

MINUTES

City of Guadalupe

Regular Meeting of the Guadalupe City Council

Tuesday, October 8, 2024, at 6:00 pm

City Hall, 918 Obispo Street, Council Chambers

1. ROLL CALL:

Council Member Christina Hernandez
Council Member Gilbert Robles
Council Member Whitney Furness
Mayor Pro Tempore Eugene Costa Jr.
Mayor Ariston Julian

Mayor Julian called the meeting to order at 6:00 p.m. All members were present. (Note: The abbreviation, "CM" for "Council Member", will be used in these minutes.)

2. PLEDGE OF ALLEGIANCE

3. MOMENT OF THANKS, APPRECIATION OR CONDOLENCES.

Mayor Julian said, "Condolences and peace on the anniversary of the October 7th attack. Peace to all impacted by that attack." The mayor also said, "Safety and best wishes to those impacted by the hurricanes in Florida. I can't imagine Hurricane Helene and now Hurricane Milton. It will take years in the remaking of the impacted areas."

4. AGENDA REVIEW

There were no changes made to the agenda.

5. CEREMONIAL CALENDAR

- Proclamations:

A. Filipino American History Month – October 2024 – CM Robles read the proclamation which, in part, said: *...Filipino American History Month was established in 1988 to commemorate the arrival of the first Filipinos who landed in what is now Morro Bay, California on October 18, 1587...the Filipino American National Historical Society (FANHS) recognizes the year 1763 as the date of the first permanent Filipino settlement in the United States in Saint Malo Parrish, Louisiana...the California Department of Education first recognized October as Filipino American History Month in 2006...while the 111th Congress of the United States and the California State Legislature also gave recognition...the Filipino American community...have truly made a*

difference, and their professional and civic involvement will continue to enrich our communities far into the future.” Amelia Villegas accepted the proclamation from Mayor Julian.

B. Breast Cancer Awareness Month – October 2024

CM Hernandez read the proclamation which, in part, said: ...breast cancer is one of the most commonly diagnosed cancers among women...Breast Cancer Awareness Month began in 1985...in 2024, nearly 300,000 new cases of breast cancer are expected to be diagnosed...the American Cancer Society has searched endlessly for a cure through vital research...educating our community ...of the risks of breast cancer...increased breast cancer screening increases early detection, reduces death, increases life expectancy...and increases five-year survival rates...this is an opportunity for the City of Guadalupe and all of our community to “Go Pink” in October to raise awareness, promote early screening, and honor those affected by breast cancer.”

Ms. Hongo was present to receive the proclamation and a bouquet of flowers from CM Hernandez. Ms. Hongo was asked if she would like to say a few words. She simply said, “Thank you!”

CM Hernandez then said, “I am so excited to have Eileen Hongo here today, a resident of Guadalupe and this year’s “Day of Hope” Ambassador. Eileen has demonstrated incredible strength, resilience, and dedication in advocating for breast cancer awareness. Your journey serves as an inspiration to us all, reminding us of the importance of early detection, support, and community. Thank you, Eileen, for being a voice of hope and a champion of others.”

6. COMMUNITY PARTICIPATION FORUM

Requests to Speak

Melanie Backer: I live in Guadalupe. I just wanted to speak tonight, because I am very disappointed and angry and dismayed about how the Royal Theatre has been managed and handled. I’m extremely disappointed with your project manager, Tom Brandeberry. Since January 2024, huge mistakes have been made...large communication gaps...no communicating with businesses and residents in this town until things were too late and many balls have been dropped.

As a result, tonight I can talk about this later when you get to it... you’re voting on whether to make this beautiful building a three-story performing arts center into a one-story, two (2) classroom performing arts building. I thoroughly read through the report that Tom Brandeberry put together and here are the missteps. At this point, Mayor Julian asked whether she was going to talk about the item that’s on the agenda. She said, “No, I’m not talking about the design. I’m talking about the missteps that have been done.” The mayor then said she had one (1) minute remaining.

Missteps: in January, 2024 GBA and the rest of the town didn’t know about the \$3M shortfall. We could have been doing a capital campaign. There was an RFP put together and I was wondering whether it was vetted by other theatre organizations or theatre operations for its viability and its reasonableness? And now I hear at a November meeting, you might be hiring more consultants for a capital campaign when things could be/should be done with the town and by the people and for the people.

At this point, the three (3) minutes were up. Ms. Backer said she'd speak later.

Brooks Van Wingerden: I am the owner and operate the Guadalupe Social Club. Since a year and a half ago, we've been so excited for the progress and design of the theatre and the business it would bring to the town. Changing the scope of this project to meet financial constraints seems short-sighted. The goal for this space is to be a magnet for the arts, music, and theatre on the central coast. The space was designed to attract top talent as well as provide educational spaces for our youth. I have reached out numerous times to the project manager, Tom Brandeberry, about helping to fundraise but have been told that that can't happen until the operator for the theatre was chosen. However, the RFP, which I've read in its entirety, was not an attractive venture for anyone. It will take time, connections, resources, and a passion to make this a reality. This has to make sense for everyone. You have locals in this community who have expressed interest in taking over operation of the theatre, but communication has been a huge barrier.

The project manager has known about this funding gap, and we, as locals who are passionate about this project and the arts, need to get in front of the right donors to make this happen. I urge the City to stop funding out-of-town consultants and use the resources and the power you have in this community. I have offered myself, my business, and the connections that we have to help assist in a capital campaign. And I really urge the City to continue to see this through as much as possible.

7. CONSENT CALENDAR (A-D)

The following items are presented for City Council approval without discussion as a single agenda item in order to expedite the meeting. Should a Council Member wish to discuss or disapprove an item, it must be dropped from the blanket motion of approval and considered as a separate item.

- A.** Waive the reading in full of all Ordinances and Resolutions. Ordinances on the Consent Calendar will be adopted by the same vote cast as the first meeting unless City Council indicates otherwise.
- B.** Approve payment of warrants for the period ending September 27, 2024.
- C.** Approve the Minutes of the City Council regular meeting of September 24, 2024.
- D.** Adopt Resolution No. 2024-60 approving an agreement for consultant services with Wallace Group for design services for the Transit Hub Renovation Project.

No items were pulled. Motion was made by Council Member Hernandez and seconded by Council Member Robles to approve the full Consent Calendar. 5-0 Motion passed.

MANAGEMENT REPORTS

8. CITY ADMINISTRATOR: (Information Only)

- A.** City Administrator's report for October 8, 2024

Mr. Bodem passed out a printout to the City Council regarding a publication about the Royal Theatre from the National Register of Historic Places. This quarterly publication, called "Best Practices Review", features projects deemed worthy of recognition. This printout is on the City website.

A spreadsheet showing the \$821K ARPA fund balance was distributed to the Council. Approximately \$490K of ARPA monies shown for City Hall repairs for roof and walls will not occur due to a 12/31/24 deadline which can't be met. These monies need to be reallocated to other items. A list of 19 potential items was passed out to the Council. Mayor Julian said, "19 items. The Council might want to add some items to that list. Bring it back for the October 22nd meeting. I would hope the Council and staff will look at this list and prioritize." Because this item was not on the agenda, it will be brought back to a future meeting for further discussion.

- B. Planning Department report for September 2024
- C. Building Department report for September 2024
- D. City Engineer's report for September 2024

(Please go to the City's website at www.cityofguadalupe.org for these other three reports.)

9. DIRECTOR OF PUBLIC SAFETY: (Information Only)

- A. Director of Public Safety report for October 8, 2024

Chief Cash was absent. His report for Police, Fire and Code Compliance activities can be viewed by going to the City's website.

10. RECREATION SERVICES MANAGER: (Information Only)

- A. Recreation & Parks report for September 2024

Ms. Barajas reported on the following activities:

-Drop-in volleyball and basketball continues in October.

-Next week there will be pickleball drop-in. Equipment should be here by tomorrow. Once we get everything put together, we'll put the schedule out and give that schedule a trial run. Mayor Julian asked, "I saw the flyer on pickleball opening. We have people who want to help with this, in terms of instruction. A lot of people know what pickleball is. These individuals are very familiar with pickleball and can help with setting it up but also with actual training. We need to know what we're doing. We're not pros." Ms. Barajas said, "Pickleball should be able to start next week so long as the equipment comes in."

Mayor Julian then said, "I'd wait until you get someone...unless you have someone who can help set that up and actually give instructions. You might say there's pickleball drop-in, but if it's to play, there might be people who don't understand it. I would think there'd be a drop-in for people who want to learn the game before we actually start playing. We need some instructions."

Ms. Barajas said, "The only reason I was going to start next is because I have a group of people who know how to play and want to start next week." They mayor said, "That's what I was asking. So, you have someone." Ms. Barajas, "Yes, I've been marketing pickleball for the last couple of weeks as coming soon to get people in the community to know it's on its way. So, I've had people reach out to me excited that it's coming and are waiting for the schedule. Through Facebook, Instagram and putting flyers out in the community, I've heard back from the community that there are people who

already know how to play it and like to play it. But I'm more than happy to speak with you. We can..."The mayor then said, "I would think that, even though there's nothing set, those people that you have contacted to say that here's the day we're going to talk about it, where and how we're going to locate it, instructions and go from there." Ms. Barajas agreed and the mayor said, "Good job."

-Soccer starts tomorrow. 2 years old – 11 years old with Youth Evolution Soccer.

-CM Hernandez will provide her services to take the community on a free guided community hike at Rancho Guadalupe Dunes Preserves. It's free; just show up at the parking lot. The hike will be adventurous, give you a little bit of exercise and will increase your knowledge of nature.

-On Wednesday, 10/23, school gets out early. There will be a "LEGO" activity at the City auditorium, from 1:15 p.m. to 3:00 p.m.

-On Wednesday, October 30th, we'll have pumpkins donated to us by the Pumpkin Patch. All ages are welcome. They'll be able to decorate them and take them home. Same time: from 1:15 p.m. to 3:00 p.m.

-Friday, 10/25, will be "Halloween Movie Night" at Le Roy Park. The snack bar will be a fundraiser for "Huskies Basketball Team", a traveling team of both Guadalupe and Santa Maria youth. Specific movie to be determined.

Mayor Julian asked, "About the youth soccer...cost for that is \$55?" Ms. Barjas said, "It's \$55 for the whole session. It was brought down by \$10. Sometimes when they do programs here, they give the City a small percentage of the registrations. Todd and I talked. We decided to give that benefit to the community immediately by dropping the price. They were willing to drop the price by \$10, which is higher than the percentage we would have received. That benefits the community immediately rather than on the flip side. The mayor then asked if she knew the numbers yet of those already signed up. Ms. Barajas said, "We put Level 1 and Level 2 together...3 ½ and 7-year-olds. There are about 6-7 signed up."

11. HUMAN RESOURCES MANAGER: (Information Only)

A. Human Resources report for August and September 2024

Ms. Estrada reported the following:

Recruitment: a new Police Officer sworn in and a police recruit candidate continuing pre-employment process. Interviewing for Fire Engineer to begin next week. Offer extended to a Grants Administrator candidate; decision pending. Applications for Facility Rental Coordinator being screened. Public Works Director search expanded.

Other: Labor negotiations with POA continuing. Two work-related injuries reported. Monitoring on the two long-term claims continues. Health insurance open enrollment deadline is Friday, 10/11. There will be multiple training that will be starting next week all the way through December for various departments. These are required trainings. Work on the Personnel Manual and team building activities continue.

Mayor Julian asked, "I saw a note on a "Quarterly Employee Recognition Program. That's a good idea. Have there been any nominations?" Ms. Estrada said, "Yes, there have been several nominations already...part of team building."

REGULAR BUSINESS

- 12. Amendment No. 4 to the agreement for services between the City of Guadalupe and Andrew Goodwin Designs (AGD) to complete a partial redesign of the Royal Theater Renovation project to reduce costs; and authorize staff to continue seeking Economic Development Administration (EDA) approval of the redesign.**

Written report: Thomas Brandeberry, Project Manager

Recommendation: That the City Council adopt Resolution No. 2024-61 approving Amendment No. 4 to the agreement with AGD to complete a partial redesign of the Royal Theater Renovation project; and authorize staff to continue seeking EDA approval of the redesign.

City Attorney Sinco said that he and Thomas Brandeberry, who was on zoom, would "tag team" on this item. City Attorney Sinco began with a brief background on this item. The staff report explained the original agreement and three (3) subsequent amendments previously approved.

When the project was bid recently, the enhanced audio-visual and commercial kitchen were listed as alternatives. That meant that the project could go forward without those alternatives. One or the other could be added. That totaled about \$3million which is, essentially, the shortfall. (City Attorney Sinco said that he was unsure of the number here.) It was determined in early 2024 that available funding would not be enough to complete the original design. The shortfall was approximately \$3million. We didn't know for sure until around February/March when we got the cost estimate done. Staff then recommended a bond measure for the November 2024 ballot. The Council did not vote to place it on the ballot.

There is a lot of discussion about a capital campaign. That's easier said than done. The underlying problem is the Economic Development Administration (EDA), which has a lot of conditions and hard deadlines. If we don't meet those deadlines, we could lose the funding and the project.

Andrew Goodwin Designs (AGD), on its own, asked how they could help with this shortfall and came up with a conceptual re-design which eliminated about \$1.5million in construction costs for not having to do multi-story buildings, stairwell and elevator which then left a shortfall of \$1.5million. The project with the new design has enough funding to go forward without the project alternatives. The City would want to construct it sometime later, which is why the City has always planned to do a capital campaign, although it was initially probably only for the operating expenses and the ongoing maintenance for the theatre. But now it would be to raise funds for the alternatives.

