



Legislation Text

File #: 2023-0247, Version: 1

Report to Mayor and City Council

Tuesday, May 02, 2023

Consent

SUBJECT:

CONSIDER APPROVAL OF AMENDED RESOLUTION NO. 23-068 "A RESOLUTION OF THE CITY OF CARSON CITY COUNCIL AMENDING THE FISCAL YEAR 2022-23 BUDGET IN THE SPECIAL REVENUE FUNDS" TO REBALANCE ACCOUNTS RELATED TO SERVICES PROVIDED BY P.A. ARCA ENGINEERING

I. SUMMARY

In 2019, P.A. Arca Engineering (Arca) completed construction inspection services, on behalf of the City, to facilitate a Metropolitan Water District of Southern California (MWD) project. MWD paid the City a total of two hundred fifty thousand dollars (\$250,000) for these inspection services, but the money was not paid from the proper account. Instead, Arca's construction inspection services were paid from Purchase Order 22000847, account 101-80-820-100-6004, which was established for payment of Staff Augmentation and other engineering services work performed under an on-call contract between the City and Arca.

Arca performed the Staff Augmentation and other engineering services work between 2019 and 2022, however there are now insufficient funds to pay the invoices associated with this work due to previous payments made to compensate the MWD construction inspection work.

Staff requests that the City Council adopt Resolution No. 23-068 authorizing the transfer of \$217,595 from Fund account 101-99-999-999-4603, and \$32,405 from Fund account 101-99-999-999-4205, to account 101-99-999-904-6004 for a total of \$250,000 to allow payment to Arca for previously performed work on Staff Augmentation and other engineering services work (Exhibit No. 1).

II. RECOMMENDATION

1. AUTHORIZE the Purchasing Division to amend PO 22300901 to an amount not to exceed \$194,842.62 thereby allowing payment to P.A. Arca Engineering Inc., under the on-call contract for staff augmentation and other engineering services.

2. ADOPT Resolution No. 23-068 "A RESOLUTION OF THE CITY OF CARSON CITY COUNCIL AMENDING THE FISCAL YEAR 2022-23 BUDGET IN THE SPECIAL REVENUE FUND."

III. ALTERNATIVES

TAKE another action the City Council deems appropriate consistent with the requirements of the law.

IV. BACKGROUND

In 2019, the Metropolitan Water District of Southern California (MWD) performed a large project to rehabilitate an existing water main within the City of Carson. MWD was required by the City to secure an encroachment permit, which included the required construction inspections to ensure compliance with plans and specifications, as well as local and State laws, regulations, and standards. At the time, City staff were not available to perform these inspection services on MWD's compressed schedule, therefore an agreement between MWD and the City was executed, stating MWD would pay the City for all costs associated with contracting a third-party construction inspector to perform the inspections on this project (Exhibit No. 2).

P.A. Arca Engineering was contracted by the City to perform these construction inspection services. MWD paid a total of \$250,000 to the City for these services. These payments were deposited to the General Fund and therefore were not made available to pay Arca for their services. Arca was instead paid from an existing account 101-80-820-100-6004 designated for staff augmentation and engineering services work on other projects under an on-call contract between the City and Arca. When Arca performed the staff augmentation services between 2019 and 2022, there were no longer funds available to pay them from account 101-80-820-100-6004, because the funds had been used previously to compensate them for construction inspection services related to the MWD project.

Staff requests that the City Council approve Resolution No. 23-068 authorizing the transfer of \$250,000 deposited by MWD to account 101-99-999-904-6004 to allow payment to Arca for previously completed work.

V. FISCAL IMPACT

There is no impact to the Fiscal Year 2022-23 budget. A reimbursement from MWD was deposited into revenue Fund account 101-99-999-999-4603 for \$217,595, and Fund account 101-99-999-999-4205 for \$32,405. \$250,000 should be appropriated from the Fund Balance 3601 and appropriated to account 101-99-999-904-6004 as specified in Resolution No. 23-068.

VI. EXHIBITS

1. Resolution No. 23-068 (pgs. 4-5)
2. Reimbursement Agreement with Metropolitan Water District (pgs. 6-16)

1.

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