

RESPONSE TO COUNCIL QUESTIONS RE: 11/25/14 AGENDA

CONSENT CALENDAR:

Item #1.F:

Page 2 of 4. "...public users requested material upgrades".

Farther down it says "...City and FUHSD would meet and confer....".

Is this project expansion really costing \$600k, because FUHSD is also contributing \$300k more?

Is this already negotiated and approved? Do we have any discretion on approving this item?

Can the Council vote no on this item or has it already been agreed to?

Staff Response: The total increase approaches \$600,000, with the City's share being \$300,000. The total project increased from an estimate of \$1,586,889 to approximately \$2,133,178. This is a \$546K increase, of which the City share would be \$273K, rounded to \$300k for budgetary purposes. The work has been completed based upon the approved plans and the unknown conditions that were encountered. FUHSD negotiated and approved the work to be performed on behalf of FUHSD and the City, in accordance with our agreement. The last amendment to this agreement, which Council approved, noted the possibility of increased expenses due to unforeseeable conditions. City representatives were contacted and present at subsequent meetings regarding the unforeseen conditions which did arise, and City staff reviewed the plans, proposals and cost estimates.

The Council can vote "no", but the work has been performed, and further discussions between the City and the District would be necessary. Based on all our communications with the contractor and FUHSD this covers all the costs for this project. There are still a few allowances being drawn upon for final completion and adjustment of details, such as specific furniture items, but these are all within the amounts presented for Council approval in this report.

Item #1.H:

I thought Golf operated out of its own Enterprise Fund. Why do we use Park Dedication fees for Golf capital upgrades? Is this the way things have just operated in the past? Would it be correct to say that Golf only operates from its Enterprise Fund for operational expense, and not Capital?

Staff Response: Council approved the Enterprise Fund on April 26, 2011. As part of that approval it provided direction that all Golf/Tennis CIP's that were already approved for funding from the PDF would remain; any new ones would have to be funded from the Enterprise Fund. This decision was made in recognition of a long history of contributions made by the Golf Fund to the General Fund during years that the former generated significantly more revenue than expenses. Due to the more recent performance of the golf programs, no new projects have been initiated since the creation of the Fund.