



DATE: May 19, 2019

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Adopt a Resolution Approving an Amendment to the Professional Services Agreement with Langan Engineering and Environmental Services for the La Vista Park Project, Project No. 06914

RECOMMENDATION

That Council adopts a resolution (Attachment II) authorizing the City Manager to execute an Amendment to the Professional Services Agreement (PSA) with Langan Engineering and Environmental Services (Langan) increasing the agreement by \$73,400, for a total contract amount not-to-exceed \$293,400.

SUMMARY

On March 26, 2019¹, Council approved a PSA with Langan for the geotechnical investigation and report for the La Vista Park Project in an amount not-to-exceed \$220,000. The final geotechnical report by Langan will be completed in June 2020.

The original contract scope of work included ten exploratory boring locations spread out across the approximately 50-acre site given the existence of a landslide area on the property. Staff is recommending five additional exploratory borings directly under the proposed landslide repair area to obtain additional information. The information gathered from these borings could potentially reduce the required width, depth, and length of the proposed slide repair area, resulting in a cost reduction to the required landslide repairs. The total added scope of work is estimated at \$73,400 and staff recommends that Council approve increasing Langan's PSA by this amount, for a not-to-exceed total contract amount of \$293,400.

BACKGROUND

In 2005, the City approved the La Vista residential development that included 179 new

¹ <https://hayward.legistar.com/LegislationDetail.aspx?ID=3897638&GUID=AD716AFF-467D-4E35-8C07-0F39495BAE26&Options=&Search=>

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. The project included construction of a new approximately thirty-acre public park. The development aims to provide new housing stock for the City and also officially serves as remediation for a former rock quarry site. Although the entitled development sat idle through the last economic downturn, home construction has accelerated over the last two years. The original thirty-acre park site on land donated from the developer was expanded to almost fifty acres in size due to the City acquiring former Caltrans right-of-way from the now abandoned 238 freeway project. The additional twenty acres will be added to the western side of the park once Parcel Group 3 is transferred to the City.

DISCUSSION

On March 26, 2019, Council approved an agreement with Langan for the geotechnical investigation and report for the La Vista Park Project in an amount not-to-exceed \$220,000. The final geotechnical report by Langan will be completed in June 2020.

The geotechnical investigation performed by Langan recommends landslide repair measures in order to provide a stable foundation for the proposed park site. The recommendation is to remove an area approximately 85 feet wide by 40 feet deep by 1,500 feet long and replace it with engineered and cement treated fill material and add soil stabilization mats and drainage pipes in order to stabilize the soil. The proposed landslide repair measures are estimated to cost \$3.5M.

The original contract scope of work included ten exploratory boring locations spread out across the approximately 50-acre site. Langan is recommending five additional exploratory borings directly under the proposed landslide repair area to obtain additional information. The information gathered from these borings could potentially reduce the required width, depth, and length of the proposed slide repair area resulting in a cost reduction to the required landslide repairs. The total added scope of work is estimated at \$73,400 and staff recommends that Council approve increasing Langan's Professional Services Agreement by this amount, to a not-to-exceed total amount of \$293,400.

FISCAL IMPACT

The original La Vista Park design conducted by SurfaceDesign Inc., (SDI) was estimated at \$23.3M to construct. This estimate includes contingencies or potential cost overruns as well as landslide repair costs to remediate the former Caltrans property.

Park in-lieu fees from the La Vista Development will contribute approximately \$2.14M towards construction. There is also a \$2M Measure F1 Bond allocation from the Hayward Area Recreation and Park District (HARD), for a current allocation of \$4.14M toward the La Vista Park project.

All lands associated with La Vista Park will likely be owned or controlled by the City. This was memorialized as part of the La Vista Development Final Map for the home development and all agreements associated with the project Final Map.

The HARD Board of Directors recently approved a funding plan for the project that included the following:

- 1) \$4.23M provided from existing park in-lieu fees previously collected by the City
- 2) \$6.7M in additional Measure F1 bond money
- 3) \$6.7M of loaned Measure F1 bond money to be repaid to HARD through the collections of future park in-lieu fees (see below) from projects that have been entitled.

