

REPORT TO THE CITY COUNCIL

City of Salinas, California

DATE: November 29, 2016

FROM: Gary E. Petersen, C.A.E.
Public Works Director

THRU: Frank A. Aguayo, P.E.
Interim City Engineer

BY: Josie Lantaca, Assistant Engineer

SUBJECT: **OLD MUNICIPAL SWIMMING POOL BUILDING RETROFIT – PHASE 1
PROJECT NO. 9535**

RECOMMENDATION:

It is recommended that the City Council approve a resolution:

- 1) Approving and authorizing the allocation and transfer of funds in the amount of \$280,000 from the Community Development Block Grant Funds to CIP No. 9535; and
- 2) Authorizing the City Manager or Designee to issue the necessary Contract Change Order(s) for this project.

DISCUSSION:

In March 2016, Council approved the construction work for the Old Municipal Swimming Pool Building Retrofit – Phase 1 (CIP No. 9535). The base bid work included the demolition/removal of the existing swimming pool deck and the top 18” of vertical pool wall, including fracturing of the existing pool bottom; structural backfill of the existing pool; construction of new reinforced concrete slab; minor ADA upgrades in the restroom areas; and installation of new emergency exit door mechanisms.

In addition to the base bid work, the following additive alternatives were also added to the project by Contract Change Orders as directed by Council after the project received additional Community Development Block Grant (CDBG) funds in April 2016. The additive alternatives included the following scope of work:

- Additive Alternate 1 – included removal and replacement of the roof system at the men and women restroom/dressing rooms, and front lobby eaves areas including miscellaneous structural repairs/replacement in kind of deteriorated framing members and roof sheathing.
- Additive Alternate 2 – included removal and replacement of the roof system of the main building including roof over lobby/mechanical/spectator's areas, including repair and/or replacement in kind of deteriorated framing members and roof sheathing.

- Additive Alternate 3 – included miscellaneous seismic upgrades to the main structure.
- Additive Alternate 4 – included repainting all interior surfaces of the building (includes restrooms/dressing rooms, and lobby area, excluding inside the mechanical room). Also includes exterior painting to all new/replacement materials.
- Additive Alternate 5A – included the installation of a new gym floor surfacing system over new concrete using “Robbins Pulastic Classic 90 Polyurethane Floor System”.
- Additive Alternate 6 – included the removal and disposal of existing glass panels and wood frames around glazing on the south, east and west sides of the building and replacing with a new wall with glazing.
- Additive Alternate 7 – included the removal and disposal of existing broken glass located at existing windows and door in the lobby area and in the men’s and women’s restroom/shower areas; and replacing those with new glazing.
- Additive Alternate 8 – included lead-based paint removal and/or abatement, and removal of asbestos-containing materials at various locations, including proper disposal.

A portion of Additive Alternate 9 which called for the removal and disposal of the existing roll-up doors located at the south side of the building was also awarded, but modified to replace the existing roll-up doors with new wall and one (double) door.

During the course of the renovation work, several dry rot/deteriorated walls/areas of the building were discovered, and repaired/replaced. It was also discovered that the piping system serving all the restroom areas are badly deteriorated. The requested funds will be used to pay for the removal and replacement of the deteriorated piping system, and all the associated plumbing work to make the restroom facility fully functional. In addition, portion of the requested funding would also be used to construct a wall system to separate the basketball area, and have a foldable basketball goal system safely mounted on the wall system.

ISSUE:

Shall City Council approve a resolution: 1) Approving and authorizing the allocation and transfer of funds in the amount of \$280,000 from the Community Development Block Grant Funds to CIP No. 9535; and 2) Authorizing the City Manager or Designee to issue the necessary Contract Change Order(s) for this project?

FISCAL IMPACT:

Current funding for the Old Municipal Swimming Pool Building Retrofit – Phase 1 (CIP No. 9535) includes the following:

CDBG (Fiscal Year (FY) 14/15)	\$350,000	
Measure G (FY 15/16)	\$100,000	
General Fund (FY 15/16)	\$241,000	
CDBG (Substantial Amendment – April 5, 2016)	\$797,285	
Total		\$1,488,285
Expenditures through November 17, 2016 (\$1,393,201)		
Current Available		\$95,084

Expenditures through November 17, 2016 totaled \$1,393,201, including costs associated with engineering & design; construction costs (including the Additive Alternates, and other work as stated above); construction engineering; and inspection.

Below is a summary of the projected added costs of the project:

Additional Plumbing Work	\$ 169,174
CMU Wall System	\$ 115,415
Foldable Basketball Backboards/Hoops	\$ 20,000
Volleyball Goal System	\$ 6,000
Contingencies	\$ 31,000
Inspection Cost	\$ 16,000
Total Projected Cost	\$ 357,589

The Community Development Department (CDD) revised the Citizen Participation Plan (CPP) in 2016 and it was approved by City Council and HUD. This document substantiates thresholds for changes in the City's HUD programming. Substantial Amendments for HUD funds for the City are qualified by the following thresholds:

A substantial amendment is defined as:

- For larger projects, over \$200,000, an increase of 25 percent or more in project funding. Changes that are less than \$50,000 are not considered substantial.
- An increase of 25 percent or more in project beneficiaries (i.e. income groups, limited clientele groups, residents of a targeted area) or a change in purpose, scope or location which would change the project beneficiaries by more than 25 percent, or
- A determination by the Community Development Director, that the change is substantial even though it falls below the standards in Section 1 and 2 above.
- For ESG components, as long as the maximum 60% threshold for Street Outreach and Emergency Shelter is not exceeded, funding can be moved within the other components to meet expenditure requirements without a substantial amendment.

HUD approved this 2016 CPP update.

As mentioned above, the current budget for this Phase 1 project includes \$350,000 from FY 14/15 CDBG funds and in April 2016, \$797,285 was added to the budget for a total CDBG funding of \$1,147,285. Twenty-five percent of this Phase 1 funding is \$286,821.25. Therefore, the requested amount of \$280,000 to be allocated and transferred to this CIP #9535 is within the 25% threshold, not requiring a Substantial Amendment. No further NEPA documentation is needed for this Amendment as the scope of work was covered in the initial NEPA. This fund is a re-allocation from unused CDBG entitlement funds. CDD will be updating the amount in their documentation.

If the requested allocation and transfer of funds in the amount of \$280,000 from CDBG funds is approved, the total available funding for this Phase 1 project will be \$375,084.

Phase II of this CIP #9535, is considered a separate project in HUD's eyes and this funding is \$667,060 allocated in FY 16-17. Currently, CDD Staff is completing the NEPA process for this Phase II allocation, and the funds have not been released for use yet. Scope of work for the Phase II project will be presented to the City Council for approval and bid authorization in early 2017.

TIME CONSIDERATIONS:

Phase 1 project completion is anticipated in early 2017, and Phase II project completion is anticipated in late summer 2017 contingent on the release of the Phase II CDBG funds. This timeline meets the requirement to encumber and spend the CDBG funds in a timely manner.

ALTERNATIVES/IMPLICATIONS:

1. Council may elect not to approve the transfer of funds. This is not recommended because the requested funds are needed to complete the Phase 1 project, and CDBG funds are available for the project; or
2. Council could direct staff to use other funds besides CDBG, like Measure G or General Fund.

CITY COUNCIL GOALS:

The Old Municipal Swimming Pool Building Retrofit – Phase 1 Project addresses the current City Council Goals of Excellent Infrastructure; Safe, Livable Community; and Quality of Life by providing a safe recreational facility for Salinas residents.

CONCLUSIONS:

At its meeting on November 29, 2016, the City Council is requested to adopt a resolution: 1) Approving and authorizing the allocation and transfer of funds in the amount of \$280,000 from the Community Development Block Grant Funds to CIP No. 9535; and 2) Authorizing the City Manager or Designee to issue the necessary Contract Change Order(s) for this project.

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