



CITY COUNCIL AGENDA STATEMENT



June 11, 2019

File ID: 19-0314

TITLE

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AUTHORIZING THE CONSTRUCTION OF THE CIVIC CENTER LIBRARY OUTDOOR DECK ADDITION (CIP NO. GGV0244), AMENDING THE FISCAL YEAR 2018/19 CIP PROGRAM BUDGET, AND APPROPRIATING FUNDS THEREFOR (4/5 VOTE REQUIRED)

RECOMMENDED ACTION

Council adopt the resolution.

SUMMARY

On September 25, 2018, the City Council adopted Resolution 2018-202 accepting and appropriating Housing-Related Parks (HRP) grant funds in the amount of \$629,450 to construct an outdoor deck addition to the Civic Center Library (CIP No. GGV0244). An updated engineer's estimate for the project indicated a total preliminary budget of \$1,320,863. On May 7, 2019, the City Council adopted Resolution 2019-072 appropriating \$691,413 from the Major Recreation Facility component of the Public Facilities Development Impact Fee (PFDIF) to supplement the HRP grant funds. Following bidding results of the Request for Proposals to construct the Outdoor Deck Addition, the updated total project cost, inclusive of construction costs, soft costs, and 15% construction contingency, is \$1,657,770. An additional appropriation from the Major Recreation Facility component of the Public Facilities Development Impact Fee (PFDIF) to supplement the HRP grant funds and previously appropriated funding from PFDIF is recommended.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed project for compliance with the California Environmental Quality Act (CEQA) and has determined that the project qualifies for a Categorical Exemption pursuant to State CEQA Guidelines Section 15301 Class 1 (Existing Facilities), Section 15303 class 3 (New Construction or Conversion of Small Structures), and Section 15061(b)(3), because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. Thus, no further environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable.

DISCUSSION

On February 7, 2017, the City Council approved submission of a Housing-Related Parks (HRP) Grant application to the California Department of Housing Community Development Department (Resolution No. 2017-023).

The HRP program was funded through the passage of Proposition 1C, which creates incentives and rewards local governments for building affordable housing by providing grant funds for needed parks in those communities. The grant funds may be used for the creation, development, or rehabilitation of park and/or recreation facilities. The City was awarded a grant in the amount of \$629,450. On September 25, 2018, the City Council approved Resolution 2018-202 accepting the HRP grant funds and amended the operating and capital improvement program budgets to appropriate the grant funds to CIP No. GGV0244 (Civic Center Library Outdoor Deck Addition).

The initial engineer's estimated construction cost for the project was \$1,153,263. With the inclusion of \$167,600 in design and construction administration and management, the estimated budget for the project totaled \$1,320,863. On May 7, 2019, the City Council adopted Resolution 2019-072 appropriating \$691,413 from the Major Recreation Facility component of the Public Facilities Development Impact Fee (PFDIF) Fund to supplement the HRP grant funds.

Following bidding results of the Request for Proposals to construct the Outdoor Deck Addition, the updated project cost, inclusive of construction costs, soft costs, and 15% construction contingency, totals \$1,657,770. In order to fully fund the new estimated project cost, the existing appropriation of HRP Grant Funds and PFDIF Funds must be further augmented in the amount of \$336,907. Additionally, if the City is unable to expend the entirety of the HRP grant funds by June 30, 2019, any unexpended funds must be returned to the State. Should this occur, additional PFDIF funding will be required to complete the project. Council authorization to expend up to a total of \$1,657,770 in PFDIF funds (an increase of \$966,357) is recommended, in the event that none of the grant funds are reimbursable.

Public Facility Construction Priorities and Authorization

In conjunction with the 2011 Growth Management Oversight Commission (GMOC) Report's Recommendations and Implementing Actions, a new process for prioritizing public facility construction was established. The new process requires that PFDIF capital projects be brought forward to Council for authorization to proceed prior to significant expenditure of project funds. At that time, a list of other PFDIF eligible projects should be presented to Council, along with staff's justification for moving forward with the proposed project.

The prioritization of PFDIF projects reported to GMOC and City Council was most recently updated in September 2018. The PFDIF capital projects are currently prioritized as follows:

Priority	Description
1	Millenia Fire Station (<i>currently under construction</i>)
2	Rancho del Rey Library
3/4	Otay Ranch Village 4 Aquatics Center and Recreation Facility
5	Millenia Library

The Civic Center Library Outdoor Deck Addition project was not contemplated as a PFDIF program in the last facility prioritization report to the Council. Moving forward with the Outdoor Deck Addition is recommended at this time in order to leverage the HRP grant funds and to provide additional recreational amenities in Western Chula Vista. If the proposed PFDIF appropriations are approved, the new prioritization of facilities would be as follows:

Priority	Description
1	Millenia Fire Station (<i>currently under construction</i>)
2	Civic Center Library Outdoor Deck Addition
3	Rancho del Rey Library
4/5	Otay Ranch Village 4 Aquatics Center and Recreation Facility
6	Millenia Library

Additional fire and recreational facilities are anticipated to be added to the PFDIF program in conjunction with a future comprehensive update (currently planned for 2019/2020). An updated facility prioritization will be presented at that time.

DECISION-MAKER CONFLICT

Staff has reviewed the property holdings of the City Council members and has found no property holdings within 1,000 feet of the boundaries of the property which is the subject of this action. Consequently, this item does not present a disqualifying real property-related financial conflict of interest under California Code of Regulations Title 2, section 18702.2(a)(7) or (8), for purposes of the Political Reform Act (Cal. Gov't Code §87100, et seq.).

Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

Project costs totaling \$1,657,770 as summarized in the table below.

Description	Amount
Construction Costs Bid	\$ 1,295,800
Construction Contingency (15%)	\$ 194,370
Design & Construction Management (Davy)	\$ 167,600
Total	\$ 1,657,770

The project will be funded as follows:

Funding Source	Amount
HRP Grant Funds*	\$ 629,450
PFDIF Funds	\$ 1,028,320
Total	\$ 1,657,770

*HRP funds are anticipated to be expended in the current fiscal year as required by the terms of the grant. PFDIF expenditures will occur in fiscal year 2018-19 and 2019-20. In the event there are any delays in the project, and the grant funds would not be expended by June 30, 2019, or the State denies reimbursement of the grant funds to the City, staff are requesting additional PFDIF funds in the amount of up to \$966,357 in order to complete the project.

ONGOING FISCAL IMPACT

Upon completion of the project, the improvements will require routine City maintenance.

ATTACHMENTS

None

Staff Contact: Tiffany Allen, Assistant Director of Development Services