

# Memorandum

To : The Conservancy  
The Advisory Committee

Date: June 25, 2012

From :  Joseph T. Edmiston, FAICP, Hon. ASLA, Executive Director

Subject: **Agenda Item 11: Consideration of resolution authorizing amendment and budget augmentation of SMM-0836 to the Mountains Recreation and Conservation Authority for the 8<sup>th</sup> Street Park project, San Fernando.**

Staff Recommendation: That the Conservancy adopt the attached resolution recommending amendment and budget augmentation of SMM-0836 to the Mountains Recreation and Conservation Authority for the 8<sup>th</sup> Street Park project in the amount of \$700,000, San Fernando.

Legislative Authority: 33204.2(a) and 33204.27(a) of the Public Resources Code.

Background: On May 12, 2008, the Santa Monica Mountains Conservancy (SMMC) authorized a grant of Proposition 84 funds in the amount of \$1,200,000 to the Mountains Recreation and Conservation Authority (MRCA) for construction and project management for the Pacoima Wash Greenway 8<sup>th</sup> Street Park Project. MRCA began construction of the 8th Street Park in Pacoima in July 2008 but suspended work in December 2008 pursuant to the statewide bond freeze.

As described in MRCA's application (see attachment), construction resumed in September 2011 using MRCA's force account and specialty subcontractors. The condition of the site had been greatly deteriorated since the project was suspended, caused by a combination of vandalism, erosion, and exposure to the elements. Although at the time of the suspension construction was approximately 50% complete, the damage and deterioration meant that many elements would need to be re-constructed. At the time of suspension the project was within budget with a small contingency. However, the remobilization costs, inflation, escalating fuel costs, revisions to the engineering plans, and extended project management needs as well as the need to rebuild items caused the cost of the project to increase and exceed the original budget.

The proposed action is rightly an augmentation, not a new grant, because the scope of work has not changed. It is clear that the reason for the cost increase is a direct result of the bond freeze and is not due to management or altered scope.

The Office of the Attorney General reviewed the original grant on May 28, 2008, and found

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that the grant was proper pursuant to both Proposition 84 and the General Obligation Bond Law. The bond funds are for physical improvements to a park to allow the public to use and enjoy the park, and thus qualify as protection as defined in Proposition 84, as well as preservation and development, all of which are eligible actions. The park qualifies as a capital asset and the activities funded will enhance the useful life of the asset, and thus the grant is eligible under the General Obligation Bond Law.

The project is within the upper Los Angeles River watershed and implements goals identified in Chapter 5, Section 75050(g)(2) of Proposition 84. It is consistent with the *San Gabriel and Los Angeles River Watershed and Open Space Plan* as adopted by the Santa Monica Mountains Conservancy.

Consideration: The requested augmentation is \$700,000, for a new total grant amount of \$1,900,000.