



Department: Public Works
Cost Center: 7001
For Agenda of: 4/2/2024
Placement: Consent
Estimated Time: N/A

FROM: Matt Horn, Public Works Director
Prepared By: Erica Long, Capital Projects Manager

SUBJECT: AUTHORIZATION TO ADVERTISE THE LAGUNA LAKE DOG PARK REVITALIZATION PROJECT, SPECIFICATION NO. 2001068

RECOMMENDATION

1. Approve the project plans and special provisions for the Laguna Lake Dog Park Revitalization, Specification 2001068; and
2. Authorize staff to advertise for bids; and
3. Authorize the City Manager to award the Construction Contract pursuant to Section 3.24.190 of the Municipal Code, including the Base Bid and Additive Alternates, if the lowest responsible bid is within the Publicly Disclosed funding amount of \$1,130,000;
4. Authorize the City Engineer to approve Contract Change Orders up to the available project budget; and
5. Authorize the following appropriations and transfers:
 - a. Transfer \$800,000 Parkland In-Lieu (Quimby) Funds from the Laguna Lake Improvements account (2000057) to the project account (2001068); and,
 - b. Appropriate \$239,290 Park Improvement Funds from the Unreserved Fund Balance to the project account (2001068); and,
 - c. Transfer \$329,393 from account 2000526 (from two funding sources identified below) to the project account (2001068); and,
 - i. \$279,393 Capital Outlay Funds
 - ii. \$50,000 Parkland In-Lieu (Quimby) Funds
6. Unappropriate \$1,478,195 Parkland In-Lieu (Quimby) Funds from the Laguna Lake Park Improvements project account (2000057) that will be received upon final certificate of occupancy of the multi-family units for San Luis Ranch; and
7. Authorize the Finance Director to return any unspent appropriated or transferred funding to its original account or fund, as identified in Recommendation #5; and
8. Approve a Draft Resolution entitled, "A Resolution of the City Council of the City of San Luis Obispo, California, authorizing use of Park Improvement Funds, Parkland In-Lieu (Quimby) Funds and Capital Outlay Funds to support the Laguna Lake Dog Park Revitalization Project, Specification Number 2001068."

POLICY CONTEXT

On May 17, 2022, Council approved a Purchasing Policy Update to the Financial Management Manual that required Council approval for Public Projects that cost over \$200,000.

The City's Charter under Section 804 allows the City Council to amend or supplement the budget by motion adopted by majority vote of the Council. Partial funding for this project comes from fees imposed by the Quimby Act within the Subdivision Map Act (Cal. Gov. Code § 66477) and Chapter 16.22 of the San Luis Obispo Municipal Code, which requires the fees be used for developing new or rehabilitating existing neighborhood parks, community parks, or recreation facilities that serve the subdivision paying the fees.

The recommended use of Quimby funds and Park Improvement Funds to supplement the Laguna Lake Dog Park Revitalization project is consistent with this policy.

DISCUSSION

Background

The City's Parks and Recreation Blueprint for the Future (General Plan and Element) is a plan to guide the development of parks, facilities, and programs in the City through 2041. The Blueprint identified dog parks as a high priority amenity within the City of San Luis Obispo. The Laguna Lake Off-Leash Dog Area is an existing park created as an off-leash dog area over 25 years ago on Dalidio Drive located within Laguna Lake Park at 504 Madonna Road. The existing off-leash area is approximately three acres comprised of one large area that supports the mix of both large and small sized dogs, parking spaces, a restroom, and only a front fence that borders the off-leash dog area separating it from the parking lot and Dalidio road.

Over the past two and half decades, the current dog park area at Laguna Lake has lost over a dozen trees to disease and drought conditions. There is a lack of irrigation to sustain the trees and turf areas and only one water spicket for both dogs and owners. The concrete pads for seating benches have settled and cracked. Due to the current uneven terrain, the majority of the acreage is either wet and swampy in winter months or dried out with severe cracks and fissures due to the clay dirt in the hotter months. The current fencing along only one side of the off-leash area and single-entry gates are no longer to standard of how dog parks are constructed and adding perimeter fencing and double gate entries will create a safe and secure formal dog park.

Project

The project scope includes removal of over a dozen tree stumps, several old and cracking concrete pads, and regrading of the area to mitigate marshy and unsafe conditions. The project will construct new safety features including a full perimeter fence around the 3-acre area with two separated dog areas for small and large sized dogs and incorporate double-gated entries into each dog area. Additional site amenities in the project include drinking fountains with dog bowls, ADA compliant concrete pathways, and additional seating areas.

The project plans (Attachment B) and specifications (Attachment C) are structured with a Base Bid, Additive Alternate A, and Additive Alternative B to maximize what the City can construct within the available funding. The strategy is to award the contract with the Base Bid and Additive Alternates as funding will allow, up to the Publicly Disclosed amount of \$1,130,000 in compliance with Public Contract Code Section 20103.8(c). The project's Base Bid includes removal of existing tree stumps and concrete pads, regrading the site, all fencing, wood bark mulch throughout the dog areas, concrete flatwork and pathways, and drinking fountains. The project's Additive Alternative A would add all landscaping and irrigation needed for the fully designed project including new turf areas, trees, and shrubs in each dog section. The project's Additive Alternative B includes shade sails in both the large and small dog areas.

Previous Council or Advisory Body Action

On June 1, 2021, Council approved the 2021-23 Financial Plan and the Parks and Recreation General Plan Implementation Project allocating funding for prioritized amenity upgrades. On July 6, 2021, Council approved the Parks and Recreation Blueprint for the Future: 2021-2041. In January 2023, the Parks and Recreation Commission (PRC) reviewed and provided direction to staff on two conceptual layouts for the Laguna Lake Dog Park. In February 2023, the PRC reviewed and provided additional direction to staff on the final conceptual layout for the Laguna Lake Dog Park.

In March 2023, the City received the 50% plans, specifications and estimate for a \$2,000,000 project. City staff directed the consultant to make updates to reduce the cost of the project. In September 2023 staff presented the updated project to the PRC resulting in the PRC advising staff to fund the full project based on community feedback and as a key priority from the Blueprint.

Staff has reviewed and identified amenities and assessed the costs to be reduced by eliminating items that could be funded in a future phase, such as solar lighting. Ultimately it was decided to reduce costs by replacing pavers in the plaza with concrete flat work, eliminating extra concrete paths, eliminating solar lights, replacing the pergola with shade sails, eliminating windscreens, and eliminating the kiosk board and entrance sign. Some amenities will be reused or provided after construction including picnic tables, benches, trash receptacles, dog bag dispensers, and pet rinsing station.

Landscaping and irrigation were separated into an Additive Alternative A and shade sails into Additive Alternative B so the project can be advertised with a Base Bid and Alternates. Staff will only award the Base Bid and Alternates as funding allows within the publicly disclosed funding limit.

Public Engagement

City staff conducted an in-person feedback session at the Laguna Lake Park in May 2022, as well as promoted an online [survey](#) in June 2022 to receive community input on the project components for the design which received over 650 responses. The results of the survey were posted on the Parks and Recreation Current Projects webpage. Conceptual layouts were presented to the PRC in January and February 2023, to gain feedback on the project design with a final presentation in September 2023 regarding the anticipated project costs.

CONCURRENCE

There is concurrence from the Community Development Department through the review and approval of the project for building permit issuance. This project also has concurrence from the Parks and Recreation Department as they have reviewed the project throughout the design process. There is also concurrence from the PRC of the importance of this project in supporting the community needs.

ENVIRONMENTAL REVIEW

The project is exempt from environmental review under Section 15303 Class 3 (new construction or conversion of small structures) of the California Environmental Quality Act (CEQA) Guidelines because the project proposes negligible expansion of the existing use. This project consists of work within the existing limits of the off-leash dog area. The project consists of the construction of small structures including fencing in the off-leash dog area into a dog park with a small dog area and large dog area, adding a shade structure, hydration station, seating, and ground improvements. The project would result in a negligible expansion of the existing use. The project is consistent with the applicable general plan policies as well with applicable City Regulations. A Notice of Exemption will be filed with the Community Development Department.

FISCAL IMPACT

Budgeted: Yes

Budget Year: 2023-24

Funding Identified: Yes

Fiscal Analysis:

Park projects may be funded using different fund balances collected by the City depending on the source. Staff are requesting to utilize three different fund sources to support the Laguna Lake Dog Park project:

- General Fund-Capital Outlay Funds: Funding allocated and approved by Council for a specific project within the financial plan, such as support for the Parks and Recreation Blueprint identified projects.
- Parkland In-Lieu (Quimby) Funds: Funding collected through new development in place of developments providing identified park acreage and/or amenities. These specific funds requested to be used on this project were collected through the San Luis Ranch Development and must be spent at Laguna Lake Park.
- Park Improvement Funds: Funding provided by developer for improvements to current park systems.

The dog park project was originally included under the Parks and Recreation General Plan Implementation account (2000526) which was created to support primary needs outlined in the 2021 adopted Blueprint. The first project staff was directed to pursue was the Laguna Lake Dog Park. The account 2001068 has been created specifically for the construction of the Laguna Lake Dog Park.