It was necessary to contact EDA for their consent to move forward with this new design, because there's another approved design which has met their conditions. There's a lot of red tape to get their consent to move forward. If EDA approves, new drawings need to occur, and AGD would need to prepare those drawings. That's what this item is really about. It's about approving an amendment to the contract to allow the architect to re-design the plans to accompany this new design.

EDA has a meeting coming up next week. Staff had to prepare necessary documents without Council's approval to meet their deadline for the meeting. We did do that with the complete understanding if the Council doesn't support staff's action, it's easy to tell the EDA to disregard. But if the Council is supportive of moving forward, we would ask the Council, in the resolution, to ratify that action.

At this point, Mr. Thomas Brandeberry, who was on zoom, came in to participate in the further discussion of this topic. Something to remember: we have three (3) funding sources: EDA, Successor Agency and the State, all for the purpose of developing a community performing arts center. We cannot do anything but have a performing arts center with these funds. The design change that is being made is still as a performing arts center.

When speaking to the EDA staff, it was clear that we needed to go to the EDA committee before the concept of these plans could be approved. The reason for that is we were awarded these funds on the basis of certain elements in the project, and those elements had to stay. One of the elements was the performing arts center side of the building which is the three-story building in the original design. They required us to have the plaza and amphitheater, and the historic building, the theatre itself.

To change that plan in any way from the original plan that the EDA approved...so, the EDA approved the full design plan, 100% plan set, our present design. To change that, it required us to do a number of things and create a number of documents to be able to meet the October 16th committee meeting. If we didn't meet that committee deadline, we'd have to wait for a later committee. And, as you know, we're on a very tight deadline. We have to, theoretically, start construction by March 2025, and we have to finish the project by March 2027. So, going to a later committee date didn't make sense if we're on a very tight schedule.

All the necessary documents were submitted to EDA staff and are ready to go to the committee for approval. Tonight is about asking the committee to let us go forward with that approval, and, if so, to give additional funds for AGD for the purpose of taking this concept to full design. The EDA will have to, along the way, also, review the new plan at 100% which we will have to submit to them before we can release those plans in another bid process. So, we're doing a lot of stuff that has to be done in a very short timeframe. Those are the two things we're asking Council to approve tonight.

Mayor Julian said, "The initial costs was \$14million for the original design. Right?" Mr. Brandeberry said, "Up until now, we'll call it the original design, we had a number of cost estimates. Highest cost estimate during COVID was around \$11million, and lowest was about \$9million. The bid we have now actually came in about \$14.5million. I do believe that bid is high because it was a single bid. It does show that the original design was way out of available funds."

CM Furness asked, "Only received one (1) bid for the \$14.5million?" Mr. Brandeberry said, "Yes, we only received one (1) bid. The reason for that was there was a short turnaround. EDA required us to put that bid out to take to the committee. However, the timeframe was short. A number of contractors asked for time which we couldn't give them."

CM Furness then asked, "How many companies did we submit the RFP to?" Mr. Brandeberry said, "We submitted it publicly. About six or seven were interested, asked questions and put in RFIs to

respond to. *Would probably would have had five to seven bids, if we gave them more time.*” CM Furness then asked, *“How much time was given?”* Mr. Brandeberry said, *“Five (5) weeks. That’s not a lot of time when you look at how this project is.”*

CM Hernandez asked, *“It seems there are a lot of timelines. Is there some way we can see all these timelines to turnaround. Something tangible to look at?”* City Attorney Sinco said, *“Yes, we can most certainly do that. And, Tom, correct me if I’m wrong, the most critical timeline is that the project has to be done by March 2027. The construction start date of March 2025 is not as critical. But the later we start, the less likely the March 2027 deadline will be met. Those are the two (2) most important ones. There was the October 16th deadline which we met. Are there any other deadlines you can think of, Tom, we need to apprise the Council of now?”* Mr. Brandeberry said, *“I don’t think so, but I am asking the California Arts Council (CAC), which gave us the \$5million if there is a date deadline for those funds. I’ve not received an answer at this point. If I do, I’ll make sure that staff and Council are aware of it.”*

CM Hernandez then asked, *“And there are no extensions on the current grants?”* Mr. Brandeberry said, *“The EDA grant is impossible to extend beyond March 2027. It is part of President Biden’s Infrastructure Plan. The legislature had that as a deadline. The EDA has no control over that deadline. They do have some control over the start of the construction. Obviously, they wouldn’t want it started a year after March 2025, but they would be okay if we started a few months later than that.”* City Attorney Sinco added, *“That’s what I meant, CM Hernandez, that it would require a change in the law, a congressional act, which is possible. We’ve seen that before. ARPA was extended, but it’s certainly not something we should count on.”*

