

City Council Report

915 I Street, 1st Floor

Sacramento, CA 95814

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File ID: 2019-00745

July 23, 2019

Consent Item 19

Title: Establish Hagginwood Park Playground Replacement Project (L19703500) and Appropriate Funding

Location: District 2

Recommendation: Adopt a Resolution authorizing the City Manager or the City Manager's designee to: 1) establish a new Capital Improvement Project (CIP) for the Hagginwood Park Playground Replacement Project (L19703500); 2) reduce available fund balance in the Risk Fund (Fund 6502) by \$100,000, increase the General Fund (Fund 1001) expenditure budget in the Youth, Parks and Community Enrichment (YPCE) Department by \$100,000, and establish the appropriate transfers between the funds; 3) reduce the YPCE operating budget by \$100,000 (Fund 1001) and establish an expenditure budget in L19703500 of \$100,000 (Fund 1001); and 4) make the appropriate budgetary adjustments necessary to increase the expenditure budget in L19703500 up to \$119,502 (Fund 1001) when and if the City receives the third party insurance reimbursement for the playground and shade structure fire.

Contact: Jeff Nittka, Associate Landscape Architect, (916) 808-5996; Raymond Costantino, (916) 808-1941, Park Planning, Design and Development Manager, Department of Youth, Parks, & Community Enrichment

Presenter: None

Attachments:

1-Description/Analysis

2-Resolution

Description/Analysis

Issue Detail: The playground and shade structure at Hagginwood Park were destroyed by fire in January 2019. City staff recommends establishing the Hagginwood Park Playground Replacement Project (L19703500) and increasing the expenditure budget in L19703500, up to \$119,502, based on insurance proceeds received by the City. The first \$100,000 will be used to begin the demolition and removal of the burnt structures, and to develop construction documents for the replacement of the playground and shade structures.

Policy Considerations: As stated in City Council Budget Resolution No. 2019-0248, Section 10.2, City Council approval is required to establish CIP projects.

Providing parks and recreation facilities is consistent with the City's strategic plan to enhance livability in Sacramento's neighborhoods by expanding park, recreation, and trail facilities throughout the City.

Economic Impacts: None

Environmental Considerations: The Environmental Services Manager has reviewed the project for compliance with the requirements of the California Environmental Quality Act (CEQA) and determined that it is exempt from the provisions of the CEQA pursuant to Section 15302 of the CEQA Guidelines, replacement and reconstruction of existing facilities.

Sustainability: Not Applicable

Commission/Committee Action: None

Rationale for Recommendation: The City is the named insured on the insurance policies covering parks and expects to receive insurance proceeds due to the fire.

Financial Considerations: The reconstruction of the playground and shade structure is expected to cost approximately \$119,502. The City is self-insured for the first \$100,000 of the property loss. To begin the demolition and removal of the structure, a CIP is needed as well as budgetary authority to transfer \$100,000 from the Risk Fund (Fund 6502) through the Department budget to the Hagginwood Park Playground Replacement (L19703500, Fund 1001) project.

The additional cost above the first \$100,000 will be reimbursed by the City's third-party insurance provider. When these proceeds are received, they will be used to increase the

expenditure budget L19703500 (Fund 1001), up to the amount received, which is expected to be up to \$19,502.

Local Business Enterprise (LBE): Not Applicable

RESOLUTION NO. 2019-

Adopted by the Sacramento City Council

ESTABLISH HAGGINWOOD PARK PLAYGROUND REPLACEMENT PROJECT (L19703500) AND APPROPRIATE FUNDING

BACKGROUND

- A. The playground and shade structures at Hagginwood Park were destroyed by fire in January 2019.
- B. City Council approval is required to establish capital improvement projects (CIP).
- C. The initial fund transfer will be used to begin the demolition and removal of the burnt structures and to develop construction documents to replace the playground and shade structures. Once the insurance proceeds are received, the replacement project will be implemented.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The Hagginwood Park Playground Replacement Project (L19703500) is established.
- Section 2. The City Manager or the City Manager's designee is authorized to reduce the available fund balance in the Risk Fund (Fund 6502) by \$100,000, increase the General Fund (Fund 1001) expenditure budget in the Youth, Parks & Community Enrichment (YPCE) Department by \$100,000, and establish the appropriate transfers between the funds.
- Section 3. The City Manager or the City Manager's designee is authorized to reduce the YPCE operating budget by \$100,000 (Fund 1001) and establish an expenditure budget in L19703500 of \$100,000 (Fund 1001).
- Section 4. The City Manager or the City Manager's designee is authorized to make the appropriate budgetary adjustments necessary to increase the expenditure budget in L19703500 up to \$19,502 (Fund 1001) when and if the City receives the third-party insurance reimbursement for the playground and shade structure fire.