



**DATE:** December 17, 2024

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT:** Adopt Resolutions Approving the Revised Plans and Specifications and Call for Bids for the La Vista Park Project, Project No. 06914 and Authorizing the City Manager to Execute Amendment No. 3 to the Professional Services Agreement with Surface Design, Inc., and Authorizing the City Manager to Execute a Memorandum of Understanding with the Hayward Area Recreational District for the Funding, Operation and Maintenance of La Vista Park

## **RECOMMENDATION**

That Council adopts resolutions:

- (1) Approving the Revised Plans and Specifications for the La Vista Park Project, Project No. 06914, and Call for Bids to be received at a future date, and authorizing the City Manager to execute Amendment No. 3 to the Professional Services Agreement with Surface Design, Inc., (SDI) to Increase their Contract Amount by \$359,000, for a total not-to-exceed amount of \$ 1,114,975 (Attachment II); and
- (2) Authorizing the City Manager to execute a Memorandum of Understanding with the Hayward Area Recreational District (HARD) for the Funding, Operations, and Maintenance of La Vista Park (Attachment III);

## **SUMMARY**

Since 2017, the City and the Hayward Area Recreation and Parks District (HARD) have worked towards a shared vision of constructing and operating La Vista Park, a new destination park in South Hayward, east of the intersection of Mission Boulevard and Tennyson Road. The addition of a destination park will create a much-needed amenity and attraction for South Hayward, the City, and the entire region.

The La Vista Park Project was envisioned to construct a regional facility that will include a number of park and recreational facilities, including a sport field/amphitheater, basketball courts, a yoga lawn, a dog park, hiking trails, and other amenities.

On February 28, 2023<sup>1</sup>, Council approved the plans and specifications and call for bids for the La Vista Park Project. The adopted FY23 CIP budget included a total project budget appropriation of \$23.27M (Fund 405) for the design and construction of the La Vista Park Project.

On June 6, 2023, three (3) construction bids were received for the project ranging from \$41,927,606 to \$47,323,996. DeSilva Gates Construction LLC submitted the low bid in the amount of \$41,927,606, which was 64.8% above the engineer's estimate of \$25,438,301. Due to this significant budget shortfall, on June 27, 2023<sup>2</sup>, Council adopted a resolution to reject all bids and directed staff to reevaluate the scope of the La Vista Park Project for future bidding possibilities.

On March 19, 2024, Council received a presentation and provided feedback on the revised scope and cost estimate for La Vista Park. In addition, Council further approved an additional \$5.2M of project funding for construction of park equipment and amenities.

The proposed FY26 CIP budget includes a total project budget appropriation of \$36.325 million (Fund 405) for the design and construction of La Vista Park.

The project California Environmental Quality Act (CEQA) addendum analysis for La Vista Park was completed and presented to the City Council on September 28, 2021 with no further action required per adopted resolution 21-195.

On November 15, 2016<sup>3</sup>, Council passed a resolution authorizing a Community Workforce Agreement (CWA) with the Alameda County Building Trades Council (BTC), which applies to City projects with construction costs of \$1,000,000 or more. The agreement requires contractors to use local union hiring halls, encourages contractors to employ Hayward residents or Hayward Unified School District graduates, and requires hired workers to pay union dues and other benefit trust fund contributions, etc. Because the construction cost estimate for the La Vista Park is more than \$1,000,000, the CWA agreement applies to this project.

## **BACKGROUND**

In 2005, the La Vista residential development included 179 new single-family homes to be built at the South Hayward site east of (and up the hill from) the terminus of Tennyson Road and Mission Boulevard was approved. The original project included construction of a new approximately thirty-acre public park. The original thirty-acre park site on land donated from the developer was expanded to almost fifty acres in size by the addition of twenty acres of the former Caltrans Route 238 property right-of-way acquired by the City.

The adopted FY23 CIP budget included a total project budget appropriation of \$23.27M (Fund 405) for the design and construction of the La Vista Park Project. At the time of the first bidding, the engineer's estimated cost for construction of the La Vista Park without

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<sup>1</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=6040388&GUID=16358530-F413-4153-A9E4-585A318254D7&Options=&Search=>

<sup>2</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=6271759&GUID=80991435-8015-4FF0-84E7-7061DB4E47B8&Options=&Search=>

<sup>3</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=2882111&GUID=118B2EF9-1D2C-471F-999E-4BE0929706A0&Options=&Search=>

contingency was \$25M. With construction contingency, project design, administration, inspection and testing, the total estimated project cost was over \$35M, which was greater than the appropriated budget. To work around this, staff prepared alternate bids with the bid package that would have allowed the project to be phased into multiple phases depending on how the bids were received. It was intended that at least the first phase would be awarded in 2023 to construct a majority of the park features and the subsequent phases would be constructed in the future when additional funding is obtained.

However, as detailed above, the construction bids received in June 2023 far exceeded the available budget making the project fiscally infeasible. As a result, Council directed staff to reevaluate and revise the scope of the project to allow a project with a reduced scope to proceed.

## **DISCUSSION**

At Council's direction to reevaluate the scope of La Vista Park Project to reduce both the scope and the cost, staff worked with the project designer and presented to Council on March 19, 2024, a menu of revisions to reduce the construction cost and project duration including:

- Reduce the overall work area by 18% from approximately 47.3 acres to approximately 38.9 acres by avoiding encroachment into the mapped landslide and wetland areas;
- Shorten the lower keyway by approximately 50% and eliminate the upper keyway entirely due to the reduction of work area and avoidance of the landside and wetland areas mentioned above;
- Eliminate the switchback road on the north side of the park;
- Redesign significant grading changes to balance the cut and fill on site with no soil off haul expected;
- Reduce decorative boulder quantity by 75%;
- Change all pathways and roadways to conventional asphalt instead of integral colored asphalt;
- Eliminate the lower parking lot, reducing parking count from 316 spaces to 126 spaces while still meeting requirements in the approved CEQA documents; and
- Replace specialty Park-Tread paving with conventional asphalt paving, decomposed granite paving, and playground mulch.

