



**Department:** Public Works  
**Cost Center:** 9501  
**For Agenda of:** 11/12/2024  
**Placement:** Business  
**Estimated Time:** 60 Minutes

**FROM:** Matt Horn, Public Works Director  
**Prepared By:** Sandra Golonka, Capital Projects Manager III

**SUBJECT:** RECEIVE THE MISSION PLAZA ENHANCEMENT PROJECT, SPECIFICATION NO. 91439-01, CONSTRUCTION BID AND PROJECT BUDGET UPDATE

## RECOMMENDATION

1. Receive a presentation on the “Mission Plaza Enhancements Project – Construction Bids and Budget Update,” Specification No. 91439-01; and
2. Provide input and direct staff to proceed with Alternative One, Two, or Three, or some combination thereof, as discussed in this staff report.

## REPORT IN BRIEF

The Mission Plaza Enhancement Project, initiated from the 2017 Mission Plaza Concept Plan, has undergone several reviews and approvals over the years. In June 2023, the City Council authorized the project to be advertised for bids. Since then, the project has been advertised three separate times for bids. The first two attempts resulted in non-responsive bids due to contractor discrepancies, while the third and most recent advertisement produced two responsive bids that significantly exceeded the engineer’s estimate. The lowest responsive bid submitted by a responsible contractor was nearly double the estimated cost, resulting in a substantial funding shortfall. Staff has developed alternatives for Council’s consideration.

## POLICY CONTEXT

With the adoption of the Fiscal Year 2023-25 Financial Plan, Council established a Major City Goal of Economic Resiliency, Cultural Vitality, and Fiscal Sustainability. Within that Major City Goal is the strategic approach for Downtown Vitality with efforts to focus on supporting infrastructure investments. The Mission Plaza improvements are included in the infrastructure investments the City is pursuing to meet the Major City Goal by activating a public space and increasing safety of the plaza.

The recommended actions for the award and fund appropriation are supported by the City Council’s adopted Capital Improvement Plan as well as its Fund Balance and Reserve Policy. The City’s Fund Balance and Reserve Policy was adopted in June 2021 and includes guidelines related to the Capital Projects Reserve Fund, as follows:

*The City will maintain a committed reserve of 20% of the Capital Improvement Plan budget from the Local Revenue Measure for the purposes of offsetting unanticipated cost increases, unforeseen conditions, and urgent unanticipated projects to provide continued investment in infrastructure maintenance and enhancement. Use and allocations of funds from the Capital Projects Reserve Fund will be made to Capital Projects including Major Facility Replacement upon Council approval as necessary during any fiscal year.*

At this time, there are no other projects anticipated to draw from this account. Staff will keep the Council updated as additional funding needs arise for future projects. The recommended use of the Reserve to supplement the Mission Plaza Enhancement project is consistent with this policy.

## **DISCUSSION**

### **Background**

In 2017, the City Council reviewed and adopted the [Mission Plaza Concept Plan](#). A major component of the Concept Plan is to replace the existing restroom and install a new Kiosk Café to encourage longer stays and better activate the plaza. The Concept Plan was developed during a 24-month process involving numerous stakeholder meetings, community workshops, and input from the Parks and Recreation Commission, Cultural Heritage Commission, Architectural Review Commission, and Planning Commission.

In [October of 2018](#), Staff delivered a presentation to the Cultural Heritage Committee (CHC) to convey the intent and scope of the project and receive feedback regarding the City's project development plan. The result was the formation of a CHC sub-committee which included interested community members.

On [August 7, 2019](#), Staff presented the Preliminary Site Plan to the Parks and Recreation Commission. The commission showed support for the proposed plan with recommendations to move forward with the option to provide accommodations for food truck operation and not a standalone café. Additional recommendations include providing bike racks for visitors to the plaza as well as for further activation including small concerts, art shows, children's workshops, and public readings.

In 2020, after several advisory body meetings, a [Council Study Session](#) was conducted to get direction on the final scope of the project.

[On April 25, 2022](#), the conceptual design was presented to the Cultural Heritage Committee. The project was reviewed by the Community Development Director through the Architectural Review application and the conceptual project plans were approved on June 1, 2022, based on findings and subject to project conditions that have been incorporated into the final construction documents.