CM Hernandez continued and asked, *“Just for some clarity, what would happen if this redesign was not approved?”* City Attorney Sinco said, *“That’s easy. We’d try to go ahead with the original design and see what we could do. Tom, correct me if I’m wrong, we would have to raise \$1.5million minimum to move forward with the original design. That’s assuming that our estimate is correct. If we get more bids that are \$14million, as opposed to closer what we thought, then we’re going to need more than \$1.5million. Say, we get a bid that’s closer to what we estimate, which I don’t remember the number off the top of my head, we’d have to come up with at least \$1.5million and that would be without the commercial kitchen or the enhanced audio-visual. We’d have to raise funds for that which we’d embark on a capital campaign...which we’re going to do, regardless of whether the original design goes forward or the redesign goes forward.”*

Mayor Julian asked, *“Were there any comments from EDA regarding the whole package that we had to have the resources before they’d release their funds?”* (The mayor repeated his question for Mr. Brandeberry’s response.) Mr. Brandeberry said, *“The EDA’s rule is they can’t allow us to sign a construction agreement if not all funding is in place.”* The mayor then asked *“So, that was one of the rationales for re-designing it to come under for what we feel is appropriate, in terms of fundraising.”* Mr. Brandeberry said that was correct. Mr. Bodem said, *“One thing I might add is that when we initially talked to Andrew, I asked the question if this is functionally similar to the three-story. He said that the redesign serves a similar, if not better, functionality than the original design.”* Mr. Brandeberry then said, *“I would add that the EDA required that. They agreed, with my conversation and Andrew’s conversation with them, that this project can go forward, because it does meet the functionality and the elements that were there in the original grant approval.”*

Mayor Julian said, "I was involved in the meeting with Andrew myself...looking at getting the temperature what it would cost for fundraising, because we didn't move with the bond. But that most likely wouldn't have passed anyway. Generating \$3million quickly is a tough one considering everything else that's going on with the county and statewide with propositions and hits on our pocketbook."

CM Furness asked, "I'm going to go back to what I asked before. Why did we only give bidders five (5) weeks? Was that a deadline we had?" Mr. Brandeberry said, "Because the bid had to be part of the package that went to the EDA, we had to finish that bid in time to go with all other documents to put together the presentation for their October meeting." CM Furness then asked, "In that presentation, that's when they're going to approve the one-story?" Mr. Brandeberry said that was right. CM Furness continued and asked, "So, you needed to say we got a bid for \$14million, we can't do that, so here's our option for a one-story." Mr. Brandeberry said, "Yes, that was the purpose. The EDA staff wanted to show the committee that if the bid came in at a very low amount, like \$10million, well, you don't need us, so let's not go to the committee. If it's higher, there's a reason why we're going to the committee?"

CM Furness had a couple more questions. She asked, "Will we give bidders more time on the one-story option, if that goes forward?" Mr. Brandeberry said, "Absolutely." The other question she asked was, "If we approve this tonight, as you're asking, would we still have the option to go for the three-story? Would both plans be approved by the EDA at that point?" Mr. Brandeberry said, "The concept is that we're asking for an amendment to the original grant agreement with this new project. The answer is more likely 'No', but I don't know if we'd want to have that other one pending, because we'll never, unless an unknown benefactor we'll never have the money enough to do... Let's assume that \$14.2million is too high. It wouldn't go down, I would assume, to like \$12million."

City Attorney Sinco added, "I agree with Tom that it's not likely that we could have both projects in play. It is, theoretically, possible, if we raised much more money, say, \$6million. Now, we have plenty money to do the original design. Then, since there are already approved plans for it, we might have plans for this other design, too. But, then we'd go back to the EDA and say that we have the money, we'd like to do the original design. I think, though, at that point, it would be a decision by the Council which design to go forward. However, I agree with Tom...I'm very skeptical that we'd be able to raise that amount of money to do the original design in time. This redesign is probably our best chance of doing that. If I'm wrong, I'm happy to eat my words and maybe go back to the original design. But staff recommends this as most likely to get a project that will be a performing arts center."

The mayor said, "I don't think we'd want to...Say if a bid came in at \$10million, or \$9million, a second one, and someone donated \$4million, we're not going to split and go back to the first one." City Attorney Sinco said, "That's what I said would be a Council decision." Mr. Bodem said, "Putting these plan sets together in a short period of time, four months. We didn't have a lot of time to put it together for a three-story. That pinched us on time."

Mayor Julian then said, "In response to CM Hernandez, there's been a lot of checking back and forth with EDA. They're very strict with...like today, we had to sign another document with California Historical Group which approves this whole process. Sometimes we didn't know it that something, another thing, had to be done." Mr. Bodem said, "Tracking this, there had to be 25-30 staff reports and resolutions that officially went before the Council. That's just what went before the Council

publicly. There's been a lot more of background work on this project. But as far as actual city proceedings, there's been about 20-25 times that the City has addressed the Royal Theatre."

