



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen
Albert Balagso

SUBJECT: HAPPY HOLLOW PARK AND
ZOO PHASE 1 PARKING LOT
PROJECT

DATE: 06-01-09

Approved

Date

6/8/09

COUNCIL DISTRICT: Citywide

RECOMMENDATION

Report on bids and take appropriate action based on the evaluation of bids for the Happy Hollow Park & Zoo-Phase 1 Parking Lot Project.

OUTCOME

Approval of this construction contract will allow construction of the Parks and Recreation Bond Project (Measure P), Happy Hollow Park & Zoo-Phase 1 Parking Lot, as the main parking lot to the new zoo and attractions entrance currently under construction. Approval of a ten percent contingency will provide funding for any unforeseen conditions and coordination with existing and concurrent work necessary for the completion of this project.

EXECUTIVE SUMMARY

Staff recommends Council take appropriate action based upon the evaluation of bids for the Happy Hollow Park & Zoo - Phase 1 Parking Lot Project. The action of awarding a construction contract to the low bidder will complete the overall Happy Hollow Park & Zoo Parks Bond funded project. The proposed project is located at the corner of Story Road and Roberts Avenue on the former Roberts Avenue Landfill site. The project is designed to meet the current California Code of Regulations Title 27 Post-Closure Land Use requirements. The project will be funded by Parks Bond Measure P.

BACKGROUND

In November 2000, San José voters approved a \$228 million Parks Bond Measure P for improvements of City's parks, with \$52.3 million allocated for implementation of the approved 1996 Happy Hollow Park & Zoo and 1991 Kelley Park master plans of which \$39 million is

targeted for hard construction costs. Happy Hollow Park & Zoo is the largest of the Measure P projects and includes three distinct phases of work. Phase 1 is the parking lot project; Phase 2A is the zoo and attractions project currently under construction; and Phase 2B is the new pedestrian bridge project over Coyote Creek currently under construction contract execution.

The parking lot construction on the Roberts Avenue Landfill site is east of Coyote Creek located at the corner of Story Road and Roberts Avenue. The Roberts Avenue Landfill was used to dispose of municipal solid waste until closure in 1979. After the Landfill ceased operations, 2 to 3 feet of compacted sandy clay was placed over the waste forming a final cover in accordance with closure regulations in effect at that time. Additional soil was placed on top of the closed Landfill in the mid to late 1990s as directed by City staff. The Landfill is not open to the public and maintenance is limited to weed and fire abatement through annual mowing.

In order to meet the requirements of California Code of Regulations Title 27 Post-Closure Land Use, the post-closure parking lot project design required specialty engineering for landfill closure. In winter 2004, staff conducted a formal qualifications-based selection process, consistent with specialty engineering work for landfill closure and general engineering for the new parking lot for Happy Hollow Park & Zoo. The interview panel selected the highest ranked consultant, URS Corporation, to perform specialty engineering work associated with the Landfill closure and general engineering for the parking lot development. Council awarded a master agreement with URS Corporation on June 14, 2005.

The parking lot was intended to be constructed concurrently with the original bridge package. However, the original bridge package received higher than expected bids in June 2007 and staff recommended to Council to reject all bids in November 2007. Accordingly, Council directed Department of Public Works to re-bid the bridge project.

Concurrently, staff recommended the parking lot project be placed on hold in December 2007 until a new bridge strategy was developed to reduce the bridge cost. Subsequently, a new bridge consultant, HNTB Corporation, was selected in June 2008 to redesign the bridge at a significantly reduced cost. In November 2008, recognizing the bridge construction was a higher priority than the parking lot construction for long-term operations and maintenance issues, staff was directed to re-package the parking lot project with three add alternates. This would significantly reduce the base bid estimate for the parking lot in the event the redesigned bridge bids were higher than anticipated and would allow the cost to remain within the overall Happy Hollow Park & Zoo Parks Bond project budget. The bridge bids were opened on April 16, 2009 with the low bid significantly under the Engineer's Estimate and below market value.

The parking lot base bid construction includes approximately 315 paved build-out parking spaces. Work includes clearing and grubbing, earthwork, grading, asphalt and concrete paving, striping, median islands, parking lot security lighting, five parking ticket machines, modified storm water design, planting and irrigation, lighting for only the paved portion of the parking lot with stub outs for the potential addition of lighting as a future add alternate. The balance of the parking lot includes rough grading with a base rock aggregate layer, as well as future utility stub

outs for power, lighting, drainage, and methane gas venting, future utility stub outs for restroom building and group picnic areas.