On [June 20, 2023](#), the City Council authorized staff to advertise for construction bids for the Mission Plaza Enhancement Project and authorized the City Manager to award the contract if the lowest responsible bid was below the publicly disclosed funding amount of \$2,400,000.

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Mission Plaza Enhancements – Construction Plans (Attachment A) and Special Provisions (Attachment B) developed by RRM and staff include many features identified in the previously adopted Mission Plaza Concept Plan.

These features include:

1. Increased Americans with Disabilities Act (ADA) accessibility around the Mission Plaza restrooms and Murray Adobe patio area
2. Activate the Mission Plaza by creating a space for the public to purchase food and drinks and occupy the space
3. Remove the trellis over the adobe and replace it with open seating for dining activities
4. Add drainage inlets around the Murray Adobe and a protective plaster wall with a viewing window
5. Installation of Public Art and Art Kiosk to provide a point of interest and promote community events and engagement
6. Increased restroom capacity
7. Improved security with the addition of cameras and lighting
8. Provide opportunities for vendors to lease and operate a Café Kiosk
9. Improved signage
10. Better lines of sight; to open the area up resulting in better lighting and unobstructed sight paths

The project is subject to conditions of approval including but not limited to protection of the Murray Adobe by hiring a qualified Architectural Historian to monitor construction work and Archeological Monitoring in compliance with the Archaeological Resource Preservation Program Guidelines due to the historic and culturally significant nature of the site.

### **Construction Bids**

The project was advertised with an estimated construction cost of \$2,250,000 and a contract duration of 180 working days. The total project bid publicly disclosed a funding amount of \$2,400,000.

### ***1st Bid Opening***

On April 18, 2024, one bid was received and opened. Quincon Incorporated (Quincon) was the apparent lowest bidder with a listed bid total of \$3,434,423.19. Staff reviewed the bid submittal and discovered multiple pricing errors, creating a discrepancy between the listed bid total and the correct bid total per unit price in the submitted documents. When re-calculating the bid total based on the unit price listed, the total bid amount increased to \$7,223,406.99. The bid was deemed non-responsive due to pricing errors.

On May 8, 2024, the City Manager authorized staff to reject the bid received and readvertise the project.

**2nd Bid Opening**

On June 13, 2024, two bids were received from Quincon and Edwards Construction Group (Edwards) for the project. Both bids were above the original Engineer’s Estimate, and Quincon was the apparent low bidder with a listed bid total of \$3,833,510.68. Staff reviewed the bid submittals and determined that both bidders, including the apparent low bidder, provided insufficient information to determine responsiveness.

*Table: Bid Results from the second bid opening  
06/13/2024*

<i>Engineer's Estimate</i>	<i>Quincon</i>	<i>Edwards</i>
<i>\$2,250,000</i>	<i>\$3,833,511</i>	<i>\$7,888,068</i>

Quincon’s bid proposal did not acknowledge Addendums #1 and #2 released for this project during the advertisement period. Additionally, Quincon did not include an item price for Item No. 7 (tree removal) listed in the bid item list.

Edwards’ bid proposal did not include item prices listed in the bid item list. Furthermore, Edwards did not sufficiently itemize subcontractor percentages of work on the bid forms.

Following the bid opening on June 13, 2024, the second apparent low bidder, Edwards, submitted a formal bid protest to the City. The protest contended that the apparent low bidder, Quincon, did not list all qualified subcontractors, did not list any addendums issued to the project, and that the date and time-stamped bid forms were from a previous project. The protest further contended that for those reasons, Edwards should be named as the lowest, responsive bidder.

As a result of these responsiveness issues, staff recommended rejecting all bids and re-advertising to the City Manager. On July 17, 2024, the City Manager authorized staff to reject the bids received and re-advertise.

**3rd Bid Opening**

On October 3, 2024, two bids were received and opened from Quincon Inc. (Quincon) and Edwards Construction Group (Edwards). Quincon was the apparent low bidder with a bid total amount of \$4,230,551.77. The apparent low bid amount exceeds the publicly disclosed funding amount of \$2,400,000. Both bids were above the original Engineer’s Estimate of \$2,250,000 and the project is experiencing a budget shortfall in the amount of \$1,106,613.