Mr. Brandeberry said, "One other thing to consider. Part of the reason the EDA committee is looking at...one of the aspects is, 'Can the City of Guadalupe complete this project?. Are they able to complete the project?' Going before them, we need to show them we have the capacity to do this. Going back to the EDA after this approval of this plan and saying that we want to do the other one will not look good. I would caution you on keeping both of them going." They mayor said that is like building a home...spending more than you need to.

CM Hernandez asked, "Will there be any public informational sessions after the October 16th meeting?" City Attorney Sinco said, "Sounds like there is now." Mr. Brandeberry said, "As I do the Facebook page on behalf of the project, I'll certainly be announcing it there, and I will certainly put the renderings up. I've not done any of that, at this point, because the Council hasn't approved it, and the EDA hasn't approved it. But I will certainly blast it out there. I will also say that when plans go along, like 50% of the plans are ready, those plans will go to the Council for review as we did with the prior plans."

CM Hernandez added, "I like social media but not social media for community updates or community discussions. Things could get very tangled up. So, it would be nice that we do have messaging coming from the City. We need to make sure we have one (1) message going out." Mayor Julian said, "If approved, the designs will come out, in terms of working with AGD to look at the specifics of the plans. Like what was mentioned, there's no delineation from the performing arts side of things. It's still going to be functional to be able to do the performing arts side of what was planned and what the community wanted. By the way, the paperwork you just submitted on the recreation side, it's noted that the Royal Theatre is one of the projects that stood out that the community should have."

Requests to Speak

Mira Beyeler: I actually have a couple of clarifying questions that I realize may not be answered here that are really important. There's a ton of information for the public to try to digest. There's a lot of numbers and a lot of figures. I don't feel that this information, I really don't feel like what's shared with the public can be digested in the amount of time given, which for this case was one (1) week when the agenda was posted online to this meeting. And, as you can see by the amount of people in the audience, there might be more interest if there was an easier way for people to understand the information that they're being given.

Some of the questions are just...these figures are all over the place. They're hard to understand, and there's not a ton of background information from where they come from. Some of my questions are, Is there a reason that one bid of the bids from November 2023 is \$500K less than a bid given a year later, considering inflation. Was it the same company that did those bids? Was it a different bid? One of my other questions is where did the total project cost of \$16.8million come from for the original three-story building? And where did it come from that the cost for the new project would be for \$5.4million less than that? So, is that the \$3million for the two (2) projects to go to the audio-visual and the kitchen, in addition to the \$2million of the decrease in the actual project plan? There's not a ton of detail on what that \$1.5million for audio-visual would be and what increases that would

cost, like wiring and that type of stuff, if you could raise the funds later and have to go back and implement that.

An additional question. Considering that the bid, the estimate was around \$11 million at its highest, and the actual bid was \$14.3million, which I understand there was a quick turnaround and maybe some of the bids could come in lower. What is the contingency plan if you go out for a lower one, and you still get that it's \$2million more than what you were expecting, therefore, increasing the amount of funds that you have to then raise by the City.

I also just want to bring up that I totally understand that I think having a capital campaign is easier said than done. At this point, it's been almost a full calendar year of not doing that. The timing is so crucial. I know it's probably a conflict of interest for me, personally, because I obviously have a vested interest of the potential operation for it, but I do want to really stress to the Council that either choosing an existing community organization, whether that's the Recreation Commission or the CAC, the newly formed non-profit, I think that having an oversight committee to really delve into this moving forward is really crucial to the success of the project. Having an oversight committee for the current management team is really important."

Mayor Julian said, "One of the things you know is that nobody applied for the management position. So, we're not dealing with the management position with this. You're right. Given that there were no applications for the management side, we talked to a few individuals. We had a zoom with PCPA Theatre, Granada Theatre, the theatre in Lompoc manager, and some other folks...they basically said the same thing. You need to work on a relationship with whoever wants to manage it. Because if we're asking for a ton of money upfront, it's going to be difficult to do. So, right now we're not talking about that, but I think you're right when it comes to, both what Christina said, to let people know what's going on and also on the management side. Because there's...we haven't brought that back to the table yet, but it's one that needs to be brought back, in terms of the management side."

Ms. Beyeler said, "I totally understand that. My main concern is that I do think those two (2) pieces are connected with each other. Again, some of this shortfall is going to then become a partnership between the future operator and the City to raise those additional funds to do all the things that the performing arts center is made to do. And I think, again, it's a very quick turnaround time even if it's two (2) years of construction. Yes, getting the doors open is incredibly important and creating a sustainable path for having this successful for generations to come is equally as important. I think those pieces are connected to each other...the information piece is also connected."

