

## STAFF REPORT

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**Date:** November 8, 2023

**To:** Mayor and City Council

**Thru:** Doug Thornley, City Manager

**Subject:** Staff Report (For Possible Action): Approval of reallocation of American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds from the Downtown Waste Disposal Project to the California Building Heating, Ventilation, and Air Conditioning Project in an amount not to exceed \$231,800.

**From:** Dan Tresley, Project Manager

**Department:** Maintenance and Operations

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**Summary:**

Staff is seeking to reallocate \$231,800 of American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Funds (SLFRF) from a completed project to an existing project. The Downtown Waste Disposal Project was approved by Council for \$300,000 but only required \$68,200 to be completed. Staff is seeking to reallocate the remainder of that project's approved amount (\$231,800) to the California Building Heating, Ventilation, and Air Conditioning (HVAC) Project. This previously approved, ongoing project has increased in cost since the original engineering estimate due to supply chain challenges and inflation.

Consent Review	Yes	No
1. Is this item an annual or standard item that comes before Council for regular approval?		X
2. Is this item an agreement required based on an item previously approved by Council?		X
3. Is this item Included in the current budget approved and adopted by Council?		X
<b>Other Considerations</b>		
What percent of the total city budget does this item represent?	0%	

**Alignment with Strategic Plan:**

Infrastructure, Climate Change, and Environmental Sustainability

Fiscal Sustainability

Arts, Parks, and Historical Resources

**Previous Council Action:**

July 19, 2023 - Council awarded a contract to Mt. Rose Heating & Air Conditioning, Inc. in an amount not to exceed \$1,430,000 for the installation of heating, ventilation and air conditioning (HVAC) equipment at the California Building.

March 8, 2023 - Council approved funding allocations for State and Local Fiscal Recovery Fund (SLFRF) projects which included funding for the California Building HVAC Project (\$1,040,000) and funding for the Downtown Waste Disposal Project (\$300,000).

**Background:**

The Downtown Waste Disposal Project was designed to promote improved health and safety outcomes by increasing neighborhood cleanup and otherwise revitalizing public spaces. The City replaced 82 waste receptacles with containers that were less expensive to purchase, maintain, and are easier to service. The cost of this project was significantly less than anticipated, leaving an unused balance of \$231,800. Waste receptacles in the downtown Reno area maintained by the Maintenance & Operations department.

**Discussion:**

The current SLFRF project to modernize the HVAC system in the California Building significantly increased over the original engineering estimate due to supply chain constraints and inflation challenges. The additional cost are funded out of the Capital Maintenance Fund (CMP). By approving this request, CMP funds will be allocated toward the Idlewild Pool Boiler Replacement Project that is currently under design.

This historic property, located in the northwestern portion of Idlewild Park, is the only remaining architectural element of the Transcontinental Highways Exposition of 1927 where it hosted exhibits of California cities and counties. After the exposition, it served as a meeting hall for the Darrel Dunkle Post No. 1 American Legion, until 1938, when ownership was returned to the City of Reno. This location is used year-round for weddings, graduations, and programming. The facility's lack of cooling makes the building very uncomfortable for the youth and sensitive groups which reduces the facility's use during the hot summer months. Portable, standalone swamp cooler equipment and air misting units are unable to sufficiently cool the facility when outside temperatures exceed 80 degrees.

**Financial Implications:**

Funding has been identified for the project through ARPA SLFRF. Purchasing will follow standard City purchasing and contracting policies and procedures.

**Legal Implications:**

Funds will be reallocated and spent in compliance with the American Rescue Plan Act, Department of Treasury Final Rule, and City purchasing policies and procedures.

**Recommendation:**

Staff recommends Council approval of reallocation of remaining funding from the Downtown Waste Disposal Project (\$231,800) to the California Building HVAC Project.

**Proposed Motion:**

I move to approve staff recommendations.

**Attachments:**

- FM980B California Building HVAC – CONTRACT executed - FM980A CR Engineering CA Bldg HVAC Contract Executed