



**DATE:** February 5, 2026

**TO:** Council Infrastructure & Airport Committee, City of Hayward  
Capital Outlay Standing Committee, Hayward Area Recreation and Park District

**FROM:** Director of Public Works  
General Manager

**SUBJECT:** Joint Agency Discussion of La Vista Park Project and Coordination Opportunities on Future Park Projects

## **RECOMMENDATION**

That the Council Infrastructure & Airport Committee (CAIC) hold a joint meeting with the Capital Outlay Standing Committee of the Hayward Area Recreation and Park District (HARD) Board to discuss the La Vista Park project and coordination opportunities on future park projects.

## **SUMMARY**

Since 2017, the City and HARD have worked toward 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.

On June 17, 2025, City Council awarded the construction contract to DeSilva Gates LLC of Dublin, California, in the amount of \$32,850,547. While construction has been postponed until Spring 2026 due to the rainy season, staff has undertaken cost-saving value engineering efforts to reduce construction costs by potentially up to \$5.2 million while maintaining all park features, usability, and safety.

Both City and HARD staff are interested in discussing with CAIC and the Capital Outlay Standing Committee of the HARD Board the La Vista Park Project and other opportunities for coordination on future park projects.

## **FISCAL IMPACT**

The adopted FY26 Capital Improvement Program (CIP) budget includes a total project budget appropriation of \$42.769 million (Fund 405 – Capital Projects (Governmental)) for

the design and construction of La Vista Park, including a \$5.2M transfer from Measure C. This transfer can be eliminated as discussed later in this report. As outlined below, HARD is contributing over \$15 million in Bond funds to the project.

The breakdown for the project costs is as follows:

Construction Contract	\$32,850,547
Estimated Maximum Potential Value Engineering Cost Savings	(\$4,092,000)
Construction Contingency	\$3,942,066
<u>Construction Contingency Reduction</u>	<u>(\$1,108,000)</u>
<i>Construction Subtotal</i>	<i>\$31,592,613</i>
Design	\$1,104,387
Administration	\$1,104,000
Geotechnical Inspection, Testing and Reporting	\$1,840,000
<u>Previously Incurred City Costs</u>	<u>\$1,928,000</u>
Total Project Cost	\$37,569,000

The funding sources for the project are as follows:

Fees for La Vista Development	\$2,140,000
HARD Bond Funds	\$15,400,000
Offsite Tree Mitigation	\$585,000
<u>Park-in-Lieu Funds</u>	<u>\$19,444,000</u>
Total Funding Sources	\$37,569,000

## 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 the construction of a new approximately 30-acre public park. The original 30-acre park site on land donated by 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. In February 2023, the engineer's estimated cost for construction of La Vista Park without 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. 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.

In June 2023, three (3) construction bids were received for the project ranging from \$41,927,606 to \$47,323,996. With the low bid far exceeding the available budget, the project was fiscally infeasible. As a result, City Council directed staff to reevaluate and revise the scope of the project to allow a project with a reduced scope to proceed and then rebid the project.

The final design of La Vista Park is a 39-acre site that incorporates the following items and park elements:

- Site grading and construction of the slope stabilization keyway
- Installation of on-site utilities including water lines, sewer lines, and storm water lines
- Installation of new electrical service and infrastructure with pedestrian lights including infrastructure for the future security camera system by HARD
- Installation of irrigation system, trees, and hydroseeding of the entire project site
- Installation of offsite asphalt and concrete sidewalk on Tennyson Road
- Installation of the Foothill trail
- Installation of on-site asphalt, decomposed granite, and gravel paving
- Installation of decorative boulders
- Installation of park signage, vehicular swing gates, and bollards
- Installation of picnic tables, BBQs, benches, and 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 basketball courts
- Installation of fencing for area separation
- Installation of automated restrooms and maintenance shed
- Installation of a dog park

City staff presented the revised scope of La Vista Park Project to reduce both the scope and the cost to City Council on [March 19, 2024](#). 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. Once the project re-design was complete, the project plans were routed to HARD for review. The MOU referenced above was executed in January 2025 and amended in July 2025 (Attachments 2 and 3, respectively).

Additionally, on December 17, 2024<sup>1</sup>, City Council approved the plans and specifications for the project and called for construction bids to be received. On April 23, 2025, four bids were received with base bids ranging from \$32,850,547 to \$34,945,319. DeSilva

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<sup>1</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=7059333&GUID=9822652E-85BA-4488-A872-8A02782DF6CA&Options=&Search=>

Gates Construction (DGC) submitted the low bid in the amount of \$32,850,547, which was 24.3% above the engineer's estimate of \$26,437,784. Due to the number of bids received and the narrow range among them, staff determined that the bids are reasonable and reflective of current market conditions.