*Table: Bid Results from the third bid opening 10/3/24*

<i>Engineer's Estimate</i>	<i>Quincon</i>	<i>Edwards</i>
<i>\$2,250,000</i>	<i>\$4,230,552</i>	<i>\$5,205,517</i>

To provide a clearer analysis of the project costs, the table below highlights the top 10 items from the bid list, which together account for over 65% of the total project cost. The increase in costs beyond the Engineer’s Estimate can be attributed to recent economic

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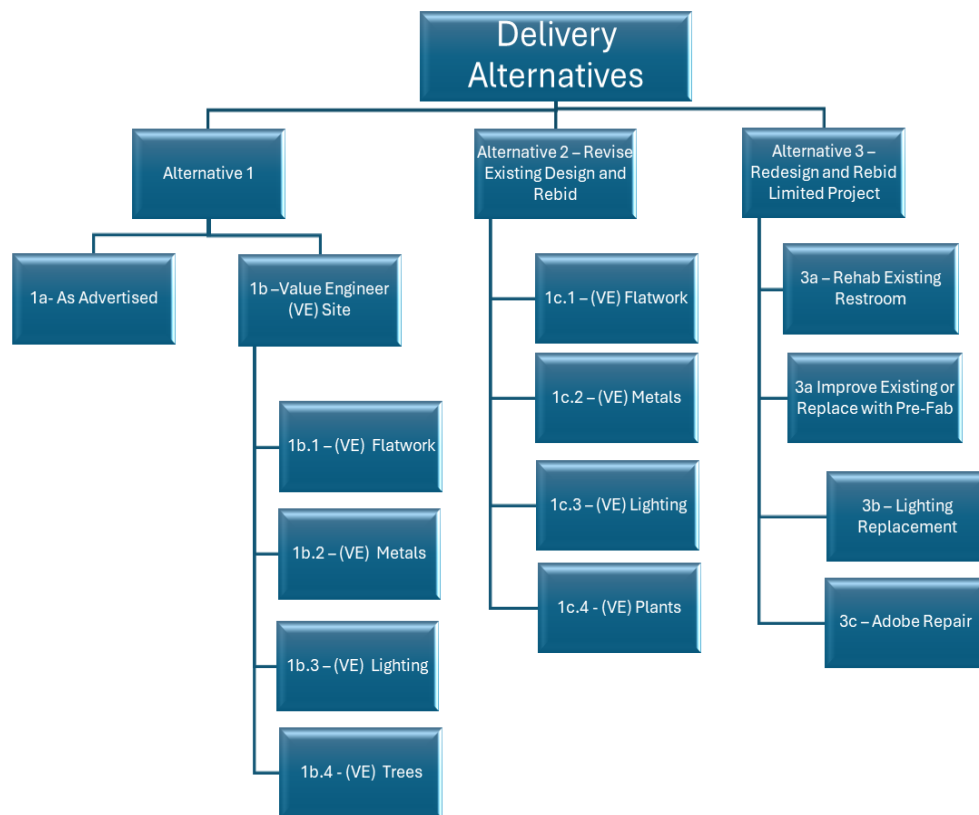
trends, including high demand and a limited pool of contractors qualified to complete the project. Additionally, the specialized nature of metal fabrication, custom pole lighting, custom pavers, and the detailed handwork required for Adobe repair have contributed to the cost escalation.

<b>Item Description</b>	<b>Total</b>	<b>% of Cost</b>
Restroom Building	\$953,794.09	22.55%
Kiosk Building	\$498,449.97	11.78%
Electrical And Communication Improvements	\$398,395.81	9.42%
Decorative Light Pole, Foundation And Luminare	\$316,268.44	7.48%
Demolition Of Existing Improvements	\$159,720.56	3.78%
Brick Unit Paving	\$136,530.00	3.23%
Tree – 96” Box	\$121,612.00	2.87%
Privacy Screens And Trash Enclosure	\$100,988.56	2.39%
Decorative Picket Fence	\$90,400.00	2.14%
	<b>\$2,776,159.43</b>	<b>65.62%</b>

### **Project Delivery Alternatives**

Due to the ongoing cost escalation of the advertised project and three bid results over the available project budget, Council may desire to reduce the project cost and alter the scope of work. Therefore, staff have prepared options for Council's consideration of whether to award the project as advertised, award with cost reducing modifications, or defer the project and readvertise with a redesigned scope. These alternatives are intended to achieve cost reduction while still providing improvements to the plaza.

