



DATE: May 14, 2019

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Authorize Amendment to Resolution 18-091 to Appropriate an Additional \$398,512 in Grant Funds to the 21st Century Library and Community Learning Center and Heritage Plaza Arboretum Project and Authorize the City Manager to Increase the T.B. Penick & Sons, Inc. Contract Amount to \$52,948,512

RECOMMENDATION

That the City Council adopts the attached resolutions:

1. Authorizing an amendment to Resolution 18-091 allowing for the appropriation of an additional \$398,512 of grant funds within Fund 406 (Measure C Capital) and allocating it to the 21st Century Library and Community Learning Center and Heritage Plaza Arboretum Project, Project No. 06988; and
2. Authorizing the City Manager to increase the contract amount with T.B. Penick & Sons, Inc., by \$398,512 to the amount of \$52,948,512.

SUMMARY

The State of California awarded a \$398,512 grant to the City of Hayward to support the Heritage Plaza restoration phase of the 21st Century Library and Community Learning Center and Heritage Plaza Arboretum Project (Project). Utilizing the grant funding requires that the award amount be appropriated from Fund 406 (Measure C Capital) and allocating it to the Project. Additionally, staff requests that the construction contract with T.B. Penick & Sons, Inc. be increased by \$398,512 to the amount of \$52,948,512.

BACKGROUND

On September 15, 2015, the City entered into an agreement with T.B. Penick & Sons, Inc. for construction of the Project at a not to exceed amount of \$52,550,000. On February 21, 2017, the Council authorized Resolution 17-016, authorizing the City Manager to apply for Housing Related Parks Program (HRPP) grant funding offered by the State of California Department of Housing and Community Development (DHCD), and to execute all documents necessary for

the acceptance of the funds, if awarded.¹ The City Manager was also authorized to apply these funds toward the Heritage Plaza restoration phase of the Project.

On November 7, 2017, the City was officially awarded HRPP grant funds in an amount of \$398,512 to be used toward the Project. These funds can be used to reimburse the City for Heritage Plaza construction project expenses incurred prior to June 30, 2019.

DISCUSSION

The Heritage Plaza restoration phase of the Project recently began and improvements will include the installation of an underground rainwater storage and recycling system and the development of a park and civic space.

In order to utilize the \$398,512 in reimbursement-based HRPP grant funds, the award amount must be appropriated from the fund balance in Fund 406 (Measure C Capital) and allocated to the Project, which requires that Resolution 18-019 be amended to reflect this additional appropriation amount. The contract with T.B. Penick & Sons, Inc., will also be amended to reflect the additional \$398,512, increasing the contract amount to \$52,948,512. The contract amendment will also cover anticipated construction cost increases over the original contract amount. These increases will be reconciled with the contractor at the conclusion of the project.

ECONOMIC IMPACT

The Heritage Plaza restoration project will be a significant asset for residents and visitors in downtown Hayward, a rapidly developing area for major new housing and other urban uses, where the need for outdoor community gathering spaces, recreation, and celebration activities is projected to grow significantly in the coming years.

FISCAL IMPACT

This item will have no net impact on the City's General Fund or Capital Improvement Program Funds, as the additional \$398,512 will be reimbursed as per terms of the grant agreement.

STRATEGIC INITIATIVES

The Heritage Plaza restoration project supports the Complete Communities strategic initiative. The purpose of the Complete Communities initiative is to create and support structures, services, and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work, and play for all. Using grant funds to enhance the Heritage Plaza restoration project supports the following goal and objective:

¹ <https://hayward.legistar.com/MeetingDetail.aspx?ID=530955&GUID=10ABDA99-1F23-493A-929E-C39C664814CD&Options=&Search=>

Goal 1: Improve quality of life for residents, business owners, and community members in all Hayward neighborhoods.

Objective 1: Foster a sense of place and support neighborhood pride.

SUSTAINABILITY FEATURES

Heritage Plaza will function as a rainwater catchment and underground rainwater storage and filtration system. Constructed from the walls and floor of the old library basement, the system will collect and reuse up to 200,000 gallons of rainwater annually from the garage roof, library roof, C Street, and the library plaza. The captured water will be treated and reused for irrigation and graywater uses in the new library building and plaza.

The catchment and storage system is an important component of the new library's environmental sustainability plan and is required to enable the project to become LEED Platinum eligible.

PUBLIC CONTACT

There is no public contact required for this item.

NEXT STEPS

Should the City Council adopt the attached resolutions, staff will proceed with appropriating the necessary funds, increasing the contract amount with T.B. Penick & Sons, Inc., and invoicing DHCD for reimbursement on all relevant expenses.

Prepared by: Kevin Briggs, Senior Civil Engineer

Recommended by: Alex Ameri, Director of Public Works

Approved by:



Kelly McAdoo, City Manager