



AGENCY:	City Council
MEETING DATE:	August 24, 2015
DEPARTMENT:	Admin Services
PRESENTED BY:	S. Schneider

AGENDA ITEM SUMMARY

TITLE:

RECEIVE REPORT AND CONSIDER ADOPTION OF CITY COUNCIL RESOLUTION AMENDING THE FY 2015-16 C. V. STARR COMMUNITY CENTER BUDGET TO APPROPRIATE A NET TOTAL OF \$29,467 FROM THE C.V. STARR ENTERPRISE FUND (BUDGET AMENDMENT #2016-08; NOT TO EXCEED \$29,467; FUND 810-4812; C.V. STARR ENTERPRISE FUND)

ISSUE:

Mendocino Coast Recreation and Park District (MCRPD) District Administrator Ethan Newton has recommended a number of adjustments to the FY 2015-16 Budget for the C. V. Starr Community Center in order to address current Heating, Ventilating and Air Conditioning (HVAC) system issues, to account for specific personnel changes, and to recognize savings resulting from the discontinuance of towel service.

The MCRPD Board of Directors will be considering the proposed budget adjustments at their meeting on August 19, 2015.

RECOMMENDED ACTION:

Adopt Resolution amending the FY 2015-16 C.V. Starr Community Center Budget to appropriate a net total of \$29,467 from the C.V. Starr Enterprise Fund (Budget Amendment #2016-08; Not to Exceed \$29,467; Fund 810-4812; C.V. Starr Enterprise Fund)

ALTERNATIVE ACTION(S):

1. No Action. The Council could choose to not adopt the Resolution amending the C. V. Starr Community Center's FY 2015-2016 Budget.
2. Continue action and provide direction to staff regarding additional information and/or analysis necessary to inform Council's decision on the matter.

ANALYSIS:

In assessing the overall operations of the C. V. Starr Community Center, several improvements to equipment and changes to operations are necessary to responsibly maintain a highly functioning, highly successful community center. MCRPD District Administrator Ethan Newton and his staff have identified three areas which need immediate attention – the HVAC system; adjustments to personnel positions and compensation; and the ceasing of towel service.

To address current HVAC issues and provide responsible ongoing operation and maintenance of the C. V. Starr Community Center HVAC system, the following recommendations are proposed:

1. Enter into a planned service agreement with Johnson Controls, Inc.; amend the Operating Budget – Operating Expense Section to include an increase of \$10,542 to the Maintenance line item.

2. Proceed with the Air Handling Units 1 and 2 (AHU1 and AHU2) Variable Frequency Drive (VFD) project; (a) amend the Operating Budget - Capital Improvements Section to include the cost of \$23,906 and (b) amend the Operating Budget – Operating Expenses Section to include a decrease of \$12,000 to the Utilities line item (anticipated utility savings) and (c) amend the Operating Budget – Operating Revenues Section to include an increase of \$3,200 to the Miscellaneous line item (estimated utility rebate).
3. Proceed with ducting improvements for AHU1 and AHU2 to isolate the air intake from the exhaust; amend the Operating Budget - Capital Improvements Section to include the cost of \$10,000.

To address adjustments to personnel positions and compensation, it is necessary to amend the Operating Budget – Operating Expense Section to include an increase of \$17,019 to the Wages and Benefits line item supporting the following personnel items:

1. Eliminate the full time (1.00 FTE) Accountant and Administrative Services Coordinator position.
2. Increase the part-time Administrative Assistant position from 0.50 FTE's to a full time (1.00 FTE) position.
3. Increase the Guest Service Representative position from 1.75 FTE's to 2.20 FTE's.
4. Reduce the Lifeguard position from 8.35 FTE's to 7.63 FTE's.
5. Increase the part-time (with limited benefits) Senior Lifeguard position from 0.75 FTE's to a full time (1.00 FTE with full benefits) position.
6. Add a full time (1.00 FTE) Aquatics Leader position.
7. Reduce the Custodial/Maintenance Worker position from 2.00 FTE's to 1.25 FTE's.
8. Add a full time (1.00 FTE) Custodial/Maintenance Worker 2 position.
9. Increase in workers' compensation insurance costs of \$12,296.

To address ever-increasing costs associated with the C.V. Starr Center's laundry service, CVSCC staff recommends that the towel service be discontinued and the laundry service contract cancelled. This will allow for a savings of \$16,800 in the Maintenance line item. Additionally, given the fact that California is in the fourth year of a severe drought, single-use towel service is a water-consumptive luxury service that may not be appropriate at a municipal recreational facility.

For a more detailed explanation of the above, please see the attached District Administrator's Memo regarding the proposed Budget Amendments.

FISCAL IMPACT:

The attached memo provides specific details regarding how the C.V. Starr Center budget categories will be modified. The net impact is that a total appropriation of \$29,467 of additional funds from the C.V. Starr Center Enterprise Fund is necessary. Staff believes it is likely that Utility savings will exceed the conservative estimated savings that are incorporated into the modified budget. If based on actual expenditures, such savings are evident at mid-year, a true-up will be provided

CONSISTENCY:

The budget adjustments are consistent with the City's Operating Agreement with the MCRPD for the C.V. Starr Community Center.

IMPLEMENTATION/TIMEFRAMES:

HVAC improvements will begin upon execution of the C. V. Starr Community Center's Planned Service Agreement with JCI. Personnel changes will be implemented starting in September. Ceasing of towel service will be effective September 1.

ATTACHMENTS:

1. District Administrator's Memo Regarding Proposed Budget Amendments to Support C. V. Starr Community Center (CVSCC) HVAC System, CVSCC Personnel Changes and Change to Towel Service
2. Resolution

NOTIFICATION:

1. Ethan Newton, MCRPD District Administrator

City Clerk's Office Use Only

Agency Action ☐ Approved ☐ Denied ☐ Approved as Amended

Resolution No.: _____ Ordinance No.: _____

Moved by: _____ Seconded by: _____

Vote: _____

☐ Deferred/Continued to meeting of: _____

☐ Referred to: _____