



REPORT TO COUNCIL

City of Sacramento

14

915 I Street, Sacramento, CA 95814-2671
www. CityofSacramento.org

Consent
October 11, 2005

Honorable Mayor and
Members of the City Council

Subject: Amendment: First Amendment to the Agreement Relating to the Design and Construction of Granite Regional Park Improvements, Phase II. City Agreement No. 2005-0096

Location/Council District: Granite Regional Park, Council District 6

Recommendation: Adopt a Resolution: 1) amending City Agreement No. 2005-0096, 2) approving a transfer of funds, and 3) authorizing the sole source of Westfork Construction Company as the general contractor for future construction phases for the 24/7 soccer fields and the skate park.

Contact: Janet Baker, Park Development Manager, 808-8234

Presenters: None

Department: Parks & Recreation

Division: Park Planning, Design & Development

Organization No: 4727

Summary:

Staff recommends four changes to three sections of City Agreement No. 2005-0096 (Recital K, Section 1.2.6 and 3.0) as well as transferring funding for the initial dog park and Phase II components of this project. These changes would be known as the *First Amendment to Agreement Relating to Design and Construction of Granite Regional Park Improvements, Phase II*.

In addition, staff recommends that Council provide authority to sole source Westfork Construction Company as the general contractor for future construction phases of the 24/7 soccer fields and the skate park. This will save the City both time and money during future phases of construction.

Except as specifically revised in this *First Amendment*, all terms and conditions of the Agreement shall remain in full force and effect.

All improvements to the project will be made at the City of Sacramento's sole discretion.

Committee/Commission Action:

The Citizen's Advisory Committee (CAC) for Parks and Recreation supported the master plan for Phase II development of Granite Regional Park at its December 2, 2004 meeting.

Background Information:

In August 1998, the City Council approved a Planned Unit Development for Granite Regional Park that is comprised of office buildings, retail centers and a regional park. Pursuant to the Granite Park Development Agreement (DA), the City is obligated to convey approximately 63 acres of land, defined in the DA as "City Land," in exchange for Regional Park General's (RPG's) construction of park improvements valued at \$9.2 million on approximately 142 acres of such City Land. RPG's obligation to design and construct park improvements within Granite Regional Park is defined in the DA as the "RPG Park Obligation (City Agreement No. 2000-165)."

In October 2004, the City Council designated funds for the development of Granite Regional Park.

The master plan for Phase II development of Granite Regional Park includes relocating the existing dog park, removing the corporation yard, and developing an all-weather lighted soccer field in Area 1 of the park site. The master plan also includes a new dog park, parking lot, access ramp, detention basin, landscaping and the development of a regional skate park in Area 2 of the park site. The master plan was approved by City Council on March 15, 2005.

On June 28, 2005, City Council approved the DA, City Agreement No. 2005-0096, for Phase II development of Granite Regional Park. This agreement includes a dog park, parking lot, and water detention area south of Ramona Avenue. Attachment 2 (page 6) shows the features as included in Exhibit A-1 to City Agreement No. 2005-0096.

The design and construction of the soccer field and skatepark are not included in the list of improvements to be completed by Regional Park General ("the Developer") under the current agreement. The soccer field and skate park will be the subject of other future agreements between the City and the Developer. However, the design, grading and preparation of the park site in anticipation of the future construction of the soccer field and skate park are covered under the current agreement. The DA states that the Developer expects to construct \$1.1 million in park improvements for eligible park credits in like amounts.

The amendment changes the agreement as follows: Recital K shall be amended to reflect the City's contribution of approximately \$300,000 toward the payment of the project costs; Section 1.2.6 shall be amended to acknowledge the City's contribution; and Section 3.0 shall be amended to reflect the Developer's entitlement to credit against the RPG Park Obligation (with one provision) not to exceed the lesser of (a) Developer's actual incurred Project Costs and (b) Project Costs approved by the City as reflected in the Final Budget, approved change orders, or other documents reflecting the City's

approval (with one provision).

Except as specifically revised in this First Amendment, all terms and conditions of the Agreement shall remain in full force and effect. This First Amendment may be executed in counterparts, each of which, when so executed and delivered, shall be an original, and such counterparts shall together constitute one and the same instrument.

All improvements to the project will be made at the City of Sacramento's sole discretion.

