

# Capitola City Council

## Agenda Report



**Meeting:** January 30, 2025  
**From:** Public Works Department  
**Subject:** Community Center Renovation Project

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**Recommended Action:** Staff recommends the City Council: 1) approve the construction contract for the Capitola Community Center Renovation Project with SSB Contracting, Inc. in the amount of \$4,726,000, including selected additive alternates.; 2) authorize the Public Works Department to issue a notice to proceed upon final contract execution; 3) approve Amendment 3 to the Professional Services Agreement with Boone Low Ratliff Architects for design consultant services for the Project in the amount of \$18,320, for a total contract amount of \$579,033; and 4) adopt a resolution adopting the NEPA and CEQA determination and amending the FY 2024-25 Budget.

**Background:** The Capitola Community Center Renovation Project is intended to modernize the facility and ensure compliance with the Long-Term Use Agreement (LTUA) with the Soquel Union Elementary School District. Over the past year, project funding was secured, design documents were finalized, and site preparations were completed.

Earlier this year, asbestos abatement was successfully completed, and the Community Services and Recreation Department temporarily relocated to Opal Cliffs School to ensure uninterrupted programming during the renovation.

The project focuses on a comprehensive upgrade to the existing 5,792-square-foot, single-story building, which was originally built in 1985. These renovations will ensure the facility meets modern standards for accessibility, functionality, and efficiency.

Exterior improvements will include replacing the building's roof and siding, repairing or replacing rafters and concrete piers, and addressing damaged stucco walls. New windows will be added, and all existing exterior doors and windows will be replaced. A shed roof will be installed at the main entry to provide a welcoming and sheltered entrance.

Inside the building, the upgrades will include the addition of a single-user accessible restroom, a new office, and a permanent divider between two meeting spaces. Existing offices, the reception area, restrooms, and the kitchen will be enhanced with new finishes throughout. Modern mechanical systems, including a new HVAC system, water heater, and electrical upgrades, will ensure the building operates efficiently.

To improve accessibility, upgrades will be made to the parking area and the paths of travel to ensure compliance with current accessibility standards.

In addition to the core project, three additive alternates were included in the bid to provide flexibility based on available funding. These alternates focus on landscaping and irrigation, kitchen and acoustic upgrades, generator enhancements, audio/visual (AV) equipment, and exterior site improvements (such as electric vehicle (EV) charging stations).

Although budget constraints prevent the full realization of the outdoor improvements in this phase, the project has been designed to allow for future-phased work as additional funding becomes available.

**Discussion:** The City advertised the project for construction bids on October 31, 2024, and held a mandatory pre-bid conference and job walk on November 20, 2024. On January 16, 2025, the City received bids from six contractors, and SSB Contracting, Inc. was identified as the lowest responsive and responsible bidder with a base bid of \$3,756,369.

The project's design allows for flexibility through additive alternates, enabling adjustments based on available funding.

**Table 1. Project Funding Sources**

<b>Funding Source</b>	<b>Amount</b>
FY 22-23 Budget	\$150,000
FY 24-25 Budget	\$1,650,000
CNRA Grant	\$1,000,000
CDBG Grant	\$3,200,000
CDBG Program Income Funds	\$160,240
<b>Total Project Funding</b>	<b>\$6,160,240</b>

Potential funding is still pending from a 2024 CDBG application, which could fund additional exterior improvements.

**Table 2. Project Costs**

<b>Expense</b>	<b>Amount</b>
Design	\$579,033
Construction Management	\$300,000
Pre-Project Modifications	\$34,000
<b>Total Pre-Construction Costs</b>	<b>\$913,033</b>
Funds Remaining for Construction	<b>\$5,247,207</b>

The project includes costs for design, project management, asbestos abatement, and temporary relocation of Community Services and Recreation Department staff.

Staff recommends proceeding with the base bid and the following alternates, tabulated in Table 3 below:

- B1 (Kitchen and Pantry): Includes new appliances and metal shelving (excluding sinks).
- B2 (Acoustic Improvements): Installation of sound systems, audio-visual equipment, and wall-mounted TVs in meeting rooms, including data installation.
- B4 (Audio-Visual Equipment): Installation of AV equipment as specified.
- C1, C3, C4 (Exterior ADA Improvements): Includes ADA site improvements initially listed as alternates. These improvements are necessary for accessibility and should proceed with the base project.
- C2 (EV Charging): EV charging improvements are required per the building code.

