City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: NOVEMBER 18, 2025**

FROM: PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT **WARD: 7**

SUBJECT: SUPPLEMENTAL APPROPRIATION AND INTERFUND TRANSFER IN THE AMOUNT OF $17,000, FOR THE PER CAPITA LA SIERRA PARK AMERICAN WITH DISABILITIES ACT IMPROVEMENTS PROJECT

ISSUE:

Authorize a supplemental appropriation and interfund transfer in the amount of $17,000, from the Grants and Restricted Fund to the Capital Outlay Fund, La Sierra Park American with Disabilities Act Per Capita Project accounts.

RECOMMENDATION:

That the City Council, with at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record a supplemental appropriation and interfund transfer in the amount of $17,000, from the Grants and Restricted Fund to the Capital Outlay Fund, La Sierra Park American with Disabilities Act Per Capita Project revenue and expenditure accounts, funded by a bond settlement payment.

BACKGROUND:

On December 14, 2021, the City Council awarded a construction contract (Contract) to Millsten Enterprises, Inc. (Millsten) in the amount of $246,070, for the construction of the Walking Path Improvements at La Sierra Project. This project included the installation of concrete and decomposed granite ADA walking paths throughout the park, in addition to t-ball field improvements, grading, drainage, and other minor modifications.

Millsten substantially completed the project but did not fully complete the project to the City's satisfaction or on time. Therefore, on November 22, 2022, the City filed a claim on Millsten's performance bond with Liberty Mutual Surety and Pacific Coast Landscape & Design was hired to complete the work unfulfilled by Millsten. More details are included in the May 14, 2024, City Council Report attached.

On November 19, 2024, a Performance Bond Release & Assignment Agreement with Liberty Mutual was executed by the City.

On December 17, 2024, the City received a check for $17,000 from Liberty Mutual for payment to cover the cost of Pacific Coast Landscape & Design completion of the La Sierra ADA Improvements project. The check for the bond payment has been received and incorrectly deposited into the Grants and Restricted Fund revenue account and never appropriated. The funds need to be appropriated for the project's revenue and expenditure accounts in the Capital Outlay Fund and moved out of the Grants and Restricted Programs in order to correctly account for the bond settlement funds.

<u>DISCUSSION</u>:

The Parks, Recreation and Community Services Department is requesting to appropriate the $17,000 Liberty Mutual bond check to complete the remaining ADA improvements at La Sierra Park.

<u>FISCAL IMPACT</u>:

The fiscal impact of this report is an increase in revenues and expenditure in the amount of $17,000. Upon City Council approval, a supplemental appropriation and interfund transfer in the amount of $17,000, will be recorded from the Grants and Restricted Fund to the Capital Outlay Fund, as outlined in Table 1. Interfund Transfer/Supplemental Appropriation.

Table 1. Interfund Transfer/Supplemental Appropriation

<table>
<tr><th>Fund</th><th>Program/Project – Account Desc</th><th>Account</th><th>Amount</th></tr>
<tr><td rowspan="2">Grants and Restricted Programs</td><td>La Sierra ADA Pathway Phase II – State Capital Grants</td><td>9264620-334300</td><td>($17,000)</td></tr>
<tr><td>La Sierra ADA Pathway Phase II –Transfer Out</td><td>9264620-990401</td><td>$17,000</td></tr>
<tr><td colspan="4"></td></tr>
<tr><td rowspan="4">Capital Outlay</td><td rowspan="2">La Sierra ADA Pathway Phase II– Transfer In</td><td colspan="2">Revenues</td></tr>
<tr><td>9264630-985215</td><td>$17,000</td></tr>
<tr><td rowspan="2">La Sierra ADA Pathway Phase II– City Funds</td><td colspan="2">Expenditures</td></tr>
<tr><td>9264630-440301</td><td>$17,000</td></tr>
</table>

Prepared by: Jordan Maus, Parks Project Manager
Approved by: Pamela M. Galera, Parks, Recreation and Community Services Director
Certified as to availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by: Kris Martinez, Assistant City Manager
Approved as to form: Rebecca McKee-Reimbold, Interim City Attorney

Attachment: City Council Report – May 14, 2024