In addition to the base bid scope of work, there are three add alternate bid items. Add alternate No. 1 is all work associated with complete 550-space paved parking lot build out. Add alternate No. 2 is all work associated with construction of restroom building. Add alternate No. 3 is all work associated with construction of two group picnic areas. The parking lot project is scheduled to bid on May 28, 2009 with results anticipated to be reflective of this below market value trend. Add alternate No.1 remains a high priority to complete in order to generate potential additional revenue with complete parking lot build-out.

The bridge and parking lot projects are anticipated to complete at approximately the same time. With construction and renovation of the Zoo & Attractions project expected to be complete in fall 2009, there is no contract scenario that will complete the parking lot at the same time as the Zoo & Attractions contract. Staff has phased the parking lot construction work accordingly to allow a City-requested early substantial completion for public use of the paved parking lot portion of the project. However, there is still expected to be a 3 month gap. Shuttle service from the paved parking area to the Zoo and attractions will be provided for the public until the bridge project is complete. Upon completion of the bridge, the shuttle service to this lot will discontinue.

ANALYSIS

A supplemental memo will be provided after bids are opened on May 28, 2009.

Council Policy provides for staff recommendation on construction contingency based upon the complexity of work. Staff recommends a ten percent contingency because the parking lot includes post-closure landfill construction on Roberts Avenue Landfill where atypical unforeseen existing conditions associated with a landfill site may exist and the additional coordination required between the concurrent bridge and parking lot construction contracts.

EVALUATION AND FOLLOW-UP

This project is behind schedule nearly one year due to redesign of the redesign and rebid of the bridge project to lower bridge. Further, this project was re-packaged with three add alternates to significantly reduce the base bid cost of the parking lot to remain within the Happy Hollow Park & Zoo Parks Bond project budget.

POLICY ALTERNATIVES

Not applicable.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 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)**
- Criterion 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 Criterion 1 above. This memorandum will be posted on the City's website for the June 23, 2009 Council agenda. To solicit contractors, this project was listed on the City's Internet Bid Line, San Jose Blue's Planwell and advertised in the *San Jose Post Record*. Bid packages for all Department of Public Works construction projects were provided to various contractor organizations and builders' exchanges.

COORDINATION

This project and memorandum have been coordinated with the Departments of Planning, Building and Code Enforcement, Environmental Services, Information Technology, San José Fire Department and Police Department, City Attorney's Office, City Manager's Budget Office, Santa Clara Valley Water District, California Integrated Waste Management Board, Local Enforcement Agency-Post Closure Landfill Use (SWIS#43-AN-009)-Approval dated November 2007, and Regional Water Quality Control Board-Conditional Approval dated March 2008.

FISCAL/POLICY ALIGNMENT

This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy.

COST SUMMARY/IMPLICATIONS

- | | | |
|----|------------------------------------------|--------------------|
| 1. | AMOUNT OF RECOMMENDATION/COST OF PROJECT | |
| | Project Delivery | \$2,736,905 |
| | Construction (Engineer's Estimate) | 4,350,000 |
| | Contingency 10% | <u>\$435,000</u> |
| | TOTAL PROJECT COSTS | \$7,521,905 |
| | Prior Year Expenditures | <u>\$1,898,131</u> |
| | REMAINING PROJECT COSTS | \$5,623,774 |
2. COST ELEMENTS OF CONSTRUCTION CONTRACT: This information will be included in the supplemental memo.
3. SOURCE OF FUNDING: 471 – Parks and Recreation Bond Projects Fund
391 – Construction and Conveyance Tax Fund: City-Wide Parks Purpose
4. OPERATING COSTS: The 2010-2014 General Fund Forecast (released on February 27, 2009) assumed that the expanded Happy Hollow Park and Zoo facility would require the addition of approximately 57.0 new positions (with a net operating and maintenance cost of \$663,000). As a result of a detailed analysis that was performed subsequent to the release of the General Fund Forecast, it has been determined that the facility could be opened with fewer positions than previously anticipated, and a new service delivery model is being recommended which would result in the outsourcing of food, beverages, and retail services within the park. As a result of these reductions, the 2009-2010 Proposed Operating Budget includes a budget recommendation for Happy Hollow Park & Zoo to allocate 32.72 net new positions for a net total of \$50,423. Detailed information regarding the 2009-2010 budget proposal for Happy Hollow Park & Zoo is included in the 2009-2010 Proposed Operating Budget, which will be considered for approval by City Council on June 23, 2009.