In evaluating the bid, City staff recommended to allocate Measure C funds to cover the additional construction costs related to the keyway in order to move the project forward towards construction. At the time of award, City staff had the full intention of partnering with the selected contractor to perform value engineering related to the keyway and therefore, substantially reduce and, ideally, eliminate the Measure C contribution of \$5.2M to the Project. Value engineering would seek performing the construction work in a way to reduce the cost without impacting the features and quality of the final project. However, in order to start negotiating with the low bidder on any value engineering, the City needed to award the project to the low bidder first.

On June 17, 2025, City Council awarded the construction contract to DGC in the amount of \$32,850,547 and authorizing an Administrative Construction Contingency budget of \$3,942,066, for a total not-to-exceed contract amount of \$36,792,613.

## DISCUSSION

After the construction contract was awarded to DGC, staff engaged DGC and the project design team, including Geotechnical Engineer Langan, in value engineering discussions. These efforts were focused on achieving cost reductions without impacting the City's General Fund or Measure C while preserving all park features, usability, and safety elements approved by City Council. Through multiple design iterations, the slope stability keyway was revised to a wider section and eliminated the need for geogrid and cement treatment. The permeable material within the keyway was also replaced with a more efficient and lower-cost alternative. In addition, the contractor revised its intended means and methods for keyway construction to improve production efficiency for an estimated savings of \$600,000. This amount remains preliminary and will be finalized following verification of subsurface soil conditions and approval by the Geotechnical engineer.

To further reduce the impact to the City's General Fund, the Construction Contingency has been reduced by \$1,108,000, from \$3,942,066 to \$2,834,066, or approximately 10% of the Revised Construction Contract. This is still a reasonable amount given the extensive discussion with the contractor and the project's Geotechnical engineer.

Staff is continuing discussions with DGC to finalize the cost savings. The anticipated measures and corresponding revisions to the construction contract are summarized below.

Original Construction Contract	\$32,850,547
<u>Original Construction Contingency</u>	<u>\$3,942,066</u>
<i>Original Total Construction Cost</i>	<i>\$36,792,613</i>
Eliminate Geogrid and Cement Treatment	(\$3,007,000)

Substitute Permeable Material	(\$485,000)
<u>Alternate Keyway Construction Method</u>	<u>(\$600,000)</u>
<i>Cost Savings Subtotal</i>	<i>(\$4,092,000)</i>
Construction Contingency Reduction	(\$1,108,000)
Revised Construction Contract	\$28,758,547
<u>Revised Construction Contingency</u>	<u>\$2,834,066</u>
<i>Revised Total Construction Cost</i>	<i>\$31,592,613</i>
<b>Estimated Total Project Cost Savings</b>	<b>\$5,200,000</b>

- Subject to further review by the Project's Geotech engineer.

Following finalization of the project cost savings, staff will schedule the pre-construction meeting. Construction is anticipated to start after the conclusion of the rainy season and will include ongoing participation and coordination with HARD staff. In addition to the value engineering discussions, staff and DGC have initiated the contract growing process for approximately 1,100 trees planned for La Vista Park.

#### Potential Grant Funding Opportunity

The upcoming Statewide Park Development and Community Revitalization Grant Program is administered by California Department of Parks and Recreation. City staff recently learned that La Vista Park Project may be eligible for up to \$8.5M in grant funding for the new park construction. City staff will be coordinating closely with HARD staff on the grant. For example, this grant opportunity could allow for enhanced amenities or the construction of three shade trellis structures that were included in the project as bid alternatives but not awarded due to budget constraints. Or, this grant could be used for a completely different park project, which will be coordinated closely with HARD staff. The grant application deadline is anticipated to be around summer or fall 2026 so delaying the start of the construction activities to after the rainy season may have helped in making the La Vista Park a competitive possibility for the grant. City and HARD staff will collaborate on the pursuit of this grant when more information is available in the coming months.

#### Coordination Opportunities on Future Park Projects

HARD is planning numerous future park and trail projects throughout the City of Hayward, including the Foothill Trail, Parcel Group 8 land transfer, and Eden Greenway project, among others. This joint session is an opportunity for both City and HARD committee members to discuss these future opportunities and provide feedback and direction to staff.

### **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.

## **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 among the most environmentally sustainable park within the City. As part of the design, park areas will require less irrigation and native grass and plants will be used throughout the park. Park structures will be constructed from natural materials rather than traditional fabricated structures. Bio-retention filtration areas will collect and retain stormwater runoff prior to discharging 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 construction activities.

## **NEXT STEPS**

The following schedule has been developed for this project:

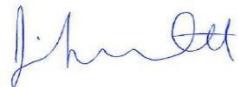
Begin Construction	Spring 2026
Complete Construction	Fall 2027

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

Approved by:



Jennifer Ott, City Manager