

City of Milpitas, California

BUDGET CHANGE FORM

Type of Change	From*		To*	
	Account	Amount	Account	Amount
Check one: <input checked="" type="checkbox"/> Budget Appropriation <input type="checkbox"/> Budget Transfer	237-2909	\$52,900	237-4244237	\$52,900

Adopt a Resolution granting acceptance of the Milpitas Skate Park & Snack Shack/Restroom Building Replacement, Projects No. 5111, No. 3424, and No. 6133, authorizing the City Engineer to file a Notice of Completion, and Authorize him to issue a Notice of Final Acceptance, and approve a budget appropriation of \$52,900 from Community Facilities District No. 2005 funds into the Public Works operation and maintenance budget.

Background:

On June 18, 2019, the City Council awarded a construction contract to Suarez and Munoz Construction, Inc. for the Milpitas Skate Park and Concession/Restroom/ Storage Buildings, Projects No. 5111, No. 3424, and No. 6133 in the amount of \$4,579,156 ("Project"). The Project provided for the construction of a 20,000 square foot all-wheel facility Skate Park facility with shade structure and site furnishings, replacement of the aging concession/restroom building, drainage improvements, installation of an additional restroom building near Cardoza Park, and provided five new equipment storage containers strategically placed around the Sports Center Fields for use by the athletic leagues.

Analysis:

The Project was successfully completed on-time and within budget. Staff recommends the City Council adopt a resolution granting acceptance of the Project and authorizing the City Engineer to file a Notice of Completion in accordance with the provisions of Section 9204 of the Civil Code. Staff also recommends the City Council authorize the City Engineer to issue a notice of final acceptance after the one-year warranty period without further City Council action, provided that all warranty work is completed to the satisfaction of the City Engineer.

Completion of this project has added two additional facilities to the parks infrastructure inventory that will require ongoing maintenance and operation by the Public Works Department, so they remain clean and safe. These new facilities are the skate park and the new two room restroom building located on the east side of the synthetic turf field at the border with Cardoza Park. The annual cost for operation and maintenance of the new skate park facilities is estimated at \$45,000, and the estimated annual cost for cleaning, supplies, and security for the restroom facility is \$7,900. The Public Works operation and maintenance budget already includes funding for maintenance of the Sports Center snack shack concession and restroom building, so staff is only requesting funding for the skate park and the new smaller modular restroom. Staff recommends the approval of a Budget Appropriation of \$52,900 from the Community Facilities District (CFD) 2005 funds into the Public Works Operation and Maintenance Budget for the ongoing annual maintenance of these facilities.

Policy Alternative:

Alternative 1: Do not adopt Resolution and deny Project acceptance, deny filling a notice of completion and not begin the one-year warranty.

Pros: None

Cons: A denial would result in the City being unable to commence the one-year warranty, release the retention to the Contractor and release any funds remaining back into the Project budget.

Reason not Recommended: Denial would result in the City being unable to close out the Project and release any funds remaining back into the Project budget.

Alternative 2: Do not approve requested budget appropriation of \$52,900 for the annual maintenance of the new park facilities.

Pros: None

Cons: A denial would create an additional burden on available funding for use in the maintenance and operation of City infrastructure.

Reason not Recommended: The Public Works Department is already struggling with available funding and shortages which impact the maintenance of existing infrastructure.

Fiscal Impact:

No additional funding is requested for construction of the skate park and snack shack as project construction is now complete and it was completed on-time and within budget. However, ongoing annual operations and maintenance for the new facilities will require the approval of a budget appropriation of \$52,900 from the Community Facilities District (CFD) 2005 funds into the Public Works Operation and Maintenance Budget.

California Environmental Quality Act: N/A

The firm of David J. Powers & Associates Inc. created the CEQA documents for this project. The City's Planning Department determined the Project is exempt under Section 15301 (Existing Facilities) of CEQA guidelines.

Recommendations:

Adopt a Resolution granting acceptance of the Milpitas Skate Park & Snack Shack/Restroom Building Replacement, Projects No. 5111, No. 3424, and No. 6133, authorizing the City Engineer to file a Notice of Completion, and authorize the City Engineer to issue a Notice of Final Acceptance, and approve a budget appropriation of \$52,900 from the Community Facilities District No. 2005 Funds into the Public Works operation and maintenance budget.

Attachments:

- 1) Resolution
- 2) Budget Change Form

☐ **Check if City Council Approval required.**

Meeting Date: October 6, 2020

Requested by:	Department Head: Steve Erickson	Date: September 15, 2020
Reviewed by:	Finance Director: Walter C. Rossmann	Date: September 15, 2020
Date approved by City Council, if required:		Confirmed by: