



Agenda Report

File #: 19-0797

**AGENDA REPORT
REQUEST FOR CITY COUNCIL ACTION**

DATE: 09/18/2019

TO: Honorable Mayor and City Council Members

FROM: Public Works Department

SUBJECT:

City Council consideration of the creation of a new Capital Improvement Project ("CIP") titled "CFD 10-Year Plan" and appropriations to the new project.

RECOMMENDED ACTION:

That the City Council:

1. Authorize the creation of a new Capital Improvement Project titled "CFD 10-Year Plan."
2. Authorize appropriations totaling \$52,000 from the following sources: \$12,000 from CFD 2002-2 LMD Fund 247, \$26,000 from CFD 97-1 Landscape Fund 248, \$9,000 from CFD/LMD 2002-3 Landscape Fund 251, and \$5,000 from CFD/LMD 2011-1 Landscape Fund 253, to the new CFD 10-Year Plan ("Project") CIP.
3. Authorize the budgetary transfer of \$78,000 from the "Landscape Retrofit Project," CIP 7046, to the new Project in CFD 2001-1 Landscape Fund 249.
4. Authorize an administrative change order to transfer funding from accounts 24765330-42900 in the amount of \$10,977, 24865330-42900 in the amount of \$18,893, 24900000-42900 in the amount of \$32,035, 25165330-42900 in the amount of \$8,712, and 25365330-42900 in the amount of \$3,964 to the same fund and amounts for the newly created CIP for Purchase Order P21420.

ANALYSIS:

The City of Corona ("City") manages several community facilities districts ("CFDs"). These CFDs are responsible for specific maintenance activities in various areas throughout the City. Funding for maintenance comes from special assessments that are levied on the parcels within the boundaries of the CFDs. Each CFD operates independently of one another. This project will pertain to five CFDs in the City, a map of which is attached as Exhibit "A," and the landscaping areas which they are each

responsible for.

In order to ensure each individual CFD has both a master capital improvement and financial plan in place, City staff is recommending the creation of a Capital Improvement Project ("CIP") titled "CFD 10 -Year Plan." The plan will be developed in two phases. The first phase will involve the assessment of the existing landscaping areas in order to develop a long-term master capital improvement plan for the eventual rehabilitation and replacement of landscaping and irrigation. The plan will evaluate the condition of the plant materials, irrigation, and any slope areas that may require special maintenance, and develop a prioritization for the proposed projects based on the current condition and anticipated life cycle. It will also provide construction cost estimates for the projects by landscape meter.

The second phase of the project will entail the development of a financial model for each CFD. The models will be developed to ensure that ongoing maintenance and CIPs can be performed, while still maintaining the necessary financial health and reserve balances for each CFD. The model will provide the roadmap for the planned CIPs for each district, as well as become a tool for gauging the appropriate level of service and the basis for revenue adjustments in the future.

City staff already conducted a Request for Proposals (RFP) 19-035HC for the phase one portion of the work and awarded it to BMLA, Inc., under Purchase Order ("PO") P21420 in the amount of \$74,581, as per the City's purchasing guidelines. However, in order to allow for better tracking of the project and authorize funding for the second phase of the project, staff requests an administrative change order to transfer the funding currently allocated to PO P21420 from accounts 24765330-42900 in the amount of \$10,977, 24865330-42900 in the amount of \$18,893, 24900000-42900 in the amount of \$32,035, 25165330-42900 in the amount of \$8,712, and 25365330-42900 in the amount of \$3,964 to the corresponding amounts and funds in the new CIP account number.

COMMITTEE ACTION:

This item was taken to the Parks and Recreation Commission on August 14, 2019, as part of a presentation on upcoming projects.

STRATEGIC PLAN:

This item supports the City's Strategic Plan Goal 1: Promote Public Safety: Protect our Residents and Businesses; Objective C: Ensure adequate funding for investments and improvement in infrastructure that support public safety. The recommended action will help achieve these goals by developing a plan to ensure that appropriate funding is available for needed capital improvement projects in the future.

FISCAL IMPACT:

There are sufficient funds available in the various Community Facilities Districts for the requested appropriations. All monies not used will be returned to the fund balance at the completion of the project.

Fund	07/01/19 Est. Fund Balance	Budgeted Revenues/ Sources	Budgeted Expenditures/ Uses	Fund Balance Impacts	06/30/20 Est. Fund Balance	CFD 10 Year Plan CIP Budget
CFD 2002-2 LMD Fund 247	\$327,837	\$80,568	(\$53,434)	Appropriation (\$12,000)	\$342,971	\$12,000
CFD 97-1 Landscape Fund 248	\$666,311	\$455,649	(\$367,521)	Appropriation (\$26,000)	\$728,439	\$26,000
CFD 2001-1 Landscape Fund 249	\$3,835,288	\$785,133	(\$648,157)	Budget Transfer Net \$0	\$3,972,264	\$78,000
CFD/LMD 2002-3 Landscape Fund 251	\$312,182	\$25,390	(\$27,897)	Appropriation (\$9,000)	\$300,675	\$9,000
CFD/LMD 2011-1 Landscape Fund 253	\$208,006	\$84,160	(\$77,135)	Appropriation (\$5,000)	\$210,031	\$5,000
Total						\$130,000

This Council Action would also authorize an administrative change order to transfer funds from and to the following accounts:

From	Amount	To	Amount
24765330-42900	(\$10,977)	24700000-42900/New CIP-42900	\$10,977
24865330-42900	(\$18,893)	24800000-42900/New CIP-42900	\$18,893
24900000-42900/70460249-42900	(\$32,035)	25100000-42900/New CIP-42900	\$32,035
25165330-42900	(\$8,712)	25100000-42900/New CIP-42900	\$8,712
25365330-42900	(\$3,964)	25300000-42900/New CIP-42900	\$3,964
Total:	(\$74,581)	Total:	\$74,581

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action merely authorizes City staff to develop a plan for future capital improvement projects, and there is no possibility that this action will have a significant effect on the environment. Therefore, no environmental analysis is required.

PREPARED BY: TRACY MARTIN, UTILITIES PROJECT MANAGER

REVIEWED BY: TOM KOPER, P.E., ACTING PUBLIC WORKS DIRECTOR

REVIEWED BY: TOM MOODY, GENERAL MANAGER

REVIEWED BY: CITA LONGSWORTH, PURCHASING MANAGER

REVIEWED BY: KIM SITTON, FINANCE MANAGER III

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

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REVIEWED BY: MICHELE NISSEN, ASSISTANT CITY MANAGER

SUBMITTED BY: MITCHELL LANSDELL, ACTING CITY MANAGER

Attachments:

1. CFD Areas