



ITEMS G-11 & G-12
SUPPLEMENT REPORT

CITY OF BEVERLY HILLS STAFF REPORT

Meeting Date: August 20, 2013
To: Honorable Mayor & City Council
From: David Lightner, Deputy City Manager
Steve Zoet, Director of Community Services
Subject: Supplemental Report: THE AWARD OF CONTRACTS TO
VARIOUS CONTRACTORS FOR THE BEVERLY GARDENS
RESTORATION BLOCK #14 PROJECT CONTINGENT UPON
ACCEPTANCE BY THE CITY MANAGER OF SUFFICIEINT
DONATIONS TO THE CITY; AND APPROVING PLANS AND
SPECIFICATIONS THEREFOR: AND

AUTHORIZING THE CITY MANAGER TO ACCEPT DONATIONS
ON BEHALF OF THE CITY FROM THE CITY OF BEVERLY
HILLS COMMUNITY CHARITABLE FOUNDATION AND TO
EXECUTE PURCHASE ORDERS TO VARIOUS
CONTRACTORS FOR THE CONTRACT WORK IN THE TOTAL
AMOUNT OF \$1,255,871

INTRODUCTION

The Agenda Reports for items G-11 and G-12 on the City Council Consent Calendar of August 20, 2013 regarding the Beverly Gardens Park Restoration refer to a supplemental report to be provided regarding the status of charitable donations on deposit to support the construction of Phase 1 of this project. This report provides that update.

DISCUSSION

On Monday, August 19, 2013 staff met with the lead donor for the Friends of Beverly Gardens Park restoration project in order to confirm and collect final donations toward

Meeting Date: August 20, 2013

the construction of the improvements for the lily pond block of Beverly Gardens Park. The current tally of all private funds collected (including a \$100,000 donation that is still conditional depending on the results of the City Council deliberation on Item A-6 on the Study Session agenda regarding donor recognition) is \$748,621. This releases an equal amount from the City's matching contribution of up to \$750,000. As impressive as this fund raising achievement is, the total funds available of \$1,497,242 is approximately \$100,000 short of the total project funds discussed in detail in the two formal agenda reports, and as reduced through further negotiations on contract price with Matt Construction which will result in a \$37,00 deductive change.

Ordinarily, for a project being built with donated funds, the award of contract would be deferred to a future agenda and brought back for approval after sufficient additional funds have been raised. That option applies to this project as well. However, in this instance the City Council has asked that the project team do all it can to try to complete the project by the end of January 2014 in time for the Centennial. The construction timeframe is already quite tight and the only opportunity to meet that timeframe would be to approve the contracts on August 20th, which would require the City to appropriate an additional \$100,000. If the City Council were to direct that option, an appropriation from the projected General Fund ending balance surplus would be brought back at the next City Council meeting. A further nuance could create a third option if the City Council choose to make the appropriation contingent, meaning that it would be fully appropriated and placed in the project budget, but only used to support the final payment if \$100,000 in additional private funds had not been raised by the conclusion of the project.

In summary, the identified options are:

1. Defer the project and Award of Contract and Construction Management Contract Amendment until such time as the full project amount is supported by donations on deposit.
2. Approve the two agreements, appropriating the additional \$100,000 required, at the next City Council meeting, from the projected General Fund ending balance surplus.
3. Approve the two agreements, appropriating the additional \$100,000 at the next City Council meeting, but only authorizing use of those funds if that amount in private donations has not been received by the project conclusion.

FISCAL IMPACT

The fiscal impact would be up to \$100,000 to the General Fund depending on the option directed by the City Council.

RECOMMENDATION

City Council direction is respectfully requested.

David Lightner
Approved By

