

Memorandum

To : The Conservancy
The Advisory Committee

Date: June 3, 2013

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

Subject: **Agenda Item 11: Consideration of resolution authorizing a budget augmentation for grant SMM-84-0879.**

Staff Recommendation: That the Conservancy adopt the attached resolution authorizing a budget augmentation for grant SMM-84-0879.

Legislative Authority: Sections 33204.2, 33204.27 and 75050(g)(2) of the Public Resources Code

Background: Since 2008, the Mountains Recreation and Conservation Authority (MRCA) has used the funds granted by the Conservancy to advance the planning, design, and permitting of Marsh Park. The work authorized in grant SMM-84-0879 includes design development, environmental research, hazardous materials abatement plans, City permitting, CEQA environmental assessment, creation of construction documents and specifications, and construction of park improvements for approximately three acres.

Marsh Park is located in the community of Elysian Valley in the City of Los Angeles, adjacent to the Los Angeles River. Improvements to the three-acre site will include an open-air picnic shelter, landscaped walking and nature trails with health and fitness stations, a restroom building and storage shed, a free play meadow, picnic tables, a community gathering/outdoor classroom area, bioswales, and parking for forty-three cars. Project construction will include demolition of the two existing on-site buildings and abatement of hazardous materials, site grading, park construction and landscaping.

The 5.4-acre property was acquired in 2001. In 2006, the first phase of improvements was completed and planning and outreach began for Phase II. That design process continued until late 2008, when the State suspended the use of bond funds. In late 2010, the Santa Monica Mountains Conservancy awarded grant funds to MRCA to complete design and construction of Phase II. CEQA compliance was completed in September 2012, and construction plans submitted for permitting in October 2012. On April 18, 2013, construction bids were received from 21 firms and are now under review by the project's construction manager. MRCA has requested a budget augmentation based on the construction bids and updated projections of total construction cost.

Since 2010, the project underwent the following changes that resulted in increased cost:

- CEQA analysis resulted in a Mitigated Negative Declaration, adding consultant costs, staff time, and 6 months delay.
- A professional construction manager was hired to manage the bid and construction phases, adding consultant costs.
- An architect was hired to design a custom outdoor pavilion, adding to consultant costs.
- The area of the park that will be used for public interpretive programs was expanded and lighting was added to facilitate more evening programs. The summer campfires at Marsh Park Phase I are consistently well-attended, and the addition of parking and a restroom facility is expected to result in higher attendance and greater demand for programs.
- The Council office requested an extended community process to evaluate other options for parking, adding consultant and staff costs and several months delay.
- The CEQA analysis indicated that a larger parking lot was needed to prevent parking/traffic impacts to neighborhood streets, increasing construction cost.
- The CEQA analysis indicated that solid block walls were needed where the park abuts residential properties to prevent noise impacts to the neighbors, an increased cost over typical park fencing.
- The City of Los Angeles' Green Building standards, which went into effect in 2011, required the addition of charging stations for electric vehicles. In addition to added cost for the equipment and installation itself, the resulting increased electrical demand required that the service line from DWP be upgraded to a larger and more costly capacity.
- A public wi-fi access point was added to the project.
- There has been a cumulative cost inflation from 2010 to 2013 of up to 6%, depending on the item.

The Office of the Attorney General previously reviewed the grant and found 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

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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 augmentation request is for \$1,000,000 of Proposition 84 funds.