



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Sara L. Hensley
Larry D. Lisenbee

SUBJECT: SEE BELOW

DATE: 06-08-04

Approved

Date

Council District: 3, 5, 6
SNI Area: Five Wounds/
Brookwood Terrace
Spartan/Keyes
Tully/Senter

SUBJECT: ADOPTION OF 2004-2005 APPROPRIATION ORDINANCE AND FUNDING SOURCES RESOLUTION AMENDMENTS IN THE COUNCIL DISTRICT 3 (\$250,000), COUNCIL DISTRICT 5 (\$250,000) AND COUNCIL DISTRICT 6 (\$300,000) CONSTRUCTION AND CONVEYANCE TAX FUNDS AND AUTHORIZATION FOR THE CITY MANAGER TO NEGOTIATE AND EXECUTE GRANT AGREEMENTS WITH THE SANTA CLARA VALLEY WATER DISTRICT FOR THE DOBERN BRIDGE/TRAIL, SELMA OLINDER PARK/COYOTE CREEK TRAIL AND WILLOW GLEN SPUR TRAIL PROJECTS

RECOMMENDATION

- (a) Adoption of a resolution authorizing the City Manager to negotiate and execute grant agreements with the Santa Clara Valley Water District (SCVWD) and submit all necessary documents:
- (1) To receive \$250,000 for the design, construction, inspection, and project management associated with the Dobern Bridge/Trail project in Council District 5.
 - (2) To receive \$250,000 for the design, construction, inspection, and project management associated with the development of Selma Olinder Park/Coyote Creek Trail project in Council District 3.
 - (3) To receive \$300,000 for the acquisition of property and project management associated with the Willow Glen Spur Trail project in Council District 6.
- (b) Confirmation of acceptance of the following conditions associated with funding:

- (1) Certify that the City has or will have sufficient funds to operate and maintain the projects subject to Council appropriation;
 - (2) Certify that the City has reviewed, understands, and agrees to the Special Provisions, General Provisions, and Financial Provisions contained in the Agreements; and
 - (3) Appoint the City Manager as agent to conduct all negotiations, execute, and submit all documents including, but not limited to applications, agreements, payment requests, and so on, which may be necessary for the completion of projects.
- (c) Adoption of the following Appropriation Ordinance and Funding Sources Resolution Amendments in the FY 2004-2005 Council District 5 Construction and Conveyance Tax Fund:
- (1) Increase the estimate for Earned Revenue by \$250,000.
 - (2) Establish an appropriation to the Parks, Recreation and Neighborhood Services Department for the Dobern Bridge/Trail project in the amount of \$250,000.
- (d) Adoption of the following Appropriation Ordinance and Funding Sources Resolution Amendments in the FY 2004-2005 Council District 3 Construction and Conveyance Tax Fund:
- (1) Increase the estimate for Earned Revenue by \$250,000.
 - (2) Establish an appropriation to the Parks, Recreation and Neighborhood Services Department for the Selma Olinder Park/Coyote Creek Trail project in the amount of \$250,000.
- (e) Adoption of the following Appropriation Ordinance and Funding Sources Resolution Amendments in the FY 2004-2005 Council District 6 Construction and Conveyance Tax Fund:
- (1) Increase the estimate for Earned Revenue by \$300,000.
 - (2) Establish an appropriation to the Parks, Recreation and Neighborhood Services Department for the Willow Glen Spur Trail project in the amount of \$300,000.

BACKGROUND

In November 2000, the voters of Santa Clara County passed Measure B establishing a special tax to fund the Clean, Safe Creeks and Natural Flood Protection program, to be administered by the Santa Clara Valley Water District (SCVWD). The SCVWD established the Trails, Parks and Open Space grant program funded from Measure B funds to support development of projects consistent with the measure.

On May 27, 2003, the City Council authorized the City Manager to submit five grant applications to the SCVWD. In September 2003, the City was notified by the SCVWD that three of its applications were selected for funding: Dobern Bridge (\$250,000), Selma Olinder/Coyote Creek Trail (\$250,000), and Willow Glen Spur Trail (\$300,000).

Dobern Bridge

Funding will support construction of a pedestrian bridge, trail, and minor landscaping. The improvements will create a connection between Dobern Avenue and Bambi Lane. As a result, access to Capitol Park and the surrounding neighborhoods will be improved.

Selma Olinder/Coyote Creek Trail

Funding will support development of the park and trail elements at Selma Olinder Park. The site is located between William Street and Highway 280, on the east bank of Coyote Creek. Funding from other sources (including the San José Redevelopment Agency, Proposition 12, Proposition 13, Transportation Development Act, Parks and Recreation Bond, and Construction and Conveyance Tax) are also being provided to permit development of this park site.