**Alternates Not Recommended at This Time**

- B3 (Generator Upgrade): The building's generator is relatively new and fully functional. This upgrade can be deferred without disrupting the building.
- A (Patio Improvements): Add Alternate A encompasses comprehensive patio improvements, including demolition of the existing concrete surfaces, installation of new decorative paving, softscape enhancements, and irrigation upgrades. The improvements also feature additional outdoor furniture, landscaping, and lighting to enhance functionality and aesthetics. While these upgrades would significantly improve the outdoor spaces and provide additional amenities for public use, the current budget does not allow for full implementation of this scope.

Some elements of Additive Alternate A may be incorporated into the project using the contingency budget, depending on the remaining funds and the feasibility of including specific components without affecting the project's overall schedule. This approach ensures that the City can address priority aspects of the patio improvements while remaining fiscally responsible. Any work included from this alternate will be coordinated with the contractor to avoid disrupting other planned construction activities.

The remainder of the scope will be deferred and can be completed in a subsequent phase if the pending CDBG funding is approved. By deferring portions of the patio improvements, staff can minimize additional mobilization costs and integrate the work seamlessly into a future project.

**Table 3. Proposed Contract Price**

<b>Item</b>	<b>Bid Price</b>	<b>Staff Recommendation</b>
Base Bid	\$3,756,369	\$3,756,369
Alternate A - Landscape	\$959,808	\$0
Alternate B1 - Kitchen & Pantry	\$79,858	\$79,858
Alternate B2 - Acoustic Improvements & Finishes	\$126,632	\$126,632
Alternate B3 - Generator Upgrades	\$159,741	\$0
Alternate B4 - AV Equipment	\$60,548	\$60,548
Alternate C1 - Exterior Site Improvements	\$470,406	\$470,406
Alternate C2 - EV Charging	\$170,379	\$170,379
Alternate C3 - Landscape & Irrigation	\$17,359	\$17,359
Alternate C4 - Site Electrical	\$43,516	\$43,516
<b>Total Contract Price</b>	<b>\$5,894,616</b>	<b>\$4,725,067</b>
	Contingency (approximately 9.5%)	\$447,140
	PG&E Service Upgrade	\$75,000
	<b>Total Construction Budget</b>	<b>\$5,247,207</b>

An amendment to the contract with Boone Low Ratliff Architects is required to address additional design revisions necessitated by the federal bidding process associated with grant funding. This cost is included in the project costs in Table 2 above.

Construction is expected to begin in early February 2025, with an estimated completion date in early 2026.

**Fiscal Impact:** The project received substantial funding, including a \$1 million grant from the California Natural Resources Agency (CNRA) and a \$3.2 million allocation from the Community Development Block Grant (CDBG) program.

The updated project budget includes costs for design, construction, asbestos abatement, and temporary relocation.

**Table 5. Project Funding and Cost Summary**

<b>Project Funding Sources</b>	
FY 22-23 Budget	\$150,000
FY 24-25 Budget	\$1,650,000
CNRA Grant	\$1,000,000
CDBG Grant	\$3,200,000
CDBG Program Income Funds	\$160,240
<b>Total Project Funding</b>	<b>\$6,160,240</b>
<b>Project Costs</b>	
Design	\$579,033
Construction	\$5,247,207
Construction Management	\$300,000
Pre-Project modifications	\$34,000
<b>Total Project Costs</b>	<b>\$6,160,240</b>

Environmental Determination: The proposed project is categorically excluded under the National Environmental Policy Act (NEPA) according to 24 CFR 58.35(a). It is also exempt from the California Environmental Quality Act (CEQA) under Section 15301 of the CEQA guidelines, which pertains to existing facilities. The facilities and improvements will be retained in the same use without expansion and will have no significant environmental impact.

Attachments:

1. [Project Plans](#)
2. Boone Low Ratliff Architects Contract Amendment No. 3
3. Agreement with SSB Contracting, Inc.
4. Resolution Adopting CEQA/NEPA Findings & Amending the FY 2024-25 Budget
5. Budget Amendment

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Reviewed By: Julia Gautho, City Clerk; Jim Malberg, Finance Director; Samantha Zutler, City Attorney

Approved By: Jamie Goldstein, City Manager