Mayor Julian said, " We need to have a building to be able to do anything. So, first of all, you need to have that building. Then looking at the management side of things. They're connected, but if we don't have the money to build it, it's a wash. Nobody gets anything. You mentioned a bunch of numbers here. I couldn't follow that. Did anyone else follow it? I don't know if Janice or Tom followed it."

Mr. Brandeberry said, "I do want to clarify something. They were not bids in multiple years. We had cost estimates in multiple years. Those cost estimates are based on...I believe we had four (4) cost estimates. The last one was actually for the single-story project. We've had three (3) bids on the multi-story project. The highest was high, because it was in the middle of Covid. The price was significantly higher. The last one was the lowest, again, probably because it was further away from

Covid. Those bids also included contingencies. Yes, those numbers appear to be low. The cost estimates originally were done as part of AGD's design scope of work. They hired a construction estimator to do the work. The construction estimator gave the second one. Then the City went out and procured a new construction estimator for the last of the three-story building. They vary over time because of 1) two different estimators, and 2) the times that those estimates were done."

Mr. Brandeberry continued saying, "Estimates are guesses, and we need bids to know for sure. Even if we raise \$3million in a capital campaign, we won't know what it will actually cost until we get bid in. This is one of the reasons why you need to have alternates in the bid process, so that you can remove items to allow the contract to be signed and the construction to start, and then find sources for funds for the items that we can build."

Ms. Beyeler said, "I totally understand all of that. I think my main point is that this is a large amount of information, and it's hard to follow what is and what is not included in some of these cost estimates. I think it's important that it's written in a way that everyone can digest it. Then the community members who are interested in partnering with the City, when the time comes, to assist in raising funds, have a full sense what the need is, or close to it." Mr. Brandeberry said, "The community is not going to know the full sense until we have a bid." City Attorney Sinco added, "Which is fine. Then we will be able to provide that information that she's asking for in a comprehensible package. I think that that's an excellent suggestion, and we will do that."

The mayor said, "I know AGD and everybody else who's been on it, engineers, asbestos people on it, and quite a few inspectors on it, our staff going in and out of that, there's a lot of background information, in terms of what's going on. Like Philip said, 'We know there's the bid coming in.' For sure, we can't do \$14.3million. It's too expensive. Given what AGD is saying, the project will not be denigrated in any way, in terms of the redo of the building that you see on the schematic there and also in the staff report."

Ms. Beyeler said, "I guess my last follow-up to that point is that I do think the loss of the commercial kitchen and the loss of the audio-visual in the amount of \$3million is a change in the scope." Mr. Brandeberry said, "The audio-visual and commercial kitchen does not cost near \$3million." Ms. Beyeler said, "I thought it was said earlier that each of these cost \$1.5million each." City Attorney Sinco said, "That was my mistake. It's \$1.5million for the two (2) alternatives together. We're \$3million short. We have \$1.5million in alternatives. That still leaves \$1.5million minimum for us raise minimum for the original design, but with the new design, we save that \$1.5million which allows us to proceed without the alternatives which we definitely want to do. But we'll have time to do that. While the building is being built, from 2025 to 2027, we'll be having a capital campaign raising money. We'll then be able to schedule those jobs later. That's the plan. I hope. We're really desperate with time deadlines trying to get everything lined up so we have a project that's viable so we can get our funding sources and move forward, check all the boxes. We just need to keep moving, one step at a time."

Melanie Backer: This has all been very helpful. How much is needed for AGD to do the ... City Attorney Sinco said, "The extra work? Less than \$200K" Mr. Brandeberry added, "\$168K." City Attorney Sinco then said, "\$168K because there's some work that's involved in the previous contract." Ms. Backer continued saying, "With audio-visual and sound being so important, also gathering incredible talent, incredible people that we want to come to Guadalupe, is your plan to keep fundraising while the

walls are being built, so you can shove in that stuff...so, obviously, an operator getting it later having to undo the walls, it's going to be a fiasco. Again, with this whole capital campaign, again, communication... I agree with Christina (CM Hernandez), it'd be great to get deadlines. I'll take them to GBA (Guadalupe Business Association) just so people know.

Mayor Julian interjected, "But we need to take them to the whole community. The community is made up of everybody, not just the GBA." Ms. Backer said, "Yes, sir, I know. It's just that...I found out about this meeting on Friday. Again, everything is happening really quickly. And a capital campaign, I really hope that the public and we can be involved, too. We have sources, and our hands have been tied since I found out about it. It's very frustrating."

