

AGENDA ITEM SUMMARY

City Council



STAFF

Aaron Harris, Senior Manager, Recreation
Brian Hergott, Assistant Director, Operations Services
Sara Arfman, Assistant City Attorney

SUBJECT

Second Reading of Ordinance No. 133, 2023, Appropriating Prior Year Reserves and Authorizing Transfers of Appropriations for the Childcare Space Modifications at the Northside Aztlan Community Center and Related Art in Public Places.

EXECUTIVE SUMMARY

This Ordinance, unanimously adopted on First Reading on October 3, 2023, appropriates \$197,960 from Recreation Reserves to close the funding gap on the Childcare Space Modifications at Northside Aztlan Community Center and transfers 1% of the applicable construction costs to Art in Public Places (APP).

STAFF RECOMMENDATION

Staff recommend adoption of the Ordinance on Second Reading.

BACKGROUND / DISCUSSION

Budgeting for Outcomes Offer 43.23: American Recovery Plan Act (ARPA) Childcare Space Modifications at Northside Aztlan Community Center (NACC) was funded in 2023 for \$721,932 (\$421,932 was contributed by ARPA and \$300,000 was contributed by General Fund reserves).

Supplemental Ordinance No. 040, 2023, adopted on April 4, 2023, appropriated an additional \$260,000 to cover the overage in the original construction estimate.

This appropriation, in the amount of \$196,000, is being requested from Recreation Reserves to cover the additional costs incurred due to modifications needed to the construction as detailed below.

Total amount for the project to date including this Ordinance is \$1,177,932.

After completion of the design the Request for Proposal (RFP) was released for construction. Operations Services projected the project to cost \$721,932 in Spring 2022 and included cost escalation and contingency. The two bids received came in approximately \$260,000 over the original construction estimate.

The original 2007 Northside Aztlan Community Center was built over an existing landfill site. The building was designed with a full structural concrete slab, along with a special air monitoring system, to monitor

emissions and ensure the public using the facility were safe. Upon the general contractor doing initial floor deconstruction for renovation, they discovered special structural details associated with the concrete floor slab, which included two layers of continuous steel reinforcing. The design firm has since modified their design and the contractor has had a great deal of extra work in both labor and equipment to remove the concrete floor slab, along with the reinforcing steel, to allow for new underground utilities to be installed. These modifications in design also required the contractor to expose additional floor slab reinforcing steel which required special rebar couplers to be installed to maintain the structural floor slab system.

The contractor performed site potholing to locate the high-volume gas line, located along the west side of the building. The gas line was revealed to be located directly below the location identified for the new fence around the outdoor play area for the childcare renovation. We have had to modify the fencing details and relocate this fence so it is no longer over the gas line, which will also allow Xcel Energy access to this gas line in the future.

Following a third-party security audit, it was recommended that a pair of cross corridor access control doors be installed between the reception desk and east classrooms to limit public access. It was also recommended that two additional cameras be added to observe those entering and leaving the childcare area, along with the capability to observe the outdoor play area.

1. Additional Contractor Expenses associated with the Floor Slab	\$124,114.39
<ul style="list-style-type: none"> - Additional saw cutting of the slab - Additional labor to remove the concrete slab and rebar - Additional rebar and special couplers - Additional labor and materials for under floor slab utilities 	
2. Additional Contractor Expenses associated with the fence	\$ 16,000.00
<ul style="list-style-type: none"> - Additional labor and fencing materials to expand the fence - Additional environmental soil removal and cleanup 	
3. Additional City Expenses associated with the Floor Slab	\$ 19,717.00
<ul style="list-style-type: none"> - Additional air monitoring while the floor slab is open to the earth below - Additional spotter services to observe the trenches below the floor slab 	
4. Additional City Expenses associated with the Fence:	\$ 5,271.00
<ul style="list-style-type: none"> - Additional landscaping cost to move existing irrigation systems - Additional environmental spotter services to observe additional holes for fence post 	
5. Additional Security Upgrades:	<u>\$ 30,897.00</u>
<ul style="list-style-type: none"> -Two additional security cameras based on a secondary security audit. -New security doors between existing reception desk and east classrooms. 	
Total Added Cost (rounded)	\$196,000.00

In addition, a contribution to Art in Public Places (APP) in the amount of \$1,960 (1% of the \$196,000) will be included in this appropriation.

The childcare space modification project addresses the numerous safety concerns existing at NACC. Specifically, the project includes three levels of security access control not found in the current facility. The project also includes emergency exit doors, that are not currently available. Currently, all three childcare classrooms are accessible by the public, with no secure entry.

Impact if funding is not approved and project is delayed.

- Cost escalation and inability to finish project.
 - We have exhausted initial project contingencies and have looked at potential savings. The final construction cost of this project will continue to increase if further delays are experienced, and the space will not be able to be opened/generate revenue until construction is complete.
- Impact on programs
 - Programs and rentals will continue to be impacted.

CITY FINANCIAL IMPACTS

Appropriating these funds will allow this project to move forward with current costs, prevent delays, and potential further cost escalation.

Recreation Reserves as of September 2023	Contingency Funding for NACC Childcare Project	Art in Public Places contribution for NACC Childcare Project	Recreation Reserves Projection December 31, 2023
\$2,170,000	(\$196,000)	(\$1,960)	\$1,972,040

Staff is asking that any remaining ARPA funds at the end of 2023 be considered to replenish the Recreation Reserves appropriated with this Ordinance since this was originally a partially ARPA funded project in the 2023-2024 budget.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

Because of the timing of board meetings, this need was not presented to the Parks and Recreation Advisory Board or to Council. They were very supportive of this project during the Budgeting For Outcomes (BFO) process.

PUBLIC OUTREACH

None.

ATTACHMENTS

1. Ordinance for Consideration