



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 16-0831, Version: 1

REPORT TO COUNCIL

SUBJECT

Approve Budget Modification 10 to Appropriate \$203,719 to Reimburse Foothill-De Anza Community College District for Demolition and Remediation Costs at the Onizuka City-Owned Parcels

BACKGROUND

On May 7, 2013, City Council authorized the City Manager to enter into a Memorandum of Agreement (Attachment 1) with Foothill-De Anza Community College District (District) to complete partial demolition and remediation within the City parcels of the Onizuka property (RTC 13-076). The District agreed that as part of the construction within their property, they would also demolish and remediate a number of buildings within the City parcels. The City would reimburse the District for the proportionate share of these costs. The Agreement included details regarding timeframes, responsibilities during construction, the level of demolition and remediation required, and cost calculations. The Agreement was not to exceed \$400,000, and the City was required to reimburse the District for the proportionate share of the cost, payable at the time of sale of the City parcels or within three years of the date of the Agreement.

EXISTING POLICY

Council Policy 5.1.1 - Socio-Economic Goals and Policies

Goal 5.1E Support efforts to improve the availability and quality of education made available in Sunnyvale.

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(b)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

DISCUSSION

The City and District worked together to complete the demolition/remediation work on the Onizuka parcel and construction of the District's new buildings and associated public improvements. Although completion of the entire project extended beyond the original schedule, the work is now complete. The City's proportionate share is \$203,719 and a summary of the costs is included as Attachment 2. RTC 13-076 included an estimated cost of the demolition at \$290,086, so the final costs are approximately \$90,000 below estimate. At the time it was also anticipated that the demolition costs could be recouped when the property was sold.

With the work now completed, the City-owned parcels will be available for other purposes. Staff will provide Council with an RTC in November/December of this year describing possible options and next steps. This will provide an opportunity for discussion and to determine actions that staff can

bring forward for Council consideration.

FISCAL IMPACT

Budget Modification No. 10 has been prepared to appropriate funding for the City's share in the amount of \$203,719 to a new project. Funding is provided from the Budget Stabilization Fund. If Council approves sale of the property, the Budget Stabilization Fund will be replenished in this amount by proceeds from the sale.

BUDGET MODIFICATION NO. 10

FISCAL YEAR 2016/17

	Current	Increase (Decrease)	Revised
GENERAL FUND			
<u>Expenditures:</u>			
NEW PROJECT: Demolition and Remediation at the Onizuka City Property	\$0	\$203,719	\$203,719
<u>Reserves:</u>			
Budget Stabilization Fund Reserve	\$44,046,195	(\$203,719)	\$43,842,476

Funding Source

Funding will be provided from the General Fund Budget Stabilization Fund.

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

Approve Budget Modification 10 to Appropriate \$203,719 to Reimburse Foothill-De Anza Community College District for Demolition and Remediation Costs at the Onizuka City Property.

Prepared by: Manuel Pineda, Director, Public Works

Reviewed by: Timothy J. Kirby, Director, Finance

Reviewed by: Walter C. Rossmann, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Memorandum of Agreement
2. Summary of Costs