The alternative pathways below offer different approaches, each influencing project delivery timeframe, costs, long-term maintenance, and funding strategies.



## Alternative 1 – Award the Project

### 1a. - Award as advertised to Quincon Incorporated

If Council chooses to award the construction contract now, the project will move forward as planned. This would fulfill the goals identified in the Mission Plaza Concept Plan by reactivating the space and creating a more usable area for the public. The Café Kiosk would provide dining opportunities, and the open design would enhance visibility and improve security in the area. Improving and protecting the Murray Adobe from further deterioration and vandalism. The project would also enhance accessibility around Mission Plaza and Murray Adobe, making the space more inclusive for everyone.

Awarding the project would require an additional \$1,106,613, to be sourced from the CIP Reserve balance. This could place a strain on resources for future CIP projects due to rising construction costs. Moreover, the use of custom products in the design could lead to higher long-term maintenance and replacement costs.

The renderings created by RRM Design Group below provide conceptual visuals of the advertised project's scope and potential appearance. The project includes replacing the restroom building, constructing a kiosk building, creating an uncovered outdoor seating area, and making associated site improvements, such as adding site furniture and upgrading signage.



### **1a. - Fiscal Impact**

Awarding the project as advertised to Quincon in the amount of \$4,230,552 would require an additional budget appropriation of \$1,106,613 from the CIP Reserve. After accounting for all pending Budget Adjustment Requests (BARs), the current CIP Reserve balance stands at \$3,010,000. With the proposed appropriation, the remaining balance in the CIP Reserve would be \$1,903,387. Construction would be expected to start in February 2025.

### **1b. – Award, Value Engineer Project Specialty Components**

Council may choose to award the contract and authorize staff to Value Engineer (VE) specialty products with standard alternatives while ensuring the project's aesthetics are preserved. Under this alternative, staff, in collaboration with the RRM design consultant, will evaluate custom products to identify opportunities for substitution with stock or city standard products. This value engineering process involves assessing each custom item for potential replacement with readily available alternatives that maintain the desired aesthetic and functionality. The City Engineer, with the approval from the Director of

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Public Works and the Director of Community Development, would approve alternative products which would be issued through a change order. Options within the specialty products are:

- 1b.1.** (VE) Flatwork – Remove decorative pavers, brick, granite, and install Mission Style Concrete
- 1b.2.** (VE) Metals – Remove the decorative planter fencing, seating area fencing, decorative utility covers, decorative pickets, and bar counter. Replace these with standard railing, utility covers, and a stock counter, and remove pickets from locations where they are not needed
- 1b.3.** (VE) Lighting – Remove custom lighting poles and fixtures and replace with City Standard Downtown Pedestrian Lighting Posts
- 1b.4.** (VE) Trees - Reduce the size of the tree boxes to accommodate more readily available tree sizes. The original bid item had significantly higher costs due to the limited availability and delivery of the specified tree size.

Replacement of one or multiple specialty options may result in nominal immediate savings due to the nature of construction and material costs. Additionally, value engineering by choosing standard products will reduce future maintenance and replacement costs, preventing long-term financial impacts. Custom materials may be harder to source or replace if they become damaged or deteriorate over time, increasing both costs and the potential for delays or issues.

The table below compares the specialty product cost to the standard product cost. After consultation with the consultant design team, staff assume a uniform 30% cost reduction when switching from specialty products to standard products. Applying this reduction equally to both bidders maintained that Quincon remained the low bidder for the project. The 30% cost reduction was discussed with the design consultants as a conservative estimate of potential cost savings achievable through material substitution.