Financial Considerations:

In FY05, the City Council augmented the Park Maintenance Budget to add a full-time position for the Volunteer Program and in FY06 added funding for services and supplies; therefore, the \$300,000 in the Roberti Zberg Harris (RZH) Block Grant Fund originally allocated for the volunteer program is recommended to be reallocated to this capital project consistent with RZH guidelines. This project qualifies for this reallocation of funds since Granite Regional Park was one of the projects that was listed on the October 9, 2003 Proposition 12 Block Grant Fund Uses council report as a priority "regional project." There is sufficient funding in the Proposition 12 Per Capital Grant Fund CIP LZ01 and the RZH Block Grant Fund CIP LZ51 to fund the relocation and construction of the dog park. The transfer of funds would be in the amount of \$147,000 from the Proposition 12 Per Capita Grant Fund CIP LZ01 and \$153,000 from the RZH Block Grant Fund CIP LZ51 to Granite Dog Park Improvements CIP LV93. The \$300,000 represents the City's contribution to the initial construction costs of the dog park and Area 2. Staff will return to Council to identify additional funding for the work necessary to complete the soccer fields and skate park that is not included in the current agreement.

Given that Westfork Construction Company has been on site for several years and has intimate knowledge of the project, staff also recommends that Westfork Construction Company be the general contractor for future phases of construction. Bringing in another contractor for future phases of the project would add significant costs and time to the project to review all contract and construction documents, mobilize to the site, and coordinate activities. City Council approved the suspension of competitive bidding for Phase II development to allow Regional Park General to contract with Westfork Construction Company. Westfork is currently the general contractor on site. They will solicit competitive bids in accordance with the City-approved bid documents and follow a competitive process approved by the City. It is at the City's sole discretion to approve the scope, budget and selection of contractors.

Environmental Considerations:

The Environmental Services Manager has determined that the Granite Regional Park Phase II Project, as proposed, will not have a significant impact to the environment; therefore, a Mitigated Negative Declaration was prepared. In compliance with Section 15070(B)1 of the California Environmental Quality Act (CEQA) guidelines, the City has

incorporated mandatory mitigation measures into the project plans to avoid potential impacts or to mitigate such impacts to a point where clearly no significant impacts will occur. These mitigation measures were approved by City Council on March 15, 2005.

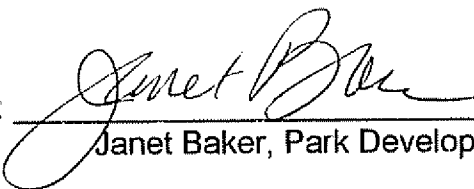
The proposed Negative Declaration was available for a 30-day Public Review during the period of February 9 through March 10, 2005. No comments were received. City Council ratified the Negative Declaration on March 15, 2005.

Policy Considerations:

This action is consistent with City Council's goal to expand park and recreational opportunities and goals in the adopted *Parks & Recreation Master Plan 2005-2010* that highlights the need for expanded lighted, all-weather soccer fields, and additional City dog parks.

Emerging Small Business Development (ESBD):

The selection of consultants and contractors for this project followed City established guidelines for inclusion of ESBD firms.