BUDGET REFERENCE

The table below identifies the fund and appropriation proposed to fund the construction contract for the Parking Lot and remaining project costs, including project delivery, construction, and contingency costs. Table 1 summarizes the remaining costs associated with the Parking Lot phase and Table 2 summarizes all remaining costs (Pedestrian Bridge phase, Parking Lot phase and Zoo & Attractions phase) associated with the Happy Hollow Park & Zoo project.

Table 1 - Happy Hollow Park & Zoo Phase I - Parking Lot

Fund #	Appn. #	Appn. Name	RC #	Total Allocation for Phase I (Parking Lot)	Amt. For Contract Phase I (Parking Lot)	Adopted Budget Page	Last Budget Action (Date, Ord. No.)
Remaining Project Costs:				\$5,623,774	\$4,785,000		
HHPZ Phase I - Parking Lot							
Current Funding Available							
471	4787	Happy Hollow Park & Zoo Renovation and Improvements	133245	\$4,544,483*	\$2,285,000	V-842	10/21/08 Ord. No. 28422
391	4787	Happy Hollow Park & Zoo / Kelley Park Misc. Improvements	TBD	\$91,000		V-572	6/24/2008 Ord. No. 28349
471	8191	Reserve: Happy Hollow Park and Zoo Bridge and Parking Lot	TBD	\$2,500,000**	\$2,500,000	V-846	6/24/2008 Ord. No. 28349
Total Funding Available				\$7,135,483	\$4,785,000		

* Total amount appropriated in 2008-2009 is \$9,937,000. The remaining \$5,392,517 is allocated to Phase IIA: Zoo & Attractions (\$1,782,171) and Phase IIB: Pedestrian Bridge (\$3,610,346) as shown in Table 2.

** The reserve will be reallocated to the Happy Hollow Park & Zoo Renovation and Improvements project in 2009-2010

Table 2: Distribution of Available Funding by Project Phase

Fund #	Appn. #	Appn. Name	Total Appn	Amt. for Phase I (Parking Lot)	Amt. for Phase IIA (Zoo & Attractions)	Amt. for Phase IIB (Pedestrian Bridge)
Remaining Project Costs				\$5,623,774	\$4,912,171	\$5,046,346
Current Funding Available						
471	4787	Happy Hollow Park & Zoo Renovation and Improvements	\$9,937,000	\$4,544,483	\$1,782,171	\$3,610,346
375	5037	Happy Hollow Park & Zoo Phase II Renovations	\$17,000		\$17,000	
391	4787	Happy Hollow Park & Zoo/Kelley Park Misc. Improvements	\$91,000	\$91,000		
391	5583	Happy Hollow East Side Improvements	\$1,200,000		\$1,200,000	
391	5037	Happy Hollow Park & Zoo Phase II Renovations	\$1,913,000		\$1,913,000	
391	5584	Kelley Park East Picnic Grounds & Restroom	\$1,436,000			\$1,436,000
471	8191	Reserve: Happy Hollow Park and Zoo Bridge and Parking Lot	\$2,500,000	\$2,500,000		
Total Project Funding Available *			\$17,094,000	\$7,135,483	\$4,912,171	\$5,046,346

* The 2009-2010 Proposed Capital Budget and the 2010-2014 Proposed Capital Improvement Program includes a recommendation to re-allocate \$3,180,000 from the Seven Trees Community Center and Bascom Community Center to the Happy Hollow Park & Zoo project, which is not included in the project funding referenced above.

CEQA

Mitigated Negative Declaration, File No. PP05-142, dated April, 2007 and Amended Mitigated Negative Declaration, File No. PP09-023, dated February 6, 2009

On November 20, 2007, Council approved a Mitigated Negative Declaration (MND) for the Happy Hollow Park & Zoo Renovation Project, which includes the parking lot project. The parking lot project was removed from the renovation project as a separate project. Pursuant to Section 15164 of the CEQA Guidelines, the City of San José has determined that the Happy Hollow Park & Zoo - Phase 1 Parking Lot Project does not involve new significant effects beyond those analyzed in the previously adopted MND. Therefore, the City of San José can take action on the project as being within the scope of the previously adopted MND.