<b>Specialty Products</b>	<b>Estimated Cost Reduction</b>
Flatwork	\$76,930
Metals	\$73,570
Lighting	\$94,880
Trees	\$69,470
<b><i>Value Engineer Cost</i></b>	<b><i>\$80,000</i></b>
<b>Total Potential Construction Savings</b>	<b>\$234,850</b>

Awarding Alternative 1b would require the same level of funding from the CIP Reserve balance as Alternative 1a to ensure the total project cost is covered. The actual cost savings from the redesign process to replace specialty products with standard alternatives are estimates, so it is recommended that the total budget and funding request would be the same under Alternative 1b as under Alternative 1a. It is estimated that the total project cost could result in savings of approximately \$235,000, which would be returned to the CIP Reserve Fund balance after completion of construction. Construction would be expected to start in February 2025.



<b>Alternatives 1 - Award Project</b>		
	<i>Alternative 1: Award as Advertised</i>	<i>Alternative 1b: Award, VE Project Specialty Components</i>
<b>Construction Project Cost</b>	<b>\$4,230,552</b>	<b>\$4,230,552</b>
Savings Specialty Products (Flatwork)		\$76,930
Savings Specialty Products (Metals)		\$73,570
Savings Specialty Products (Lighting)		\$94,880
Savings Specialty Products (Trees)		\$69,470
<b>Re-Design Cost</b>		<b>-\$80,000</b>
<b>Total Potential Saving in Specialty Products</b>		<b>\$234,850</b>
Contingency (20%)	\$846,110	\$846,110
<i>Const. Support Cost</i>	<i>\$733,822</i>	<i>\$733,822</i>
<b>Project Total</b>	<b>\$5,810,485</b>	<b>\$5,810,485</b>
Available Project Balance:	\$4,703,872	\$4,703,872
<b>Funding Request</b>	<b>\$1,106,613</b>	<b>\$1,106,613</b>

### **Alternative 2 – Revise Existing Design and Rebid**

Council may choose to authorize staff to redesign the project to remove the Café Kiosk and all associated costs, as well as to replace specialty products with standard alternatives (*as noted in Alternative 1b*) while ensuring the project's aesthetics are preserved.

Removing the Café Kiosk could reduce costs, but accurately estimating total savings is difficult due to increasing construction costs. The current bid includes \$498,450 for the Kiosk Building. The table below outlines the cost reduction of removing the kiosk. With the removal of the café, the space would not be activated as originally intended, but it would offer flexibility for other uses, such as testing the food truck concept identified in the 2020 staff report, and could still support existing and future special events. The City would no longer need to manage a kiosk vendor and risks of vandalism and theft would decrease, particularly during periods when the café is not occupied. Additionally, replacing specialty products with standard products would lower future maintenance costs.

The absence of a café could lead to a less vibrant and potentially underused space, which raises concerns about the area becoming stagnant or prone to undesirable activities. To address this, staff, in collaboration with RRM, would need to develop solutions to ensure the space remains active and safe after construction. RRM has been involved in the project since its inception, providing insights during advisory body presentations and

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understanding the project's objectives and previous community feedback. RRM will work alongside staff to propose and assess solutions that foster engagement in the area. One potential solution could be to have Parks and Recreation manage tables and seating, as successfully implemented in other areas of the plaza.

Authorizing Alternative 2 would require additional costs for design, and future bids would be impacted by cost escalation which could be mitigated using CIP Reserve funding or funding from the 2025-27 Financial Plan as construction would be expected to start in Summer 2025 after the Concerts in the Plaza.

<b>Alternative 2 -Revise Existing Design, and Rebid</b>	
<b>Construction Project Cost</b>	<b>\$3,449,829</b>
Savings Specialty Products (Flatwork)	\$76,930
Savings Specialty Products (Metals)	\$73,570
Savings Specialty Products (Lighting)	\$94,880
Savings Specialty Products (Trees)	\$69,470
<b>Total Saving in Specialty Products</b>	<b>\$314,850</b>
Contingency (20%)	\$626,996
Re-Design Cost	\$114,000
Const. Support Cost	\$733,822
Escalation Cost 15%	\$691,470
<b>Project Total</b>	<b>\$5,301,266</b>
Available Project Balance:	\$4,703,872
<b>Funding Request</b>	<b>\$597,394</b>

### Alternative 3 – Redesign and Rebid Limited Project

Alternative 3 focuses on providing two different options for the restroom component of the project and provides other component costs for Mission Plaza Improvements that could be added to the project. This alternative will require that the project design be revised and a new bid package created. It is important to note with Alternative 3 that the component cost for flat work and landscaping (i.e. concrete or paver walkways, trees, and planters) are not included in this option.