Respectfully Submitted by: 
Janet Baker, Park Development Manager

Approved by: 
ROBERT G. OVERSTREET II
Director of Parks & Recreation

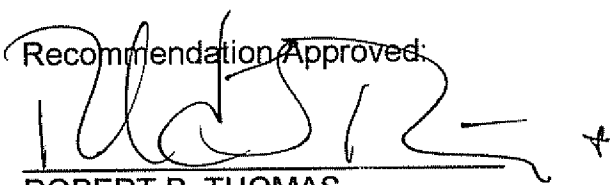
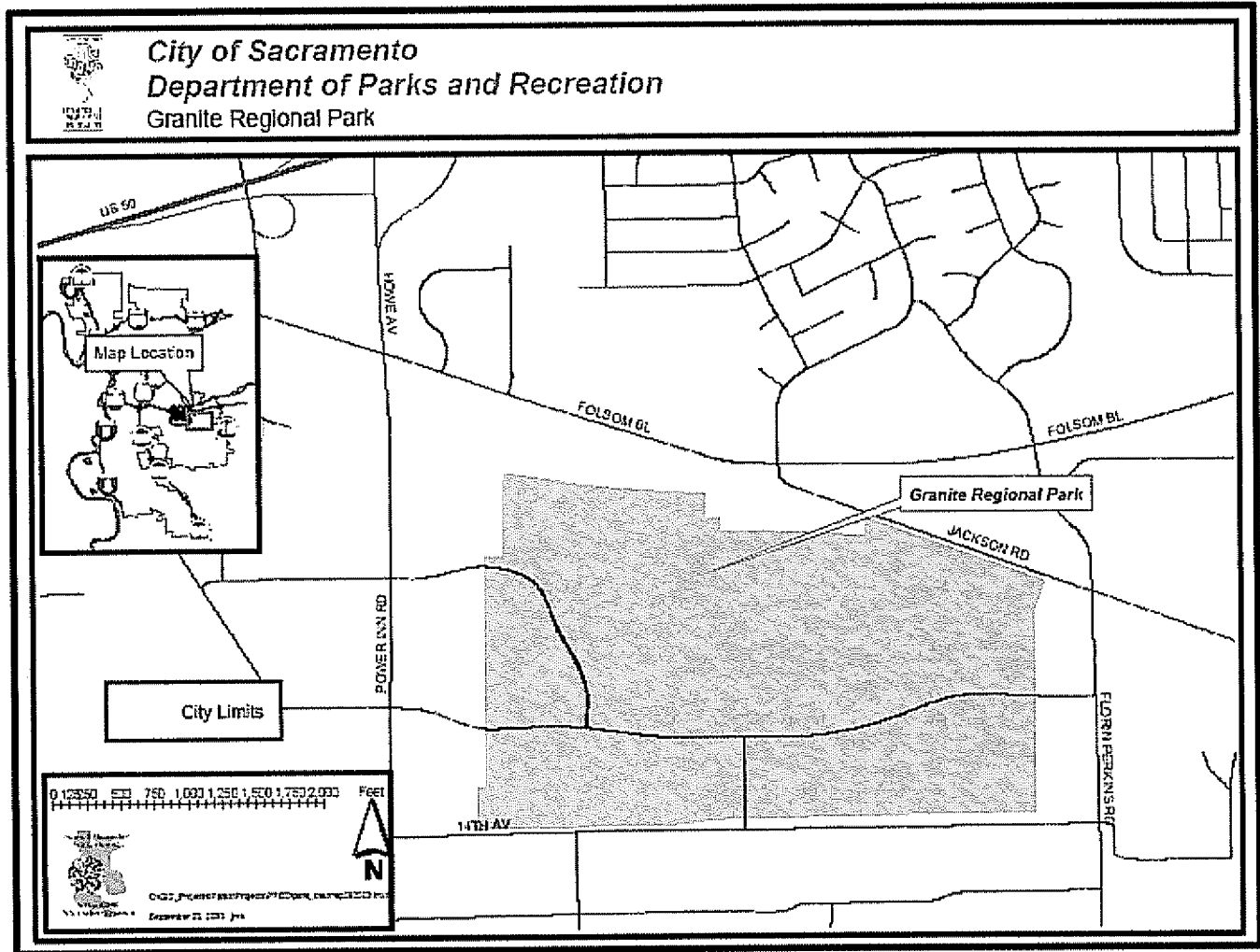
Recommendation Approved: 
ROBERT P. THOMAS
City Manager

Table of Contents:




Pg	1-4	Report
Pg	5	Attachment 1 - Area Map
Pg	6	Attachment 2 - Funding Exhibit
Pg	7	Resolution
Pg	8-9	Resolution Exhibit A – <i>First Amendment to Agreement Relating to Design and Construction of Granite Regional Park Improvements, Phase II</i>

