



REPORT

THE CITY OF SAN DIEGO TO THE PARK AND RECREATION BOARD

DATE ISSUED: February 15, 2018 REPORT NO. 101

ATTENTION: San Diego Regional Park Improvement Fund Oversight Committee
Agenda of February 15, 2018

SUBJECT: Reallocation of Regional Park Improvement Funds in Fiscal Year 2018
from Regional Park Improvement Fund Balance and L14005 Sunset
Cliffs Park Drainage Improvements to S15036 Balboa Park West Mesa
Comfort Station Replacement, L16001 Sunset Cliffs Natural Park
Hillside Improvement Preservation, and B14073 Orchard Avenue, Capri
by the Sea, and Old Salt Pool

SUMMARY

Issue – Should the Oversight Committee also approve the following reallocations of funds within the Regional Park Improvement Fund (RPIF):

1. \$200,000.00 from fund balance to S15036 Balboa Park West Mesa Comfort Station for the purpose completing the construction phase of the project;
2. \$108,246.73 from fund balance to L16001 Sunset Cliffs Natural Park Hillside Improvement Preservation for the purpose of completing the construction phase of the project;
3. \$691,753.27 from L14005 Sunset Cliffs Park Drainage Improvements to L16001 Sunset Cliffs Natural Park Hillside Improvement Preservation for the purpose of completing the construction phase of the project;
4. \$150,000.00 from L14005 Sunset Cliffs Park Drainage Improvements to B14073 Coastal Access Improvements to Orchard Avenue, Capri by the Sea, and Old Salt Pool?

Director's Recommendation – Approve the recommended transfers of funds for S15036 Balboa Park West Mesa Comfort Station Replacement, L16001 Sunset Cliffs Natural Park Hillside Improvement Preservation, and B14073 Coastal Access Improvements to Orchard Avenue, Capri by the Sea, and Old Salt Pool for the purpose of completing construction.

Fiscal Impact – This allocation of RPIF will allow for the completion of the construction phase for both S15036 Balboa Park West Mesa Comfort Station, L16001 Sunset Cliffs Natural Park Hillside Improvement Preservation, and B14073 Coastal Access Improvements to Orchard Avenue, Capri by the Sea, and Old Salt Pool.

Water and Energy Conservation Status – Not applicable.

Environmental – This activity will not result in any 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.

Per the Charter and Measure J, RPIF is derived from the first \$3.5 million available or 35%, whichever is greater, of the excess revenue received over a threshold amount of \$20 million in Mission Bay leasehold revenues. The first \$20 million of Mission Bay leasehold revenues goes into the City's General Fund and may be used for any municipal purpose.

The City believes in effective cash management when it comes to its Capital Improvements Program (CIP). One cash management practice the Parks and Recreation Department employs to ensure timely completion of projects requires the periodic requests to reallocate funds from projects not yet ready for construction to priority projects that are closer to completion. The "Recommended Allocations of Regional Park Improvement Funds" report takes into account previously requested transfers of RPIF. The below table represents the projects that RPIF have been borrowed from, the projects the funds were borrowed for, and when the funding is anticipated to be returned.

Previous Reallocations of Regional Park Improvement Funds between Projects:

Borrowed From	Amount Borrowed	Date	Borrowed For/ Transferred to	Amount Proposed to Return	Method to Return Funds to Project
B17181 Casa de Balboa Fire Alarm System	\$137,815.82	9/1/2017	B17063 Torrey Pines South Golf Course Improvements	\$150,000	Fiscal Year 2019 Proposed Budget as approved in 5-Year Plan on 1/18/2018
L18001 Chollas Lake Improvements	\$300,000.00	7/20/2017	S14002 Chollas Lake Park Playground Improvements	\$350,000	Fiscal Year 2019 Proposed Budget as approved in 5-Year Plan on 1/18/2018
	\$56,266.84	9/19/2017	Funds removed due to revenue shortfall		

Borrowed From	Amount Borrowed	Date	Borrowed For/ Transferred to	Amount Proposed to Return	Method to Return Funds to Project
B17110 Bermuda Avenue Coastal Access Replacement	\$200,000.00	7/20/2017	B17029 100-202 Coast Blvd Access Stairs	\$200,000	Fiscal Year 2017 Mid- Year Action as approved in Allocation of Regional Park Improvement Funds report on 6/15/2017
S10065 Mission Trails Regional Park Cowles Mountain Trail Rehabilitation	\$100,000.00	5/18/2017	L12003 California Tower Seismic Retrofit	\$150,000	Fiscal Year 2019 Proposed Budget as approved in 5- Year Plan on 1/18/2018
S10066 Mission Trails Regional Park Trail Realignments	\$115,000.00	5/18/2017	L12003 California Tower Seismic Retrofit	\$250,000	Fiscal Year 2019 Proposed Budget as approved in 5- Year Plan on 1/18/2018
B14073 Orchard Avenue, Capri by Sea, and Old Salt Pool	\$387,000.00	7/21/2016	B17029 100-202 Coast Blvd Access Stairs	\$329,879	Fiscal Year 2017 Mid-Year Action as approved in Reallocation of Regional Park Improvement report on 9/15/2016

Projects Overview:

Balboa Park West Mesa Comfort Station (Project S15036) provides for the design and construction of two replacement comfort stations on the West Mesa of Balboa Park, one north of the children's play area and one near the intersection of 6th Avenue and Nutmeg Street. The project also includes the demolition of the existing comfort stations at these locations and associated path of travel improvements. It is anticipated the new comfort stations will be pre-fabricated buildings. Construction is anticipated to begin in Fiscal Year 2018 and be completed in Fiscal Year 2019.