In recognition of the double-digit cost escalation seen on this project, the current estimate to redesign and rebid a limited project includes a conservative 15% cost escalation due to additional time needed for redesign and issuance of a new building permit, as well as the limited scoping information available. Staff expects construction under this alternative could begin in mid-2025. However, construction costs are subject to ongoing uncertainty and fluctuation, so the estimate for any part of this alternative may change.

### **3a. Restroom or Rehabilitate existing Restroom**

Council could direct staff to return with a project that rehabilitates the existing restroom structure and this would provide the lowest cost project for the City. Rehabilitation would include cleaning, repainting and replacement of all fixtures and associated plumbing.

Council could also direct staff to return to Council with a project that demolishes the old restroom and replaces it with a prefabricated restroom. The City does not have much experience with these types of projects as historically large cost savings are not expected and local labor is not used to manufacture these structures. The anticipated benefit of using a prefabricated restroom for the Mission Plaza is the duration of site impact. Staff anticipates that the duration of work that impacts the Mission Plaza site will be much less with a prefabricated structure versus a site-built structure.

If the Council decides to proceed with a prefabricated structure, the project will likely require the project's existing entitlement to be updated. This entitlement process would involve a site review by an environmental consultant, who would develop an environmental and historical monitoring plan. RRM would prepare a conceptual design which would require a review by the Cultural Heritage Committee and the Architecture Review Committee to ensure that any modifications align with the site's aesthetic and historic character. Once these steps are completed, the approved project scope would advance to the preparation of construction bid documents. Prefabricated structures have an estimated design lead time of 16-18 months. Staff would then return to Council to seek authorization to advertise the project.

The combination of design and public advisory board reviews, along with necessary approvals, could extend the project timeline by approximately 28-30 months, potentially pushing the start of construction for this option to 2027.

### **3b. Lighting Replacements**

Council may choose to authorize staff to redesign the project to replace all pole lighting in the plaza and along the creek walk to remove dark spaces and improve safety with city standard dark forest green pedestrian pole lighting.

### **3c. Adobe Repair and Protection**

Council may choose to authorize staff to redesign the project to make exterior drainage improvements, remove the trellis, and build a viewing wall for protection.

<b>Alternatives 3 - Redesign and Rebid Limited Project</b>					
	<i>Est. Const. Cost</i>	<i>Contingency (20%)</i>	<i>Design Cost</i>	<i>Escalation Cost 15%</i>	<i>Project Total</i>
<i>Alternative 3: Demo and Replace Restroom with Pre-Fab Structure</i>	\$950,000	\$190,000	\$125,000	\$189,750	\$1,454,750
<i>Alternative 3b: Lighting Improvements</i>	\$417,200	\$83,440	\$11,000	\$76,746	\$588,386
<i>Alternative 3c: Adobe Repair</i>	\$128,000	\$25,600	\$20,000	\$26,040	\$199,640
<i>New PreFab Restroom including Alternates 3b and 3c Project Total:</i>					<b>\$2,242,776</b>
<i>Alternative 3: Rehabilitate Existing Restroom</i>	\$325,000	\$65,000	\$55,000	\$66,750	\$511,750
<i>Alternative 3b: Lighting Improvements</i>	\$417,200	\$83,440	\$11,000	\$76,746	\$588,386
<i>Alternative 3c: Adobe Repair</i>	\$128,000	\$25,600	\$20,000	\$26,040	\$199,640
<i>Rehabilitate Existing Restroom including Alternate 3b and 3c Project Total:</i>					<b>\$1,299,776</b>

**Alternatives 3a – 3c:** The scope of work is limited exclusively to the elements outlined in each alternative. No additional improvements or modifications outside of these specific designs will be included within the project site. Alternative 3 will incur Construction Support Costs, which vary depending on the selected components. These costs are estimated to range from \$200,000 to \$600,000, influenced by the specific area of work and the requirements outlined by City advisory bodies.