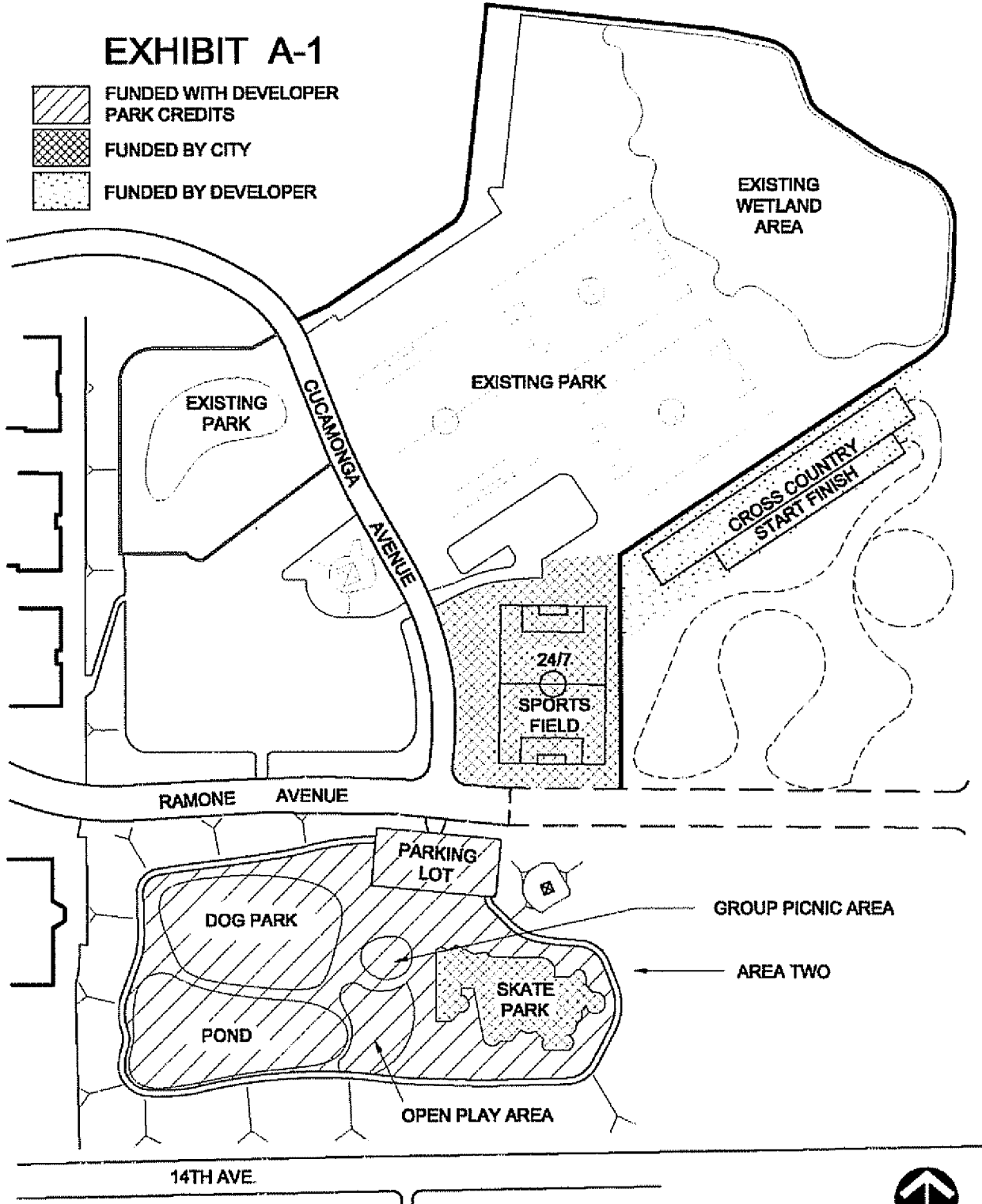
ATTACHMENT 1



ATTACHMENT 2

EXHIBIT A-1

-  FUNDED WITH DEVELOPER PARK CREDITS
-  FUNDED BY CITY
-  FUNDED BY DEVELOPER



**Granite Regional Park
Funding Exhibit**

RESOLUTION NO. 2005-XXXX

Adopted by the Sacramento City Council

October 11, 2005

AMENDMENT OF THE AGREEMENT RELATING TO THE DESIGN AND CONSTRUCTION OF GRANITE REGIONAL PARK IMPROVEMENTS, PHASE II, CITY AGREEMENT NO. 2005-0096

BACKGROUND:

- A. In August 1998, the City Council approved a Planned Unit Development for Granite Regional Park.
- B. In October 2004, the City Council designated funds for the development of Granite Regional Park. In March 2005, the master plan was approved by City Council.
- C. In June 2005, the City Council approved the park development agreement between the City of Sacramento and the Regional Park General, for the Phase II development of Granite Regional Park, as it relates to the Granite Regional Park Development Agreement.
- D. In June 2005, the City Council approved the suspension of competitive bidding for Phase II development to allow RPG to contract with Westfork Construction.
- E. As stated in the *Agreement*, the City or Developer may contribute toward the development of the Park Site. The City has funding available for that purpose.

