



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 16-0808, Version: 1

REPORT TO COUNCIL

SUBJECT

Increase the Contract Contingency for the Peery Park Specific Plan and Environmental Impact Report and Approval of Budget Modification No. 12 in the Amount of \$30,000 (F17-008)

REPORT IN BRIEF

Approval is requested for Budget Modification No.12 in the amount of \$30,000 to complete the Peery Park Specific Plan (PPSP) and associated Environmental Impact Report (EIR). The \$30,000 consists of a \$20,000 increase to the Freedman, Tung & Sasaki contract contingency approved by Council in 2013, and \$10,000 for staff expenses. The funding is necessary to finalize and distribute the PPSP and EIR documents, as explained below. Funding for the Budget Modification is provided by a developer contribution from Lane Partners.

EXISTING POLICY

Council approval is required to amend existing contracts over \$100,000 absent delegated authority to the City Manager to make such modification.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

BACKGROUND AND DISCUSSION

The purpose of the Peery Park Specific Plan (PPSP) is to provide the City, community, property owners and businesses with a policy document to guide future development in the Peery Park area. A contract to prepare the PPSP and an associated Environmental Impact Report (EIR) was awarded to Freedman, Tung & Sasaki (FTS) in June 2013, following a Request for Proposals (RFP) process (RTC No. 13-159). The draft PPSP and Draft EIR were released for public review from April 2016 to June 2016 and work is currently underway on the Final EIR. Staff anticipates that the PPSP and EIR documents will come to the City Council for formal hearing on September 20, 2016.

The PPSP provides the vision, policies, and development standards for redevelopment of the area. It also defines infrastructure needs and suggests options for financing and implementing public improvements. The Draft EIR evaluates potential impacts associated with implementing the Specific Plan. The PPSP is built on public involvement, including four community workshops held between October 2013 and July 2015, as well as interviews with property owners and businesses within the project area.

Originally, staff anticipated plan preparation for the Peery Park Specific Plan and EIR documents to last 12-18 months; however, the project has exceeded that time period due to additional work that needed to be completed for the Draft EIR and the addition of third and fourth community workshops in January and July 2015 to further discuss specific project elements and foster additional community response and participation.

The adopted budget for the Peery Park Specific Plan is \$600,000. This amount consists of the FTS contract in the amount of \$549,498, a contract contingency for \$40,502, or approximately 7%, (for a total contract value of \$590,000), and \$10,000 for incidental expenses incurred by City staff. The approved contingency was less than the standard 10% due to budgetary constraints. Based on the extended community engagement process and the input received, as well as refinements made by staff for traffic and related analyses, all contract and contingency funds have been utilized.

Additional consultant services in the amount of \$20,000 are now necessary to finalize the PPSP and EIR documents. This amount is an estimate for anticipated modifications to the documents as they are finalized over the next few months. Since this work cannot be exactly scoped, it is recommended that \$20,000 be added to the \$40,502 contingency approved by Council when at the time of contract award. The total proposed contingency amount of \$60,502 represents approximately 11% of the contract cost. An additional \$10,000 is also requested for incidental staff expenses for final publication including printing and postage for noticing. A Budget Modification is required to increase the PPSP project by \$30,000. Funding is being provided by a developer contribution from Lane Partners.

FISCAL IMPACT

Budget Modification No. 12 has been prepared to appropriate funding to Capital project 829810, Peery Park Specific Plan and Environmental Impact Report in the amount of \$30,000. Capital project 829810, Peery Park Specific Plan and Environmental Impact Report, is budgeted at \$600,000, which is not sufficient to complete the PPSP and associated EIR. The required additional \$30,000 is being funded through a developer contribution.

BUDGET MODIFICATION NO. 12 FISCAL YEAR 2016/17

	<u>Current</u>	<u>Increase (Decrease)</u>	<u>Revised</u>
General Fund			
<u>Revenue:</u>			
Lane Partners Developer Contribution	\$0	\$30,000	\$30,000
General Fund			
<u>Expenditure:</u>			
829810 Peery Park Specific Plan	\$600,000	\$30,000	\$630,000

Funding Source

The additional resources for the completion of this project are being funded through a developer contribution from Lane Partners.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

1) Approve Budget Modification No. 12 in the amount of \$30,000 to accept the developer contribution from Lane Partners to provide additional project funding; and 2) approve a \$20,000 increase in the contract contingency, from \$40,502 to \$60,502, to the contract with Freedman, Tung & Sasaki, increasing the total contract value from \$590,000 to \$610,000.

Prepared by: Pete Gonda, Purchasing Officer

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: Trudi Ryan, Director, Community Development Department

Reviewed by: Walter C. Rossmann, Assistant City Manager

Approved by: Deanna J. Santana, City Manager