Mayor Julian said, "You've seen on Facebook where people say that we don't need this building." Ms. Backer said, "Yes, but I have funding sources that..." They mayor said, "The thing is, we're moving forward with this." Mr. Bodem said, "If you have funds, by all means..." Ms. Backer said, "I don't have the paperwork. The paperwork is so..." Then Mr. Brandeberry said, "If I can say one other thing, in regard to the audio-visual and the commercial kitchen, those were alternatives in the original design. Alternatives haven't even been determined in the new design. We haven't even started the new design. So, don't assume that the audio-visual and the commercial kitchen will be the alternates in this new design if it's approved by Council. Secondly, I've offered my time to any organization, and this is known, to meet in those organization to give project updates. That is still available any time." Ms. Backer said, "I've not heard that. And I like the package idea. Thank you, Phil."

The topic was brought back to the Council for any further discussion. CM Furness said, "I just appreciate those who came to discuss this tonight. I'll only speak for myself...we have the same vision for what we want in this community. I'd like to note that I have some background with construction projects. I've learned, but I'm not an expert on certain things. I can attest to the amount of work that's gone into the plans, the budget...just to put an RFP out in this size and how that works. Part of me trusts the experts in their respective fields knowing that they have the same goal as I'd like to see. It took me a little time to digest the numbers, too, and I got the agenda the same time that you did. I can relate to that, as well. But I know that the numbers aren't just thrown on paper. They are scrutinized and looked over and discussed at length by those who are paid to do it. We hire the professionals to work on this project."

CM Furness continued saying, "Although I would love to see the big grand building that we had planned, I do want to see this project move forward. I don't think that at this stage of the project that we're losing much of the functionality we had hoped for. So that's my opinion. I just want to say thank you again for coming out. We're on the same page. I put the work into discussing capital campaigns on my own time, so, I can agree that we can be a little bit more communicative with the public, but, again, I know there's been a lot of non-stop work on this, and I appreciate those who worked on this."

Mayor Julian said, "I think that if and when we approve this redesign, we're going to find that individuals will be more than willing to...you eat an elephant one bite at a time. Maybe we can just have a little guinea pig to eat one bite at a time, and not the whole elephant. This will allow us to reach fruition to get this project done."

Mayor Julian said, "There are two (2) resolutions here." City Attorney Sinco said, "The resolution includes the ratification, so there's only the one resolution."

Motion was made by Council Member Hernandez and seconded by Council Member Furness to approve Resolution No. 2024-61 which approves Amend No. 4 to the agreement for services between the City of Guadalupe and Andrew Goodwin Designs and to authorize staff to continue seeking Economic Development Administration (EDA) approval of the redesign.

Prior to calling for a roll call on the motion, Mayor Julian said, "Thank you audience of two for being up there. I think you're right. There are times I'm asked to sign something. Just like today. It had to go to EDA today. That's happened twice in the last couple of days where EDA required information at the last minute. Phil, I know that you've been working on some items, so has Todd. There's a lot of people behind this effort."

Roll Call: Ayes: 5 Nos: 0 5-0 Motion passed.

13. FUTURE AGENDA ITEMS

Todd Bodem:

- ARPA Spreadsheet/Reallocation of Funds – future meeting
- Integrity Planning: Contract Renewal – October 22nd
- Eikhof Design Group: Contract Renewal – October 22nd

14. ANNOUNCEMENTS – COUNCIL ACTIVITY/COMMITTEE REPORTS

Mayor Julian:

-A letter was received from Senator Limón's office. At 10:00 a.m. on Wednesday, October 9th, at the Dunes Center, there will be a check presentation of \$1.6million for environmental projects in Guadalupe and Lompoc. The Senator will be presenting the check to the Community Environmental Council for the Regional Climate Collaborative.

-Mayors Bash, which previously was the 'Mayors Ball', is a special occasion to honor the five (5) mayors in the region and celebrate the incredible communities of Santa Maria, Guadalupe, Lompoc, Buellton and Solvang. Proceeds from the bash will support vital county-wide program focusing on literacy, and will go to Literacy 2.0 Initiative, Dolly Parton's Imagination Library, Ready4K & Beyond, Sammy Rabbit's Money School, and Total 4 Tomorrow Savings Challenge. It was good. There were a lot of major sponsors for the event.

CM Hernandez:

Mary Buren is having a fall festival fundraiser on October 18th from 5:00 p.m. to 7:00 p.m. There will be different vendors there. The mobile farmers' market will be there. Food will be sold. Tickets are \$5.00 each.

15. ADJOURNMENT

Motion was made by Council Member Hernandez and seconded by Council Member Furness to adjourn the meeting. 5-0 Motion passed. Meeting adjourned at 7:22 p.m.

Prepared by:



Amelia M. Villegas, City Clerk

Approved by:



Ariston Julian, Mayor