



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 1, 2016

TO: Mayor and Councilmembers

FROM: City TV, City Administrator's Office

SUBJECT: Additional Funding For City TV Equipment Replacement Project

RECOMMENDATION:

That Council increase appropriations by \$104,000 in the General Fund, General Government Program, from unappropriated General Fund reserves and transfer these funds into the Capital Outlay Fund for the City TV Equipment Replacement Project.

DISCUSSION:

The City TV Equipment Replacement Project (Project) is a \$587,000 capital equipment project to replace and modernize the audio / visual equipment in the City Council Chambers, David Gebhard Meeting Room and the City TV Master Control Room. Much of the equipment is decade's old analog video equipment that has critical maintenance issues due to the age of the equipment, outdated technology, or is manufactured by a company that is no longer in business so technical support is unavailable. The equipment is in need of replacement and the technology needs to be modernized.

The Project is funded through the 1% Public, Education and Government ("PEG") fees charged to Cox Communications, the City's local cable service provider, which they pass on to their customers within the City. PEG fees are a restricted revenue source and can only be used for capital expenditures related to PEG operations.

Staff went out to bid in August 2016 and received 3 bids, all of which came in over the design engineer's estimate for several reasons. The engineer's estimate that the project budget was based on underestimated the actual labor cost of the project. Performance and payment bonds were required but not anticipated earlier. Finally, the State prevailing wage laws were amended in January 2016 which increased labor costs for the installation. As a result, an additional \$104,000 is needed to cover the increased cost.

BUDGET/FINANCIAL INFORMATION:

Staff is recommending that General Fund reserves be used to advance \$104,000 to the Project, which will be repaid from PEG fees collected in Fiscal Year 2018. The funds will be transferred to the Capital Outlay Fund where the Project is being accounted for.

PREPARED BY: Tony Ruggieri, City TV Production Supervisor

SUBMITTED BY: Paul Casey, City Administrator

APPROVED BY: City Administrator's Office