



## Agenda Item

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**File #:** 23-1295

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**Requested Agenda Date:**

2/6/2024

**Requested Agenda Title:**

Budget Adjustment: Clark Planetarium requests \$140,475 increase to the budget of the Annex Remodel on 400 West due to construction cost increases. The additional budget will come from their restricted fund balance.

**Requested Agenda Item Description:** Clark Planetarium requests a project true-up for the re-budgeted amount of the Annex Remodel on 400 West and an increase to the total budget from the restricted fund balance. The Annex project construction bids exceed the total project budget. The significant increase and our options for proceeding have been evaluated with the assistance of Facilities Management. When the architect calculated the probable cost estimate in September 2023, costs from another county project with similar features were used as the basis. Facilities Management determined the reason(s) that the bids were higher than estimated, include (1) mechanical and plumbing labor costs, (2) tenant improvement in a confined location at Gateway, and (3) volume of space due to high ceilings. We have also consulted with a third-party cost estimator. They confirmed that the cost per square foot is average for tenant improvements and advised that re-bidding would likely lead to higher costs. After evaluating the cost/benefit of continuing with the current bids or rebidding, the prudent decision was to request a budget adjustment using Planetarium's restricted fund balance, which was set aside for capital projects. Additionally, the re-budgeted amount for the project needs to be trued-up. Two encumbrances were released in December and fell to unassigned fund balance. With the budget adjustment and true-up, the Planetarium can accept the current bid and move forward with the annex expansion. The completion of the project will enable the Planetarium to reach more people and inspire a deeper interest in science-related experiences.

**Requested Action:** Discussion - Vote Needed

**Presenter(s) (with titles):** Hoa Nguyen, Council Budget and Policy Analyst

**Time Needed:** Less than 5 MINS

**Is this Item Time-Sensitive and/or Requesting a Time-Certain?** No

**Requesting Staff Member:** Robin Chalhoub, Community Services, Department Director

**Are Supporting Documents Needed for this Agenda Item Request?** Yes