

Agenda Report

December 14, 2015

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Department of Public Works

SUBJECT: APPROVE JOURNAL VOUCHER AMENDING PROJECTS IN THE FISCAL YEAR 2016 CAPITAL IMPROVEMENT PROGRAM BUDGET AND INCREASE CONTRACT AMOUNT WITH HARDY AND HARPER BY \$50,000

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed actions are not "projects" as defined in the California Environmental Quality Act (CEQA), Public Resources Code Section 21065 and Section 15378(b)(4) and (5) of the State CEQA Guidelines and, as such, are not subject to environmental review;
2. Approve a journal voucher with a net increase of \$6,890,465 amending four projects in the Fiscal Year 2016 Capital Improvement Program Budget as detailed in the Fiscal Impact section of this report; and
3. Authorize the City Manager to amend Contract No. 22,117 with Hardy and Harper to increase the contract amount by \$50,000 for a new not-to-exceed amount of \$1,520,000 for additional work as part of the Preventive Maintenance- Asphalt Streets project.

BACKGROUND:

As part of the process to update the CIP budget, the Department of Public Works has completed this report detailing necessary budget adjustments. The budget adjustments are needed due to changes in the status of various capital projects. The budgetary changes to the projects are listed below and must be recognized through the City's journal voucher process to formalize the changes. The changes are summarized in Attachment A.

- 1. In-Fill Street Lighting and Repair and/or Replacement of Existing Street Lighting Systems FY 2016 - 2020 (74413)** – The Department of Public Works recommends appropriating \$530,000 in Community Development Block Grant (CDBG) to this project and increasing the estimated project cost by a like amount. These funds will pay for the replacement of approximately 1,100 existing high pressure sodium, mercury vapor and incandescent streetlight luminaries with energy efficient light emitting diode (LED) lighting at various locations throughout the City within the CDBG benefit area. The CDBG funds were received as part of the Housing and Career Service Department’s 2015/2016 CDBG Amended Annual Action plan and must be expended by June 30, 2016. Construction will begin in February and be completed in June.
- 2. Tree Replacement/Planting - Citywide (78957)** – The Department of Public Works recommends appropriating a \$400,000 in Environmental Enhancement Mitigation 2014-2015 grant to this project. This grant will fund the planting of 1,640 trees in the public right-of-way before spring of 2019. The original grant application resolution also included the rehabilitating landscaping in center medians along Colorado Boulevard. Due to the unexpected high cost of the landscaping rehabilitation this grant will be used solely for the tree planting. Timing of the landscape element will depend on future grant opportunities.
- 3. City Fiber Network Expansion Project (71212)** – The Department of Information Technology recommends appropriating \$60,465 in CDBG to this project for the Fire Station 36 fiber optics connections. This project involves extension of the fiber optic connections at Fire Station 36 by leveraging existing conduit to minimize the need for new construction. Once in place, the fiber will boost the bandwidth and reliability of the fire station’s network connection significantly, supporting station operations and community technology use. This project will be completed in FY 2016.
- 4. Rose Bowl Renovation Project (84004)** – Appropriate \$5.9 million from funding sources identified below to accelerate the Rose Bowl Renovation project which is expected to achieve substantial completion two years ahead of schedule. The increased project cost consists of \$3.2 million for the inclusion and construction of the three remaining gate structures, in addition to cleaning up the project balance sheet. Due to a termination of a contract during Phase II of the renovations, \$2.7 million was reimbursed back to the project. The project balance sheet has since been carrying the miscellaneous credit in the amount of \$2.7 million. Appropriating a total of \$5.9 million to this project will correct the balance sheet and allow the remaining work on the project to be completed. Funding sources consist of: \$2.0 million from the Rose Bowl Strategic Plan Fund; \$2.0 million of 2015 Legacy Connection contributions; \$1.6 million of 3rd Party contributions; and \$300,000 of RBOC Unrestricted Reserve funds. The reduction to the RBOC Unrestricted Reserve account leaves a remaining account balance of \$3,161,301. This action was approved by the Rose Bowl Operating Company on November 18, 2015.

Contract Amendment

Preventive Maintenance – Asphalt Streets FY 2011 - 2015 (73901) - The Department of Public Works recommends increasing Contract No. 22,117 with Hardy and Harper by \$50,000 for a new not-to-exceed amount of \$1,520,000. The scope of this project was increased to include the resurfacing of El Molino Avenue between Colorado Boulevard and Green Street. This street segment was added to complement the completion of the raised pedestrian walkway at the new development on this street. This allowed the resurfacing work to occur after the construction of the new development project and before the tenants moved in. This project was completed in October 2015 and this action will allow the contract and project to be closed.

COUNCIL POLICY CONSIDERATION:

All of the above projects and actions address City Council's goals to maintain fiscal responsibility and stability and improve, maintain, and enhance public facilities and infrastructure. All of the projects have been found consistent with the General Plan.

ENVIRONMENTAL ANALYSIS:

CEQA excludes from environmental analysis those actions that are not "projects" as defined by State CEQA Guidelines Section 15378. That section excludes from the definition of "project" the creation of government funding mechanisms and fiscal activities which do not yet commit the lead agency to any specific project, and also excludes organizational or administrative governmental activities that do not result in physical changes to the environment. The actions proposed herein are budgetary and part of the City's normal administrative process as it takes early steps to prepare for the possibility of undertaking a project, and therefore they are not yet "projects" as defined by CEQA. As the City becomes more certain it will undertake one of the projects, and before it commits itself to the project, the appropriate environmental analysis will be conducted and brought to the appropriate City body for approval.

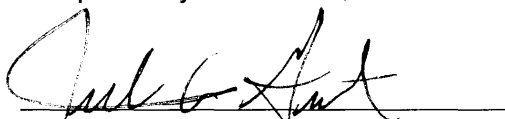
FISCAL IMPACT:

The cumulative result of these recommendations will increase the FY 2016 CIP budget by \$6,890,465. The specific funding sources for the CIP budget amendments are listed below, and Attachment A shows the detailed changes to each project.

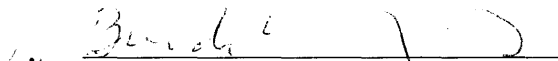
Fund	Fund Balance June 30, 2015	Revenues			Appropriations
		Use of Fund Balance	Proposed Amendments	Net New Resources	Proposed Amendments
Community Development Block Grant	N/A	N/A	590,465	590,465	590,465
Environment Enhancement Mitigation 2014-2015 Grant	N/A	N/A	400,000	400,000	400,000
Rose Bowl Strategic Plan Fund	N/A	N/A	2,000,000	2,000,000	2,000,000
2015 Legacy Connection	N/A	N/A	2,000,000	2,000,000	2,000,000
3 rd Party Contribution	N/A	N/A	1,600,000	1,600,000	1,600,000
RBOC Unrestricted Reserve Fund	3,461,301	300,000	300,000	0	300,000
Fiscal Impact Total	3,461,301	300,000	6,890,465	6,590,465	6,890,465

In addition, the cost of amending Contract No. 22,117 is \$50,000. The total cost for this contract will now be \$1,520,000. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the Preventive Maintenance – Asphalt Streets FY 2011 - 2015 (73901).

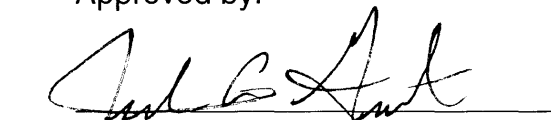
Respectfully submitted,


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Approved by:


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