Sunset Cliffs Natural Park Hillside Improvement Preservation (Project L16001) will complete improvements to the Sunset Cliffs Natural Park, Hillside Park which is considered as one of the unique coastal environments in San Diego County. Phase I includes the re-vegetation of an area within the Sunset Cliffs Natural Park as well as the implementation of a trail and

removal of exotic non-native plants as per the community master plan. Phase II includes the re-vegetation of the remainder of Sunset Cliffs Natural Park excluding the area where the existing houses are located, the construction of a trail system, observation points, pedestrian bridge, interpretive signs, re-contouring of the ball field, and additional removal of exotic non-native plants. Phase I was completed in Fiscal Year 2016. Phase II construction is set to begin in Fiscal Year 2018 dependent on the identification of additional funds. There is State bond funding attached to this project that requires completion by a certain date.

Coastal Access Improvements to Orchard Avenue, Capri by the Sea, and Old Salt Pool (B14073, part of the coastal access improvements annual allocation AGF00006) will improve the access points to the beach. Two locations are in Ocean Beach: the end of Orchard Avenue and at the Old Salt Pool south of the Ocean Beach Pier. The third location is in Pacific Beach near the Capri by the Sea condominium complex between Missouri Street and Chalcedony Street. These three locations were briefly delayed by a prior reallocation of Regional Park Improvement Funds to the emergency project at 100-202 Coast Boulevard, which was recently completed. The design and environmental documentation for these three locations are complete, with the City Council taking action on January 9, 2018, (Item 336) to approve the Coastal Development Permit. Construction is scheduled to begin once these funds are allocated to the project. This project is part of a larger effort to provide funding for coastal infrastructure improvements at 71 sites, from Sunset Cliffs Park to Torrey Pines State Beach that were identified and prioritized in a 2003 Coastal Erosion Assessment Survey. Additional locations are in various stages of design and permitting.

Sunset Cliffs Park Drainage Improvements (Project L14005) provides for drainage improvements at Sunset Cliffs Natural Park including the removal of existing houses located on parkland, restoration of natural areas to allow water percolation, and installation of site appropriate drainage devices. Phase I includes the removal of four existing homes located in the Sunset Cliffs Natural Park, the restoration and re-vegetation of these areas, accessible parking, and the inclusion of trails and look outs per the community master plan. Phase II includes the evaluation of the drainage within the Sunset Cliffs Natural Park and the implementation of a complete drainage system. Design and environmental assessment for Phase I began in Fiscal Year 2017 and is anticipated to be completed in Fiscal Year 2020.

DISCUSSION

As a result of recently completed bid processes, both Balboa Park West Mesa Comfort Station Replacement (S15036) and Sunset Cliffs Natural Park Hillside Improvement Preservation (L16001) require additional funds for successful project completion. Balboa Park West Mesa Comfort Station Replacement (S15036) needs \$200,000, and Sunset Cliffs Natural Park Hillside Improvement Preservation (L16001) needs \$800,000. The initial low bidder for each project removed their bid, and the next higher bids would cost more than is currently available in the project budgets. The project delivery method proposed for Coastal Access Improvements to Orchard Avenue, Capri by the Sea, and Old Salt Pool (B14073) is a job order contractor (JOC); the construction estimate is \$150,000 higher than anticipated. This request would reallocate \$1.15 million between these three projects, the Regional Park Improvement Fund balance, and Sunset Cliffs Park Drainage Improvements (L14005).

There is currently \$308,246.73 currently available in the Regional Park Improvement Fund balance; this can be used for all of the \$200,000 needed for Balboa Park West Mesa Comfort Station (S15036), and the remainder (\$108,246.73) is available for Sunset Cliffs Natural Park

Hillside Preservation (L16001). To close the remaining gaps in Projects L16001 and B14073, L16001 needs an additional \$691,753.27, and B14073 needs \$150,000. The best candidate project to donate funds to L16001 and B14073 is Sunset Cliffs Park Drainage Improvements (L14005). As noted in the Background section, this project will be in design until Fiscal Year 2020, and it has the funding available to cover the remaining gaps in L16001 and B14073 to allow both to proceed to construction. These proposed reallocations would not negatively impact the schedule for L14005, since it is in the design and permitting stage currently and will remain in that status for at least another year. Funding would be returned to L14005 in a future fiscal year or as funding becomes available once other Regional Park Improvement Fund projects are completed. If approved by the Oversight Committee, these reallocation requests will be taken to City Council in the spring.

RECOMMENDATIONS

The Department is recommending the approval of the reallocations of funds for S15036 Balboa Park West Mesa Comfort Station Replacement, L16001 Sunset Cliffs Natural Park Hillside Improvement Preservation, and Coastal Access Improvements to Orchard Avenue, Capri by the Sea, and Old Salt Pool (B14073) for the purpose of completing construction.

ALTERNATIVES

1. Approve the recommended transfers of funds for S15036 Balboa Park West Mesa Comfort Station Replacement, L16001 Sunset Cliffs Natural Park Hillside Improvement Preservation, and Coastal Access Improvements to Orchard Avenue, Capri by the Sea, and Old Salt Pool (B14073) for the purpose of completing construction.
2. Do not approve the recommended transfers of funds for S15036 Balboa Park West Mesa Comfort Station Replacement, L16001 Sunset Cliffs Natural Park Hillside Improvement Preservation, and Coastal Access Improvements to Orchard Avenue, Capri by the Sea, and Old Salt Pool (B14073) for the purpose of completing construction.

Respectfully submitted,



Approved by:
Herman D. Parker
Director
Parks and Recreation Department



Prepared by:
Ryan Barbrick
Senior Management Analyst
Parks and Recreation Department

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