



REPORT

THE CITY OF SAN DIEGO TO THE PARK AND RECREATION BOARD

DATE ISSUED: July 20, 2017 REPORT NO. 101

ATTENTION: San Diego Regional Park Improvement Fund Oversight Committee
Agenda of July 20, 2017

SUBJECT: Reallocation of Regional Park Improvement Funds from L18001 Chollas
Lake Improvements to S14002 Chollas Lake Park Playground
Improvements

SUMMARY

Issue – Should the Oversight Committee also approve the reallocation of \$300,000 Regional Park Improvement Funds (RPIF) from L18001 Chollas Lake Improvements to S14002 Chollas Lake Park Playground Improvements?

Director's Recommendation – Approve the recommended reallocation of funds from L18001 Chollas Lake Improvements to S14002 Chollas Lake Park Playground Improvements.

Fiscal Impact – No new RPIF allocations are proposed with this action; this is a reallocation of funds between projects. Reallocation of funds to S14002 Chollas Lake Park Playground Improvements is necessary to ensure completion of both playgrounds located at Gloria's Mesa and Friday's Gate.

Water and Energy Conservation Status – Not applicable.

Environmental – This activity will not result in a direct or reasonably foreseeable indirect physical changes in the environment, and are therefore not subject to CEQA pursuant to State CEQA Guidelines Section 15060(c) (2). The individual projects recommended to be funded will comply with CEQA requirements.

BACKGROUND

The San Diego Regional Park Improvement Fund (RPIF) is one of two capital improvement project funds to receive Mission Bay Park lease revenues from leaseholds in Mission Bay Park. The other fund is the Mission Bay Park Improvement Fund. The two funds were established by voter approval of revisions to the City Charter, Article V, Section 55.2 and became effective July 1, 2009, with the start of Fiscal Year 2010.

Throughout the fiscal year, staff may request that the Oversight Committee consider reallocating funds between RPIF-funded projects in the interest of cash management and quick response to unanticipated changes in cost that result from design efforts, construction

bids, and project scope changes. This request involves a proposed reallocation between two RPIF-funded projects: S14002 Chollas Lake Park Playground Improvements and L18001 Chollas Lake Improvements.

S14002 Chollas Lake Park Playground Improvements provides for the design and construction of two playgrounds located at Gloria's Mesa and Friday's Gate within Chollas Lake Park to replace existing playgrounds. Both playgrounds surpassed their life expectancy and do not meet current Americans with Disabilities Act (ADA). The new playgrounds will be fully ADA compliant and meet all safety guidelines for public playgrounds. Currently, this project has a blend of funding including Community Development Block Grant (CDBG) funds that need to be expended by the end of the calendar year. This project recently completed the bid phase and is ready to award to a contractor.

On March 13, 2013, the Park and Recreation Department presented the report, "Recommended Allocations of Fiscal Year 2012 Regional Park Improvement Funds" to the San Diego Regional Park Improvement Fund Oversight Committee. In the report the Department recommended an allocation of \$989,000 of Regional Park Improvement Funds to S14002 Chollas Lake Park Playground Improvements. Since that time, the Public Works Department completed design, obtained permits, and placed the construction contract to bid.

A new project, L18001 Chollas Lake Improvements will initiate the design for improvements such as providing electricity to a newly installed ranger station, adding security lights to the parking lot and comfort station, enhancing the youth fishing programs by improving the health of the aquatic environment for fish and other wildlife, constructing accessibility upgrades, and making other park improvements. The first priority project is to provide electrical service to the park, which will allow extended use of the park and provide a higher level of security. Since this is a new project for Fiscal Year 2018, this project has neither been initiated nor transferred to the Public Works Department.

On January 19, 2017, the Park and Recreation Department presented the report, "Recommended Allocations of Fiscal Year 2017 Regional Park Improvement Funds" to the San Diego Regional Park Improvement Fund Oversight Committee. In the report the Department recommended an allocation of \$500,000 of RPIF to L18001 Chollas Lake Improvements. The City Council recently approved the Fiscal Year 2018 annual budget, which includes the \$500,000 allocation to L18001 Chollas Lake Improvements.

The City believes in effective cash management when it comes to its Capital Improvement Projects (CIP). One of the practices the City follows to ensure timely completion of projects requires the reallocation of funds to priority projects that are farther along in the CIP process and thus closer to completion.

DISCUSSION

When the Public Works Department advertised construction contract bids for S14002 Chollas Lake Park Playground Improvements, the lowest bidder came in higher than what is currently within the project budget. An additional \$300,000 necessary to ensure completion of the playground project, including both the Gloria's Mesa and Friday's Gate locations.

Recently approved L18001 Chollas Lake Improvements is located in the same regional park as S14002 Chollas Lake Park Playground Improvements. Since L18001 Chollas Lake Improvements has not commenced work, the reallocation of funds to S14002 Chollas Lake Park Playground Improvements will not adversely affect project initiation. Remaining funds

in L18001 Chollas Lake Improvements (\$200,000) are sufficient to start design work. The requested reallocation is in keeping with the City's cash management policy for capital projects.

Park and Recreation staff will monitor RPIF fund balances and additional revenues. As those funds are realized, staff will bring forward a future item to the Oversight Committee to request restoration of the funds to L18001 Chollas Lake Improvements once it becomes available. Additional funds for allocation may become available through leftover funds from the completion of other RPIF projects, annual allocations from Mission Bay Park lease revenues during the annual budget development process, or interest earned on the RPIF fund balance.

RECOMMENDATIONS

The Park and Recreation Department recommends the Oversight Committee approve the reallocation of funds from L18001 Chollas Lake Improvements to S14002 Chollas Lake Park Playground Improvements to ensure successful completion of two fully designed and permitted playgrounds at Chollas Lake.


ALTERNATIVES

1. Approve the recommended reallocations of funds for S14002 Chollas Lake Park Playground Improvements.
2. Do not approve the recommended reallocations of funds for S14002 Chollas Lake Park Playground Improvements.

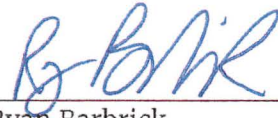
Respectfully submitted,

Approved by:

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