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

- Section 1. Approves the *FIRST AMENDMENT TO AGREEMENT RELATING TO DESIGN AND CONSTRUCTION OF GRANITE REGIONAL PARK IMPROVEMENTS, PHASE II.*
- Section 2. Approves a transfer of \$147,000 (Fund 512) from the Proposition 12 Per Capita Grant Fund CIP LZ01 and \$153,000 from Roberti Zberg Harris (RZH) Block Grant Fund CIP LZ51 to Granite Regional Park CIP LV93.
- Section 3. Approves authorizing the sole source of Westfork Construction Company as the general contractor for future construction phases for the 24/7 soccer fields and the skate park.

Table of Contents: Exhibit A – First Amendment to City Agreement No. 2005-0096

EXHIBIT A

**FIRST AMENDMENT TO AGREEMENT RELATING TO
DESIGN AND CONSTRUCTION OF
GRANITE REGIONAL PARK IMPROVEMENTS, PHASE II**

This First Amendment (hereafter, the "First Amendment") to the "Agreement Relating to Design and Construction of Granite Regional Park Improvements, Phase II" is made and entered into as of _____, 2005, by and between the City of Sacramento, a charter municipal corporation ("City") and Regional Park General, a California general partnership ("Developer").

Recitals

A. The City and Developer previously entered into the "Agreement Relating to Design and Construction of Granite Regional Park Improvements, Phase II," and designated as City Agreement No. 2005-096 (the "Agreement");

B. The parties have agreed to changes in projected cost of constructing the improvements described in the Agreement and have agreed to funding provided by the City in support of the project described in the Agreement ("Project"), and, hence, desire to amend the Agreement as provided below.

Agreement

NOW THEREFORE, in consideration of the mutual obligations set forth in the Agreement and this First Amendment, the County and City hereby amend the Agreement as follows:

1. The first sentence of Recital K of the Agreement shall be amended to read as follows: "Developer is willing to construct the Project, and to fund the costs of Project design and construction activities (the "Project Costs") allocated to Developer herein as set forth in Section 1.2.6 of this Agreement, provided, the City shall contribute the sum of \$300,000 ("City Contribution") toward payment of the Project Costs relating to the dog park improvements and various improvements in Area 2 as such area is described in Exhibit "A" to this Agreement ("Area 2")."

2. Section 1.2.6 of the Agreement shall be amended by adding the following sentence as the last sentence of Section 1.2.6: "The City shall provide the City Contribution toward payment of the Project Costs, provided that the City Contribution shall be applied to the cost of those improvements approved by the City and located in Area 2, including, without limitation, to dog park improvements."

3. The first sentence of Section 3.0 of the Agreement shall be amended to read as follows: "Upon Final Completion, Developer shall be entitled to credit against the RPG Park Obligation for the Project Costs expended on Eligible Park Improvements, provided that such credit amount shall not include the amount of the City Contribution."

4. The second sentence of Section 3.0 of the Agreement shall be amended to read as follows: "The Developer shall be entitled to a credit against the RPG Park Obligation in an amount of Eligible Park Credits, not to exceed the lesser of (a) Developer's actual incurred Project Costs and (b) Project Costs approved by the City as reflected in the Final Budget, approved change orders, or other documents reflecting the City's approval; provided that such credit amount shall not include the amount of the City Contribution."

5. Except as specifically revised in this First Amendment, all terms and conditions of the Agreement shall remain in full force and effect.

6. This First Amendment may be executed in counterparts, each of which, when so executed and delivered, shall be an original, and such counterparts shall together constitute one and the same instrument.

7. Each person signing this First Amendment warrants that it is authorized to bind its respective Party on whose behalf he or she signs.

CITY:
CITY OF SACRAMENTO
a charter municipal corporation

DEVELOPER:
REGIONAL PARK GENERAL
a California General Partnership
By: Power Inn Regional Park,
a California Limited Partnership,
its General Partner

Robert P. Thomas
City Manager
(or authorized designee)

Dain Domich, General Partner

ATTEST:

George Y. Separovich, General Partner

City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

City Attorney

Attorney for Developer