### **Previous Council or Advisory Body Action**

On [September 5, 2017](#), the Mission Plaza Concept Plan was adopted by City Council. After the Mission Plaza Concept Plan was adopted, staff proceeded with the Mission Plaza Restroom and Kiosk project. As discussed in the Background section, the project was presented to many advisory bodies and then presented to City Council for a study session on [February 18, 2020](#). Next, the conceptual design was presented to the Cultural Heritage Committee on [April 25, 2022](#). The project was reviewed by the Community Development Director through the Architectural Review application and the conceptual project plans were approved on June 1, 2022, based on findings and subject to project conditions that have been incorporated into the final construction documents.

On [June 20, 2023](#), City Council authorized staff to advertise for construction bids for the Mission Plaza Enhancement Project.

### **Public Engagement**

This project received public input throughout the process due to the many advisory body meetings listed above. Additionally, this project has received funding in each financial plan since the 2015-17 Financial Plan. The City engages the public during each financial plan process.

## **CONCURRENCE**

There is concurrence from the Community Development Department through the architecture review process and building permit process. This project also has concurrence from the Administration Department as they have reviewed the project throughout the design process. The recommendations of this staff report have the concurrence of Public Works and Parks and Recreation Departments.

## **ENVIRONMENTAL REVIEW**

### **Alternative 1 & 2**

On June 1, 2022, the Community Development Director approved the Architectural Review application for the proposed project and found the project categorically exempt from the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301 (Class 1, Existing Facilities), Section 15302 (Class 2, Replacement or Reconstruction), and Section 15303 (Class 3, New Construction of Small Structures). Upon detailed review and analysis by the City's environmental consultant, Rincon, the City concluded that the proposed project conforms with the Secretary of Interior's Standards, and as such, would result in less than significant impacts to historical resources (Mission Plaza) under CEQA. (CEQA Section 10564.5(b)(3).) Thus, an exception to the categorical exemptions referenced above are not triggered.

The project remains consistent with the previous discretionary approval, and identified categorical exemptions, as it includes replacement of the restroom building on the same site, for the same purpose and capacity, an existing structure as described in CEQA Guidelines Section 15302 (Replacement or Reconstruction); construction of a small kiosk building to be put to uses which are allowed in the Public Facilities (PF) Zone, with all necessary services and facilities available, as described in CEQA Guidelines Section 15303 (New Construction of Small Structures); and creation of an outdoor seating area through minor alteration of an existing public facility, as described in CEQA Guidelines Section 15301. The project is consistent with the applicable general plan policies as well as with applicable City Regulations.

### **Alternative 3**

Options under Alternative 3 are conceptual and have not undergone environmental review. If Council chooses to proceed with work described under Alternative 3, staff will incorporate environmental review and CEQA determination into the project schedule, with applicable CEQA determinations incorporated into the project approvals.

## **FISCAL IMPACT**

Budgeted: Yes

Budget Year: 2024-25

Funding Identified: No

The Mission Plaza Enhancement Project has been receiving funding since 2016. The table below shows the funding received to date.

Prior Funding for Mission Plaza Enhancement									
2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	24/25 Budget Supplement	Total
\$80,000	\$0	\$25,000	\$45,000	\$150,000	\$149,825	\$1,035,000	\$2,429,972	\$1,398,162	\$5,312,959

### Fiscal Analysis:

The Mission Plaza Enhancement account (2091439) has a current available budget of \$4,703,872 to support project expenses. This budget includes \$623,822.42 in encumbered purchase orders (POs), which could be reallocated towards additional cost for design work if Council directs staff to pursue Alternatives 2 or 3. The project account balance excluding encumbered POs (i.e., the remaining balance if all POs were spent), is \$4,080,050.

The table below summarizes these balances pertaining to funding source and the additional funding needed based on the alternatives in this report. Currently, staff is anticipating Alternative 1a and 1b to exceed available budget by \$1,106,613. To address this funding gap, staff recommends appropriating \$1,106,613 from the CIP Capital Reserve (LRM) account to fully cover the shortfall and ensure the project's completion. Any remaining funds will be returned to the CIP Capital Reserve upon project completion. If Council directs staff to proceed with either Alternative 2 or 3, any additional funding needs would be addressed in a future report to Council or the 2025-27 Financial Plan.

