eliminate Data/Communication*

However, the total cost could be reduced by approximately \$30,000 if the data/communications is eliminated from the building. Program staff would use a cell phone for emergencies but there would be no internet, landline phone or cable TV available. Eliminating data/communications can be managed but is not ideal as it reduces the options for usage of the Krusi Recreation Center, such as for city meetings and public rentals. Additionally, Recreation staff prefers a land line at each program facility so that children's' parents can be reached if there were a major emergency and cell phones were not working.

### *Alternative 2 – Furnishings & Equipment*

The furnishings and equipment could be reduced somewhat if used furniture is purchased. However, this is the first new Recreation Center that has been built in decades and while staff are being prudent and cost effective with the purchases, it is not recommended to put older used furniture in a new building.

## FINANCIAL IMPACT

Budget for the additional expenditures is available from the Recreation Fund balance, which is currently \$648,049.

<b>Items for Budget Amendment</b>	
Lock Replacement to Public Works standard	3,500
Romtec Sales Tax Adjustment (contract had incorrect sales tax)	1,498
Data/Communications Design – Silver & Black	2,500
Romtec Change Order - Data/Communications Installation	26,500
Miller Pacific - Additional Inspections due to COVID-19	8,000
Intelli-Tech Fire Alarm System Installation	54,000
Furnishings, Fixtures and Equipment	50,000
Site Work Remobilization Fee	4,300
Contingency (5%)	7,515
Subtotal	157,813
Available Unallocated Project Funds	26,729
<b>TOTAL BUDGET AMENDMENT</b>	<b>131,000</b>

#### MUNICIPAL CODE/POLICY DOCUMENT CROSS REFERENCE

This action has no effect on the Alameda Municipal Code.

#### ENVIRONMENTAL REVIEW

This project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15301 (existing facilities), 15302 (replacement or reconstruction), and 15303 (new construction or conversion of small structures).

#### CLIMATE IMPACTS

There are no climate impacts from this budget amendment.

#### RECOMMENDATION

To amend the Capital Improvement Budget for Krusi Park Recreation Center replacement for fiscal year 2019-20 in the amount of \$131,000 from the fund balance of the Recreation Fund for additional construction expenditures and furnishings and fixtures.

#### CITY MANAGER RECOMMENDATION

The City Manager recommends approval of an amendment to the Krusi Park Recreation Center in the amount of \$131,000.

Respectfully submitted,  
Amy Wooldridge, Recreation and Parks Director

Financial Impact section reviewed,

Nancy Bronstein, Interim Finance Director/Human Resources Director

cc: Eric Levitt, City Manager