Listed below are recent larger entitled projects that may yield substantial park in-lieu fees.	# UNITS	TYPE OF UNITS	POTENTIAL PARK IN-LIEU FEES	POSSIBLE CONSTRUCTION START DATE
Mission Crossings	140	Townhomes	\$1,595,300	Spring 2019
Matsya's Villas	57	Condos	\$649,515	Winter 2019
Maple and Main**	240	Apartment	\$2,316,720	Summer 2019
Lincoln Landing*	476	Apartment	\$4,594,828*	Fall 2019
Mission Village	72	Townhomes	\$820,440	Spring 2019
Fagundes	42	Single Family	\$502,026	Spring 2018
Ward Creek Cottages	97	Single Family	\$1,159,441	Fall 2018
Total Potential In-Lieu Fees			\$11,638,270	

The above is a projection by City staff of future park in-lieu fees that are anticipated to be generated by these entitled projects. An approximate total of \$11,638,270 will be collected from these projects upon their completion. However, the Lincoln Landing (*) project shown above will satisfy its park dedication requirements by a combination of paying some park in-lieu fees, land dedication, and credits for improvements of the dedicated land area as part of its obligation for public park and recreation. The Maple and Main project (**) is currently in receivership; whichever entity purchases the property out of receivership may change the project entitlements so the final fee amount listed above may ultimately change. Land dedication and credits from improvements will reduce the potential park in-lieu fees listed above.

The projects referenced above are large entitled projects in the City, and other additional projects could be entitled in the near future, yielding additional future park in-lieu fees. These include, for example, three unentitled projects submitted to the City in late 2017 and early 2018: Ersted Townhomes (59 units), Oak Street Townhomes (40 units), and Gading II Single-Family Homes (18 units). These projects could yield \$1,343,259 in additional park in-lieu fees that could be counted towards the La Vista destination park if the projects are approved/entitled.

Council also approved the use of \$1.5M in funds held for development of the South Hayward Youth and Family Center towards the park effort. These fees will be paid back via future park in-lieu fees.

Current Funding Plan for La Vista Park

Project Cost Estimate	(\$23,253,962)
Current Project Funding Sources	
Park In-Lieu fees from La Vista Development	\$2,140,000
South Hayward Community Center Contribution	\$1,500,000
HARD Contributions:	
HARD Park In-Lieu Fees on hand	\$4,230,000
HARD Measure F1 Bond fund allocations	\$15,400,000

Current Project Funding Surplus/(Deficit) \$16,083

This request has no impact on the General Fund. Should future park in-lieu fees not be as robust as anticipated to fund La Vista Park, staff envisions construction of the park to occur in phases or a modified/scaled back approach based upon available park in-lieu fees. There are no other funding sources for La Vista Park except for those already mentioned in this report (developer fees, park in-lieu fees, and Measure F1 bond money).

On March 26, 2019, Council approved an appropriation of \$1,500,000 from Fund 256 – Park Fund to Fund 405 – Capital Projects (Governmental) to cover the costs of the SurfaceDesign and Langan contracts.

STRATEGIC ROADMAP

This agenda item supports the Strategic Priority of Support Quality of Life. Specifically, this item relates to the implementation of the following project(s):

Project 12, Part 12a: Design La Vista Park

SUSTAINABILITY FEATURES

The La Vista Park will be designed to be the most 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, more costly fabricated structures.

PUBLIC CONTACT

Listed below are previous public meetings or public outreach efforts performed by the City, HARD, and SDI related to the final draft La Vista Park plan:

- On Friday, October 20, 2017, staff and the team from SDI met with representatives from Fairway Park to present and gain feedback regarding the current La Vista Park plans.
- On Thursday, October 26, 2017, a public outreach meeting was conducted at Matt Jimenez Community Center, soliciting input from the Hayward community at large, regarding the most current La Vista Park design. Staff, HARD staff, and the SDI team conducted a public presentation and received input from participants regarding draft Park plans.
- On Monday, October 30, 2017, Council hosted a joint work session with the HARD Board of Directors where staff, HARD staff, and the SDI team presented the design for La Vista Park.
- On Monday, April 9, 2018, the HARD Board of Directors approved the final design for La Vista Park and the funding plan for the project.
- On Tuesday, May 15, 2018, Council approved a resolution accepting the La Vista Park Master Plan prepared by SDI and adopted a resolution appropriating \$1.5 M held for development of the South Hayward Youth and Family Center towards construction of La Vista Park.
- On Tuesday, March 26, 2019, Council approved a resolution awarding a PSA in an amount not-to-exceed \$220,000 with Langan.

NEXT STEPS

If Council approves, the City Manager will execute the amendment to the Professional Services Agreement authorizing Langan to perform additional exploratory borings and analysis.

Prepared by: Kathy Garcia, Deputy Director of Public Works

Recommended by: Alex Ameri, Director of Public Works

Approved by:



Kelly McAdoo, City Manager