<i>Alternative Overview</i>			
<i>Project Information</i>			
<i>Alternative</i>	<i>Project Cost</i>	<i>Funding Request</i>	<i>Project Start</i>
Alternative 1a: Award as Advertised	\$5,810,485	\$1,106,613	January 2025
Alternative 1b: Award & VE Specialty Products	\$5,512,665	\$1,106,613	January 2025
Alternative 2: Revise Existing, Design, and Rebid	\$5,301,266	\$597,394	September 2025
Alternative 3a: Rehabilitate existing Restroom, including 3b (Lighting), and 3c (Adobe)	\$1,299,776	\$0	May 2025
Alternative 3a: Pre-Fab Restroom, including 3b (Lighting), and Alt. 3c (Adobe)	\$2,242,776	\$0	May 2027

<b>Funding Sources</b>	<b>Total Budget Available</b>	<b>Current Funding Request</b>	<b>Remaining Balance</b>	<b>Annual Ongoing Cost</b>
Capital Outlay Fund	\$2,526,812	\$2,526,812	\$0	\$0
Capital Outlay Fund (LRM)	\$1,553,238	\$2,659,850	\$0	\$0
CIP Capital Reserve Fund	\$3,010,000	\$1,106,613	\$1,903,387	\$0
<b>Total</b>	<b>\$4,080,050</b>	<b>\$5,186,662</b>	<b>\$1,903,387</b>	<b>\$N/A</b>

## ALTERNATIVES

**1a. Award the total bid.** Council may choose to award the full project as advertised to Quincon Incorporated and authorize the City Engineer to issue contract change orders for the Mission Plaza Enhancement Project if within the available budget and appropriate \$1,106,613 of CIP Capital Reserve Balance. Authorize the Finance Director to transfer any remaining balance from the Mission Plaza Enhancement Project Account (2091439) to the CIP Capital Reserve Account upon project completion.

**1b. Award the total bid and value engineer specialty products.** Council may choose to award the full project as advertised to Quincon Incorporated and authorize the City Engineer to issue contract change orders for the Mission Plaza Enhancement Project if within the available budget and appropriate \$1,106,613 of CIP Capital Reserve Balance. Authorize the City Engineer to amend RRM Design Group's contract to perform value engineering and authorize the Finance Director to transfer any remaining balance from the Mission Plaza Enhancement Project Account (2091439) to the CIP Capital Reserve Account upon project completion.

**2. Deny the award and redesign.** Council may choose not to award the contract at this time, reject all bids, and instead authorize staff to redesign the project to remove the Café Kiosk. This redesign could then be brought back to Council for authorization to advertise. This option would delay the project construction and risk further increases in construction and design costs.

**3. Defer the award and direct staff to return to Council with a new bid package.** Should Council choose this alternative, staff recommends selecting one or more of the following options:

**3a. Restroom Design:**

Council may choose not to award the construction contract and instead pay for a new design to improve the existing restroom which could include tiling, replacing fixtures, paint, and associated plumbing.

OR

Council may choose not to award the construction contract and instead pay for a new design of a prefabricated restroom. This option would likely need to be reviewed by the Cultural Heritage Committee and the Architecture Review Committee, which would delay the project construction and risk further increases in construction and design costs.

**3b. Pole Lighting:** Council may choose not to award the construction contract and instead choose from the options in 3a, plus option 3b, or choose option 3b alone. If selecting to move forward with option 3b, Council should authorize staff to redesign the project to replace all pole lighting in the plaza and along the creek walk.

**3c. Adobe Repairs:** Council may choose not to award the construction contract and instead choose from the options in 3a, plus options 3b and 3c, and/or choose option 3c alone. If selecting to move forward with option 3c, Council should authorize staff to redesign to make exterior drainage improvements, remove the trellis, and build a viewing wall for protection.

**ATTACHMENTS**

A - Project Plans (Spec. 91439-01)

B - Special Provisions (Spec. 91439-01)