

# **STAFF REPORT**

## *City Council Business Item*

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**DATE:** April 15, 2024

**TO:** Honorable Mayor and Council Members

**FROM:** Merritt Perry, City Manager

**SUBJECT:** **Approve Supplemental Budget Request for Additional Professional Services for Maintenance and Improvements to Fortuna Monday Club**

### **STAFF RECOMMENDATION:**

Approve a supplemental Budget request in the amount of \$6,000 for improvements at the Fortuna Monday Club and authorize the City Manager to negotiate and execute a sole source contract for Professional Services for the conceptual design of the City owned lot at 624 Main Street.

### **EXECUTIVE SUMMARY:**

The Monday Club sustained substantial damage from the two earthquakes in December 2022 and January 2023. The City filed a claim with CIRA, the City's risk pool in January of 2023, and on October 11, 2023 received payment of \$56,717.59.

On November 6, 2023, the City Council approved a supplemental budget request for the design of the repair of the chimney in the amount of \$10,000 with Allen-Atelier Architects to design the repairs to the Monday Club Chimney. The design of the chimney is nearly complete and we are awaiting the final engineering details to complete that portion of the project. It was originally anticipated that Allen-Atelier Architects would provide the engineering details necessary but staff now anticipated using Whitchurch Engineering to provide those services under the City's on-call contract.

There is additional work that it may be prudent to complete as a part of the project given that the City will be bidding the work. The additional work that staff would like to include in the design includes:

- Plan for the repainting of the three sides of the building that were not repainted after the fire on the adjacent lot. The paint is in extremely poor condition (peeling and cracking) on three sides of the building. Lead abatement will be necessary for the spot repairs around the chimney, and typically contractors that do that work come from out of the area and have a high mobilization cost. It makes sense to abate the lead on the remainder of the building that needs to be repainted and repaint those sides as a part of the project to avoid future mobilization costs to abate lead and repaint the other portions of the building in the future.
- Develop interior modernization plan including a lighting plan specification, and specifications for new blinds and paint for the interior of the building. The purpose is to improve use of the building for a wider range of uses. Currently the lighting is extremely outdated and does not lend itself for the range of uses needed. The blinds are also very old and not all of them are working.
- Develop a conceptual plan for the outdoor space on the newly acquired adjacent lot at 624 Main Street. This will allow staff to identify maintenance and

improvement projects for use of the space, and develop budget estimates for the future work. This work may be done by Allen-Atelier Architects or negotiated with another independent architect.

The table below provides a summary of the tasks being requested, the proposed budget and consultant responsible for the work:

<b>Task</b>	<b>Consultant</b>	<b>Approved Budget</b>	<b>Additional Amount Requested</b>
Develop Chimney Repair Architectural Details	Allen-Atelier Architects	\$7,500	\$0
Interior Modernization (great room only)	Allen-Atelier Architects	\$0	\$2,500
Engineering for Chimney Design	Whitchurch Engineering	\$2,500	\$0
624 Main Conceptual Design	Undetermined	\$0	\$3,500
<b>Total</b>		<b>\$10,000</b>	<b>\$6,000</b>

**FINANCIAL IMPACT:**

It is anticipated that the cost of the design of the Monday Club Chimney replacement will be approximately \$10,000. The City has received a payment from CIRA, our risk pool for, \$56,717.59 for the damage caused to the Monday Club. If \$10,000 is used for design, \$46,717.69 will remain to fund the construction of the repairs. It is unknown at this time what the cost of the repairs will be.

The additional funding for the interior modernization and conceptual design for the adjacent lot will come from the City’s General Fund. The City Council previously authorized \$160,000 for the purchase of the vacant lot at 624 Main Street and the actual cost of the purchase was \$148,884.18, which is approximately \$11,000 below the anticipated amount approved by council. There are sufficient funds in the City’s general fund to fund this portion of the design. A supplemental budget request with the proposed changes is attached.

**RECOMMENDED COUNCIL ACTION:**

1. Receive staff report and review Council questions with staff
2. Open Public Comments
3. Close Public Comments
4. Approve a supplemental Budget request in the amount of \$6,000 for improvements at the Fortuna Monday Club and authorize the City Manager to negotiate and execute a sole source contract for Professional Services for the conceptual design of the City owned lot at 624 Main Street. Voice Vote.

**ATTACHMENTS:**

- Attachment A – Supplemental Budget Request