



CITY OF CARSON

Legislation Text

File #: 2018-293, Version: 1

Report to Mayor and City Council

Tuesday, May 01, 2018

Consent

SUBJECT:

CONSIDER RESOLUTION NO. 18-059, AMENDING THE BUDGET FOR A LEGAL SETTLEMENT TO INSTALL NEW CARPET AT THE COMMUNITY CENTER (CITY COUNCIL)

I. SUMMARY

Staff recommends appropriating \$44,667 from the General Fund balance to provide for a legal settlement, as well as third-party inspection of new carpet installation at the Community Center. A previously authorized General Fund appropriation of \$50,000 was allowed to lapse in 2015, and remains a part of the General Fund balance.

II. RECOMMENDATION

WAIVE further reading and ADOPT RESOLUTION NO. 18-059, A RESOLUTION OF THE CITY OF CARSON CITY COUNCIL AMENDING THE FISCAL YEAR 2017-18 BUDGET IN THE GENERAL FUND.

III. ALTERNATIVES

None.

IV. BACKGROUND

As part of the Community Center Renovation Project number 1454, carpet was installed by CWS Systems, Inc. (CWS). The carpet did not meet the City's specifications and must be replaced.

The City recently settled litigation with CWS and other related parties. The City will release project retention of \$107,000, and contribute \$40,000 that was separately received from the Community Center's contracted caterer. CWS will remove the previously installed carpet and install new carpet that meets the City's specifications.

A summary of CWS contract payments follows:

Original Contract	\$ 1,043,000
Change Orders	584,577
Final Contract	\$ 1,627,577
Less: Payments	1,495,244
Balance Available	\$ 132,333

The change orders included a final change order of \$50,000, which was budgeted from the General Fund on March 23, 2015 in account 01-99-999-004-8004/0145401. The General Fund appropriation was not carried forward to future fiscal years, and the \$50,000 remains in the General Fund balance. Therefore, only \$82,333 is currently available to disburse; which is \$24,667 less than the \$107,000 payment required by the settlement.

In addition to the settlement, the City proposes to hire a separate flooring company to inspect the new carpet installation. The proposed cost of the third-party inspection is \$15,000; and staff recommends adding a contingency of \$5,000.

Shortfall due to previously lapsed appropriation	\$24,667
Third-party inspection, including contingency	20,000
Recommended Appropriation	\$44,667

Staff recommends a budget amendment to appropriate \$44,667 from the previously authorized \$50,000.

V. FISCAL IMPACT

The proposed budget amendment will reduce the General Fund balance by \$44,667.

As reported on March 20, 2018 during the FY18-19 Budget Workshop #2, the estimated General Fund balance at June 30, 2018 is \$22,553,322, including sale of land for \$4.5 million which may not be completed by June 30th.

VI. EXHIBITS

Resolution No. 18-059, A RESOLUTION OF THE CITY OF CARSON CITY COUNCIL AMENDING THE FISCAL YEAR 2017-18 BUDGET IN THE GENERAL FUND (pages 3-4)

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