

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen
Albert Balagso

SUBJECT: LAKE CUNNINGHAM REGIONAL
SKATE PARK PROJECT **DATE:** 12-04-06

Approved

Date 12-10-06

COUNCIL DISTRICT: Citywide

RECOMMENDATION

Report on bids and take appropriate action based on the evaluation of bids for the Lake Cunningham Regional Skate Park Project.

OUTCOME

Approval of this construction contract will allow the Lake Cunningham Regional Skate Park Project to be built and occupied for use by the community prior to the expiration of the California State Proposition 40 grant in the amount of \$1,037,000. Approval of a five percent contingency will provide funding for unforeseen conditions during the construction of this project.

BACKGROUND

The concept of adding a regional skate park to Lake Cunningham Park arose from the City of San José Greenprint adopted by Council in September 2000. In February 2003, Beals Alliance, Inc. completed a Feasibility Study that defined a regional skate facility, outlined its program elements and determined whether these elements can be appropriately developed within Lake Cunningham Regional Park.

Based on the assessment presented in the Feasibility Study, Beals Alliance, Inc. recommended a 40,000 square foot skate park with a restroom building and supporting park amenities. Beals Alliance, Inc. was then hired to prepare the Lake Cunningham Regional Park Master Plan Amendment, which included the skate park facility and associated construction documents. The master plan amendment and environmental clearance were approved by Council on December 5, 2006.

The proposed Lake Cunningham Regional Skate Park Project site is located on the southeast corner of Lake Cunningham Park near the Tully and White Roads intersection (map attached).

The base bid scope of work for the Lake Cunningham Regional Skate Park includes a 40,000 square foot concrete skate area, asphalt concrete decking areas, concrete pathway, staff/restroom building, security cameras, fencing, irrigation and landscaping, security lighting, and other site amenities. The Engineer's Estimate for this project is \$4,000,000. In addition to the base bid scope of work, there are six Add Alternate bid items:

<u>Add Alternate Descriptions</u>	<u>Engineer's Estimate</u>
1. Handrail in Skate Area	\$180,000
2. Concrete in Place of Asphalt Concrete Around Skate Area	\$285,000
3. Concrete Path and Observation Overlooks	\$225,000
4. Handicap Parking and Drop-Off Area	\$70,000
5. Parking Lot	\$165,000
6. Skate Facility Night-Use Lighting	\$140,000

Construction is scheduled to begin in February 2007 with completion in spring 2008.

ANALYSIS

A supplemental memo will be provided after bids are opened on December 12, 2006.

Council Policy provides for a standard contingency of five percent on public works projects involving the construction of a park. Staff considers the standard contingency appropriate for this project.

POLICY ALTERNATIVES

Not applicable.

PUBLIC OUTREACH/INTEREST

- ✓ **Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This item meets Criteria 1: Requires Council action on the use of public funds equal to \$1 million or greater. To solicit contractors, this project was listed on the City's Internet Bid Line

and advertised in the *San José Post Record*. Bid packages for all Department of Public Works construction projects were provided to various contractor organizations and builder's exchanges.

This placeholder award memo will be posted on the City's website for the January 9, 2007 Council agenda, and the supplemental memo will be posted online during the week of December 18, 2006.

In addition, community participation in the master planning update effort through various community participation meetings was solicited through citywide flyers, mailers, and local newspaper articles and advertisements.

COORDINATION

This project and memorandum have been coordinated with the Departments of Planning, Building and Code Enforcement, Fire, General Services, Finance, the City Attorney's Office, Council District 8 Office and the City Manager's Budget Office.

FISCAL/POLICY ALIGNMENT

This project is consistent with the Council-approved Budget Strategy to continue with capital investments that spur construction spending in our local economy.

COST SUMMARY/IMPLICATIONS

1. COST OF PROJECT:

Project Delivery	\$582,009 *
Design Consultant	667,991
Survey and Geotechnical Consultants	33,000
Construction (Engineer's Estimate)	4,000,000
Contingency	200,000
TOTAL PROJECT COSTS	\$5,483,000
Prior Year Expenditures	397,000
REMAINING PROJECT COSTS	\$5,086,000

* A total of \$397,000 was expended/encumbered in 2005-2006 for the master plan amendment, survey, and a portion of the construction documents.

2. COST ELEMENTS OF CONSTRUCTION CONTRACT: This information will be provided in the supplemental memo.

3. SOURCE OF FUNDING:
- 462 - Lake Cunningham Fund
 - 375 - Subdivision Park Trust Fund
 - 391 - Parks City-Wide Construction and Conveyance Tax Fund

4. FISCAL IMPACT: The master plan study includes defining operations and maintenance costs, with recommendations for revenue generation to offset operating costs. Operating costs for the facility will be addressed in the 2007-2008 fiscal year operating budget development process. Net operating costs are estimated as \$245,000 annually.

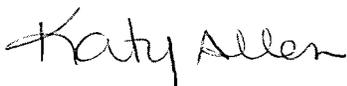
BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	Total Appn.	Amt. For Contract	2006-2007 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
Remaining Project Costs			\$5,086,000			
Current Funding Available						
375	5190	City-Wide Skateboard Park Development	\$327,000	\$300,000	V-648	
391	5190	City-Wide Skateboard Park Development	\$4,618,000	\$3,700,000	V-541	10/17/2006, Ord. No. 27888
Total Current Funding Available			\$4,945,000	\$4,000,000		
Funding in FY 07-08 of CIP *			\$50,000			
Total Project Funding			\$4,995,000			

* Funding totaling \$50,000 is provided in the Parks City-wide Construction and Conveyance Tax Fund in 2007-2008. Depending on the bids received for this project, the supplemental memo may request for these funds to be moved into 2006-2007, and for additional funds to be appropriated to provide the necessary funding to award the project.

CEQA

CEQA: Mitigated Negative Declaration (PP06-043).



KATY ALLEN
Director, Public Works Department



ALBERT BALAGSO
Director, Parks, Recreation and
Neighborhood Services Department

For questions please contact DAVID SYKES, ASSISTANT DIRECTOR, PUBLIC WORKS DEPARTMENT, 408-535-8300.

Attachment