With the reduction of the project scope detailed above, staff defined the following items as the scope of the first phase of the project using the initial FY23 available budget of \$23.27M:

- Site grading and construction of the lower keyway
- Installation of on-site utilities including water lines, sewer lines, and storm water lines
- Installation of new electrical service and infrastructure only with no fixtures
- Installation of irrigation system, trees, and hydroseeding of the entire project site
- Installation of dog park
- Installation of basic non-automated restroom

- Installation of offsite asphalt and concrete sidewalk on Tennyson Road
- Installation of Foothill trail

Council further approved additional funding of \$5.2M to allow construction of the following items:

- Installation of on-site asphalt, decomposed granite, and gravel paving
- Installation of additional quantities of decorative boulders
- Installation of park signage, vehicular swing gates, and bollards
- Installation of picnic tables, BBQs, benches, and Big Belly trash and recycle receptacles
- Installation of bike racks and drinking fountains
- Installation of turf sod at the soccer field and amphitheater
- Installation of concrete slide structures, exercise equipment, play equipment, and zipline
- Installation of fencing and shade trellises
- Installation of pedestrian lights
- Installation of automated restrooms and maintenance shed

On April 1, 2024, a similar presentation was made to the HARD Board of Directors regarding the revisions made to the La Vista Park scope. The HARD Board of Directors requested execution of a Memorandum of Understanding (MOU) between HARD and the City to solidify project funding, park operations, and maintenance, including capital replacement of park improvements. Staff has worked with HARD to discuss the terms of the MOU. The final draft from the City is currently under review by the HARD executive team.

The project re-design has been completed and bid documents have been prepared. The project plans are currently under review by HARD. If HARD provides relatively minor changes and comments, staff will update the plans accordingly. However, if the changes are significant, Staff will return to Council for further direction. Staff requests Council approval of the resolution approving plans and specifications and call for bids on a future date for the La Vista Park Project upon execution of the final MOU.

#### Consultant Design Funding Adjustment

On March 26, 2019<sup>4</sup>, Council approved Resolution No. 19-054, authorizing the City Manager to enter into a Professional Services Agreement with SDI for design services and technical support during construction in an amount not-to-exceed \$467,417.

On March 22, 2022<sup>5</sup>, Council approved Resolution No. 22-066, adopting Amendment No. 1 to the PSA with SDI, increasing the contract amount by \$122,975 with a total not-to-exceed amount of \$637,975.

On June 27, 2023<sup>6</sup>, Council approved Resolution No. 23-190, adopting Amendment No. 2 to the PSA with SDI, increasing the contract amount by \$118,000 with a total not-to-exceed

<sup>4</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=3897638&GUID=AD716AFF-467D-4E35-8C07-0F39495BAE26&Options=&Search=>

<sup>5</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=5531461&GUID=2C8AAC9A-511A-4F70-8909-E0BB47D1F4CF&Options=&Search=>

<sup>6</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=6271759&GUID=80991435-8015-4FF0-84E7-7061DB4E47B8&Options=&Search=>

amount of \$755,975.

Therefore, staff also recommends execution of Amendment No. 3 to increase the value of the PSA with SDI for additional services related to the redesign, value engineering, and construction administration of La Vista Park by \$359,000 for a total not-to-exceed contract amount of \$1,114,975.

### **ECONOMIC IMPACT**

The addition of a destination park to the South Hayward community will create a much-needed amenity and attraction for this part of the City. This will likely result in increased visitors to the area as well as more dollars spent on local businesses. In addition, there have been numerous studies that indicate that the addition of open space or parkland has a positive impact on home values in the surrounding areas.

### **FISCAL IMPACT**

The estimate project costs are:

Construction of Reduced Scope Park	\$25,460,000
<u>Construction Contingency (12%)</u>	<u>\$3,055,200</u>
<i>Construction Subtotal</i>	<i>\$28,515,200</i>
Design	\$1,996,064
Administration	\$1,604,520
Geotechnical Inspection, Testing and Reporting	\$2,281,216
<u>Previously Incurred City Costs</u>	<u>\$1,928,000</u>
Total Project Cost	\$36,325,000

### **STRATEGIC ROADMAP**

This agenda item supports the Strategic Roadmap of Invest in Infrastructure. Specifically, this item relates to the implementation of the following project:

Project N14, Part N14b: Construct La Vista Park

### **SUSTAINABILITY FEATURES**

The La Vista Park has been designed to be the most environmentally sustainable park within the City. As part of the design, park areas will require less irrigation and native grasses and plants will be used throughout the park. Park structures will be constructed from natural materials versus traditional fabricated structures. Bio-retention filtration areas will collect and retain stormwater runoff prior to exiting the park into the storm drainage system.

## **PUBLIC CONTACT**

After construction work for the La Vista Park Project has been scheduled, signs will be posted prior to commencement of work indicating the date and time of work.

## **NEXT STEPS**

The following is the tentative schedule for this project:

Begin Construction	Spring 2025
Complete Construction	Summer 2026

*Prepared by:* Sammy Lo, Senior Civil Engineer  
Kathy Garcia, Deputy Director of Public Works

*Recommended by:* Alex Ameri, Director of Public Works

Approved by:



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Dustin Claussen, Interim City Manager