Willow Glen Spur

Funding will support acquisition of land between Lonus Street/Los Gatos Creek and Kelley Park/Coyote Creek. Interim connections would be possible at the Guadalupe River and Highway 87 Bikeway. Trail development is either underway or proposed at the connecting creeks and river. The land is available for sale as the railway no longer serves this alignment.

ANALYSIS

As a condition of the negotiated agreements, the SCVWD requires a resolution from the City Council that confirms the following:

- Sufficient funds will be available to operate and maintain the projects once built;
- City has reviewed, understands, and agrees to the Special Provisions, General Provisions, and Financial Provisions contained in the Agreements; and
- City Manager is appointed as agent to conduct all negotiations, execute, and submit all documents including, but not limited to, applications, agreements, payment requests and so on, which may be necessary for the completion of projects.

Sufficient funding for Operations & Maintenance Funding

An analysis of the scope of the projects was conducted to project anticipated operation and maintenance costs. The following table indicates that approximately \$168,300 will be required on an annual basis for staffing, materials and equipment to operate the three projects.

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Project Name	Scope	Maintenance Cost/Year (est.)
Dobern Bridge/Trail	280' of trail and 100' bridge	\$2,600
Selma Olinder Park/Coyote Creek Trail	2,100' of trail and 12 acre park	\$138,000
Willow Glen Spur Trail	18,000' of trail	\$41,000

As part of the annual budget process, staff conducts an evaluation of current and planned park projects. Recommendations are made for staffing and equipment budgets. Budget adjustments are recommended to City Council for approval as part of the annual budget process. Subject to appropriation by the City Council, funding for the operation and maintenance obligations associated with these projects will be sought in this manner.

Agreement Provisions

The General Provisions set forth conditions that are similar to most grant agreements and include a requirement that the City will maintain and operate the project for not less than 25 years subject, to appropriation. The Financial Provisions set forth conditions similar to most grant agreements. The Special Provisions for each grant are unique to each project and are as follows:

Dobern Bridge

The agreement acknowledges that the City is in the process of negotiating easement agreements with Pacific Gas & Electric and private-property owners. Development of the project is contingent upon securing these easements.

Selma Olinder Park/Coyote Creek Trail

No special provisions pertain to this agreement.

Willow Glen Spur Trail

The agreement acknowledges that the City has formed a \$4.0 million funding package for the project and that the \$300,000 in SCVWD grant funding will be pooled with this package for the purposes of property acquisition.

Project Management

As with most grant applications, the City Manager is appointed as agent to conduct all negotiations, execute, and submit all documents including, but not limited to, applications, agreements, payment requests, and so on, which may be necessary for the completion of projects. For the purposes of day-to-day project management, the Director of Parks, Recreation and Neighborhood Services will assign a project manager.

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PUBLIC OUTREACH

The projects have been identified in the City's *Greenprint for Parks and Community Facilities and Programs*. Letters of support were received for the Dobern Bridge/Trail and Selma Olinder/Coyote Creek Trail projects.

COORDINATION

The memorandum has been coordinated with the Departments of Public Works and Planning, Building and Code Enforcement; and the City Attorney's Office.

COST IMPLICATIONS

Ten percent of the grant funds may be used for plans, specifications and environmental clearance, with a 15 percent maximum for non-construction related costs. Eighty percent of the funds will be made available upon commencement of construction and when the City enters into escrow for acquisition of property associated with the Willow Glen Spur Trail project.

For the Willow Glen Spur Trail and Selma Olinder/Coyote Creek Trail projects, funding is in place from other grant funds for additional costs not permitted with this funding source.

CEQA

Dobern Bridge/Trail, PP03-11-352.
Selma Olinder/Coyote Creek Trail, PP00-10-147.
Willow Glen Spur Trail, PP03-05-143.

SARA L. HENSLEY
Director of Parks, Recreation
and Neighborhood Services

LARRY D. LISENBEE
Budget Director

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I hereby certify that there will be available for appropriation in the Council District 3 Construction and Conveyance Tax Fund (\$250,000), Council District 5 Construction and Conveyance Tax Fund (\$250,000) and Council District 6 Construction and Conveyance Tax Fund (\$300,000) in the Fiscal Year 2004-2005 monies in excess of those heretofore appropriated, therefrom said excess being at least \$800,000.

LARRY D. LISENBEE
Budget Director