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The MND identifies a number of mitigation measures that shall be implemented in order to address environmental impacts. These measures and their manner of implementation are identified in the *Mitigation Monitoring and Reporting Program* for the project. These measures have been incorporated into the project design and the construction documents.



KATY ALLEN

Director, Public Works Department



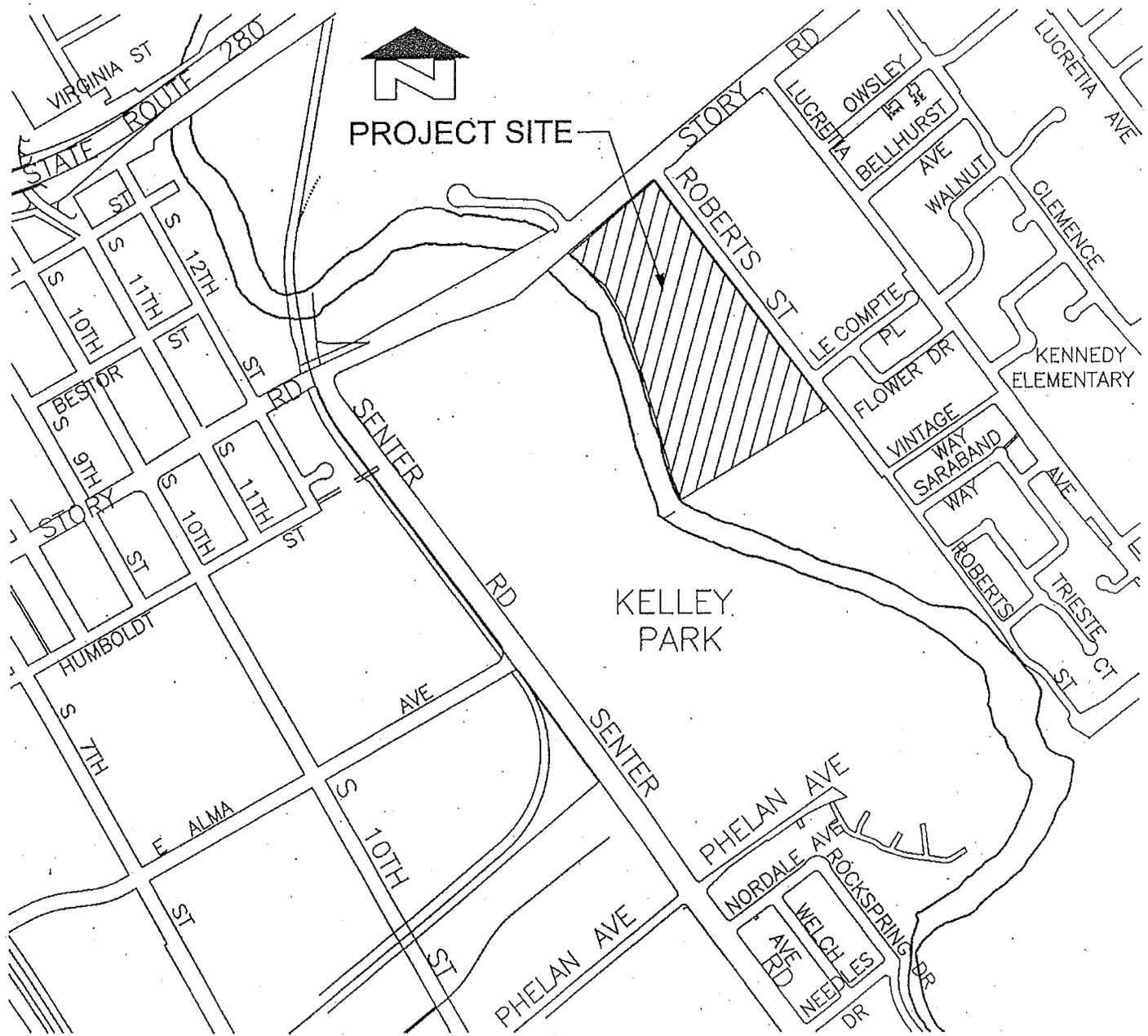
ALBERT BALAGSO

Director, Parks, Recreation and
Neighborhood Services Department

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

Attachment: Map

KJ:gr:rc




 PROJECT SITE

LOCATION MAP
 NOT TO SCALE