

STAFF REPORT



ITEM NO. 31

CITY OF OCEANSIDE

DATE: September 25, 2013

TO: Honorable Mayor and City Councilmembers

FROM: Neighborhood Services Department

SUBJECT: **APPROVAL TO ALLOCATE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) CONTINGENCY FUNDS, IN THE AMOUNT OF \$25,400, FOR THE BROOKS STREET SWIM CENTER, INCREASING THE FUNDING FOR EXISTING PROJECT IMPROVEMENTS (TERMITE/ROOFING), AND APPROVAL TO AMEND THE 2013-2014 ACTION PLAN ACCORDINGLY**

SYNOPSIS

Staff recommends that the City Council approve the allocation of Community Development Block Grant (CDBG) contingency funds in the amount of \$25,400 to the Brooks Street Swim Center, increasing the funding for existing project improvements (termite/roofing); and approve to amend the 2013-2014 Action Plan accordingly.

BACKGROUND

On October 3, 2012, City Council approved an allocation of CDBG contingency funds in the amount of \$50,000 for Brooks Street Swim Center to improve the roof and do termite work. A decision was made to wait to bid out the work until the details of a procedure for informal bidding was determined. That procedure is detailed in City Ordinance Number 13-OR0009-1, passed and adopted January 2, 2013. According to the Ordinance, the termite/roof work is classified as a "public project". Public projects below \$175,000 in cost follow informal bidding procedures and are approved by the City Engineer.

Since the Brooks Street Swim Center would have to be closed for a month or more while the work was done, and Marshall Street Swim Center was not planned to reopen at that time, it was decided to wait until Fall to start the informal bidding process.

ANALYSIS

During the month of August, bids have been gathered to effect the termite/roof improvements at Brooks Street Swim Center. Since the City is using CDBG funds for the improvements, all bids were required to use Davis-Bacon Act wage determinations.

In investigating the roof, it was found to contain asbestos in the roof penetration mastic. This is not a danger if not disturbed but if it is disturbed, as in the work contemplated here, it has to be removed by certified hazardous materials contractors. Additionally, the roof deck is composed of 2" X 8" tongue and groove planks and the termite damage to the roof members is extensive. Further complicating the work is an antiquated solar hot water panel array on the roof. In removing and replacing this array, parts of the system might fall apart from age and have to be replaced.

All these factors drove the obtained bids above the October 3, 2012 \$50,000 approved funding amount. The lowest responsible bid of three bids obtained is \$62,700. In an abundance of caution, additional funding is requested to be available for unforeseen items. This amount will not be added to the bid amount but will be held in reserve for any change orders necessitated by unforeseen work. The total requested funding amount of \$25,400 represents the difference between the previously approved \$50,000 and the bid of \$62,700 which equals \$12,700 plus an additional amount \$12,700 for unforeseen work. Any unused funds will be returned to the CDBG contingency fund account.

FISCAL IMPACT

As of August 31, 2013, there was \$345,857 available in the CDBG contingency fund (921790000237) available for allocation by the City Council.

This action would transfer \$25,400 from CDBG Contingency Fund to the Brooks Street Pool Roof account increasing the available funds to \$75,400. Any unused funds will be returned to the CDBG contingency fund.

The Budget change and appropriation for FY 2013-14 is as follows:

Business Unit	Object	Appreciation	Description
921790000237	4381.0001	\$ 24,500.00	HUD Revenue
921790000237	5450	(\$ 24,500.00)	HUD Expense (contingency)
911501200237	4381.0001	\$ (24,500.00)	Brooks Street Pool Revenue
911501200237	5325	\$ 24,500.00	Brooks Street pool expense (Roof/termite work)

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

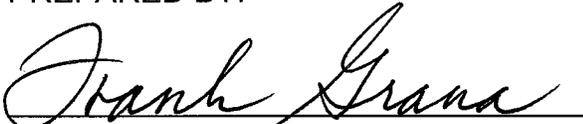
The City Council is authorized to hold a public hearing in this matter. Consideration of this matter should be based on the testimony and evidence presented at the hearing.

After conducting the hearing, the Council shall adopt, modify, or deny the recommendations contained in this report.

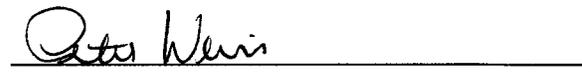
RECOMMENDATION

Staff recommends that the City Council approve the allocation of Community Development Block Grant (CDBG) contingency funds in the amount of \$25,400 to the Brooks Street Swim Center, increasing the funding for existing project improvements (termite/roofing); and approve to amend the 2013-2014 Action Plan accordingly.

PREPARED BY:


Frank Grana
Housing Program Manager

SUBMITTED BY:


Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager

Margery M. Pierce, Director, Neighborhood Services

Michael Blazenski, Interim Director, Financial Services

