

# Capitola City Council

## Agenda Report



**Meeting:** September 25, 2025

**From:** Public Works Department

**Subject:** Capitola Community Center Renovation - Quarterly Progress Report

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**Recommended Action:** Receive a quarterly progress report on the Capitola Community Center Renovation Project.

**Background:** The Capitola Community Center Renovation Project was initiated to modernize and expand the usability of the City's primary community facility. The Community Center, a 5,792-square-foot, single-story building originally constructed in 1985, has served as a hub for community meetings, recreation programs, and public events for nearly four decades.

The project ensures compliance with the Long-Term Use Agreement (LTUA) between the City of Capitola and the Soquel Union Elementary School District while bringing the building up to modern standards of safety, accessibility, energy efficiency, and community resilience.

Over the past year, the City secured funding through a combination of local allocations, state and federal grants, and CDBG awards. Design work was completed in 2024, followed by site preparation in early 2025. The contract was awarded to SSB Construction on January 30, 2025, and construction has since progressed steadily.

**Discussion:**

**Construction Progress:** This past quarter has seen visible progress on both the building and site work. Inside, drywall installation is well underway, with taping and finishing in progress. HVAC systems are being fitted out, and electrical rough-in work is complete, including new service panels to support modern building loads.

On the exterior, roofing improvements are moving forward, with insulation and membranes already in place and standing seam roofing scheduled for installation in late September and October. Sitework and storm drain improvements have begun, and preparation for the Patio Project—including demolition and grading—is underway. The patio work, funded separately through a CDBG award, will add new outdoor gathering and program space, including a fossil wall and retaining walls scheduled for construction in October.

Overall, the building is beginning to take shape that will better serve recreation programming, public events, and community emergency needs.

**Schedule Status:** As of September 1, the renovation is approximately 42% complete. Critical items include completing drywall and roofing in fall 2025, storefront and window installation in winter, and interior finishes in early 2026. The project remains on track for substantial completion in April 2026.

**Change Orders:** To date, change orders have been approved in several categories, with additional items under review. A detailed log is provided in Attachment 3. The following is a summary of change orders.

- **Regulatory & Safety:** Includes mold remediation identified during demolition.
- **Utility Coordination:** Covers electrical service adjustments, such as switchgear clearance corrections, and pending PG&E offsite work.
- **Owner-Directed Additions:** A new generator has been identified as a potential owner-directed addition to ensure the facility can operate during power outages and support emergency shelter use. Staff will defer bringing this item forward for decision until other related project bids are complete and overall contingency needs are better understood.

- **Discovery/Coordination Adjustments:** Includes field discoveries and trade coordination items, such as plumbing scope changes, air supply register adjustments, truss reinforcement, and mechanical/electrical integration refinements.
- **Minor/Other Repairs & Finishes:** Includes small-scale items such as wood repairs, ceiling framing adjustments, trash enclosure drain fixes, and other finish corrections.

As of September 12, 2025, approved change orders total approximately \$180,000 (about 4% of the construction contract). Pending change orders amount to roughly \$122,000, which, when formalized, would bring total change order costs to about \$302,000. These costs remain within the project's contingency allowance. At this stage of construction, the majority of demolition and discovery work is complete, so staff anticipates fewer unforeseen changes moving forward.

**Risks and Upcoming Focus:** The most significant risks moving forward relate to PG&E coordination, which may extend into early 2026, as well as seasonal weather impacts that could affect exterior patio and concrete work. Delivery of long-lead materials, such as switchgear, storefront components, and HVAC units, must also be closely tracked to avoid delays.

**Generator:** A new generator has been identified as a potential addition to the project. The Community Center previously had a smaller generator, but with the conversion from two-phase to three-phase service to support modern HVAC equipment, the existing unit is no longer compatible.

The estimated cost of a new generator is approximately \$128,000. If included, this would bring total change order costs to about \$430,000, leaving approximately \$47,000 in contingency.

Given the number of pending bids on related projects, staff recommends deferring a decision on generator installation until those results are known and the City has a clearer understanding of available contingency funding. Staff will return to Council at a later date with a recommendation.

#### **Other Projects on Jade Street Site:**

- **Community Center Patio Improvements:** These improvements will be completed under a separate contract with SSB Construction, funded through a CDBG award. Patio demolition is complete, with retaining wall and fossil wall work scheduled for October. Few change orders are anticipated.
- **Jade Street Park Restroom Renovation:** This project is currently out to bid, with a public bid opening scheduled for October 14, 2025, at 11:00 AM. Construction is expected to take three months, with an estimated budget of \$500,000 (including contingencies).
- **Treasure Cove Playground:** The project was advertised on July 21, 2025, and bids were opened on August 21, 2025. Four bids were received and evaluated. Staff is recommending award of the playground construction contract during the September 25, 2025, City Council meeting. The total project budget (with contingencies) is estimated at \$2,340,000.

**Fiscal Impact:** The project budget includes contingency funding to address unforeseen conditions and scope adjustments. To date, cumulative change orders remain within the authorized budget allocation. The fiscal impacts of a new generator are not included in the totals above and will be presented to Council for consideration at a later date.

#### **Attachments:**

1. Project Schedule (as of August 25, 2025)
2. Change Order Log (through September 12, 2025)
3. Progress Photos

**Report Prepared By:** Jessica Kahn, Public Works Director

**Reviewed By:** Julia Gautho, City Clerk

**Approved By:** Jamie Goldstein, City Manager