



## Legislation Text

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**File #:** ORD 17-001, **Version:** 1

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Consideration of and action on an ordinance amending the Fiscal Year 2016-2017 Budget for construction of a new City Hall.

Summary: In 2014 the City began working with George Watanabe of CRE8 Architects to develop a new layout for City Hall to increase office space and add improvements to the building. In September 2014, the City Council approved a resolution to commit \$2,500,000 of the Fiscal Year 2013-2014 fund balance for renovations to City Hall. In evaluating the overall impact of the renovations, including the high cost of a new roof and the cost of mold remediation along with other improvements, it was determined that it would be more cost effective to construct a new City Hall adjacent to the existing building. In anticipation of the new construction, the City Manager - in accordance with Resolution 2013-14 - assigned \$4,000,000 of the Fiscal Year 2014-2015 fund balance for the construction of a new City Hall. And in September 2016, the City Council approved a resolution to commit \$500,000 of the Fiscal Year 2015-2016 fund balance for furnishings in the new City Hall. A total of \$7,000,000 of fund balance is committed or assigned for the new City Hall construction project.

The City has been working with the architect on the design of a new City Hall and the final design was completed in late fall of 2016. With the design complete, the City could solicit bids for the construction of a new City Hall and in December 2016, the City received bids.

The City has completed the evaluation of the bids for the construction of a new City Hall and will be presenting a recommendation to award the bid to Construction LTD at a cost of \$6,121,000. Now that the City has an amount and a timeline for this construction project, which is expected to begin in 2017, it is necessary to amend the Fiscal Year 2016-2017 Capital Improvements Budget to include this project. The aforementioned \$6,121,000 includes a \$150,000 contingency (which may only be authorized by the City Council) but does not include any other work on the project (e.g., testing, etc.) or various other necessary components such as the new sanitary sewer line and storm sewer line, furniture, audio/visual equipment, card reader security system, security camera system, etc. Therefore, the City is recommending that a budget amendment to add this project to the Fiscal Year 2016-2017 Budget be in the amount of \$7,000,000, which is the total amount of the committed and assigned fund balance for this project.

### Fiscal/Budgetary Impact:

\$7,000,000 for the construction of a new City Hall will be added to the Fiscal Year 2016-2017 Budget of the Capital Improvements Fund (Account No. 90-105-4902, Buildings) and will be funded by the committed fund balance and the assigned fund balance of the General Fund.

Approve the ordinance to amend the Fiscal Year 2016-2017 Budget for construction of a new City Hall.