Staff is requesting to transfer the remaining balance of \$329,323 from the 2000526 account that was planned to be used for this project. The Laguna Lake Park Improvement account 2000057 is funded by the Parkland In-Lieu (Fund 501) fees collected from the San Luis Ranch development agreement which is identified to support park improvements directly related to the adjacent Laguna Lake Park. The City’s Park Improvement Fund is funded by various city-wide developments to support community park improvements, and staff have identified these funds to support the Laguna Lake Dog Park project.

Existing Laguna Lake Park Improvements Project Allocation

The Laguna Lake Improvements Project, a subproject in the Development Related Parks Improvements (Account #2000057) is funded entirely by San Luis Ranch parkland in-lieu fees. Within the 2019-21 Financial Plan and in anticipation to support the forecasted adoption of the new Parks and Recreation Blueprint priorities, Council appropriated \$300,000 of Parkland in-lieu (Quimby) Funds to enhance Laguna Lake Park. Within the 2021-23 Financial Plan, Council appropriated an additional \$2,875,026 to the Laguna Lake Improvements project.

The combined total allocation amount of \$3,175,026 aligns with the maximum parkland in-lieu fees forecasted for both single family and multi-family units outlined in the development agreement for San Luis Ranch. However, at the time of this report, only \$1,696,831 has been collected in parkland in-lieu fees for the single-family units within the San Luis Ranch development. Staff is recommending that \$1,478,195 be unappropriated from the Laguna Lake Park Improvement Project (2000057) since the total anticipated funds have not been fully collected. The City will receive the balance of the full projected amount of parkland in-lieu fees from San Luis Ranch upon final certificate of occupancy of the multi-family units.

It is proposed to transfer \$800,000 from the collected San Luis Ranch development fees in Laguna Lake Improvements account 2000057 to the Laguna Lake Dog Project account 2001068 which can only be used at Laguna Lake Park. The remaining \$896,831 of the \$1,696,831 San Luis Ranch development fees collected to date are planned to fund future park amenity enhancements at the Laguna Lake Park. The table below provides a summary of accounting for the Laguna Lake Park Improvement Project (2000057):

Laguna Lake Park Improvements Project (2000057)	
Parkland In-Lieu (Quimby) Funds	
FY2019-21	\$300,000
FY2021-23	\$2,875,026
Uncollected Fees (unappropriate)	-\$1,478,195
Transfer to Laguna Lake Dog Park	-\$800,000
New Balance	\$896,831

Project Funding Sources

On July 18, 2023, Council approved the transfer of \$750,000 Parkland In-Lieu (Quimby) Funds from the Parks and Recreation General Plan Implementation project (2000526) to award construction of the North Board Street Park Project. At that time, the \$800,000 from the 2023-25 Financial Plan was intended to support the Laguna Lake Dog Park

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project which was still under design review and not anticipated to go to Council for several months. As these funds were able to be utilized in support of city-wide park projects, staff utilized \$750,000 from that fund to support the North Broad Street Neighborhood Park project. Staff were in agreement as sufficient project replacement funds for the dog park project were identified within the San Luis Ranch Parkland In-Lieu (Quimby) Funds Balance (2000057) which are eligible to be utilized for park projects associated specifically at Laguna Lake Park. The balance of the initial Parkland In-Lieu (Quimby) Funds resulted in \$50,000 remaining in the account which staff are requesting to transfer to the Laguna Lake Dog Park Revitalization project (2001068).

Staff is recommending funding the Laguna Lake Dog Park Project account (2001068) through the following transfers and appropriations:

- Transfer \$800,000 from Parkland In-Lieu Fund from account (2000057-01)
- Transfer \$329,393 from account 2000526 (\$50,000 are Capital Outlay Funds and \$279,393 are Parkland In-Lieu (Quimby) Funds)
- Appropriate \$239,290 from Park Improvement Fund Unreserved Fund Balance which currently has a balance of \$239,290.

Funding Sources	Total Budget Available	Current Funding Request	Remaining Balance	Annual Ongoing Cost
General Fund: Capital Outlay Fund Account 2000526	\$279,393	\$279,393	\$0	N/A
Other: Parkland In-Lieu (Quimby) Fund (501): Account 2000526	\$0	\$50,000	\$0	N/A
*Other: Parkland In-Lieu (Quimby) Fund (501): Account 2000057	\$1,696,831	\$800,000	\$896,831	N/A
Other: Park Improvement Fund (519): Available Balance	\$239,290	\$239,290	\$0	N/A
Total	\$2,265,514	\$1,368,683	\$896,831	N/A
<i>*These funds can only be spent at Laguna Lake Park as required by the San Luis Ranch Impact Fees</i>				

Laguna Lake Dog Park, Specification No. 2001068					
	Capital Outlay Funds	Parkland In-Lieu (Quimby) Funds	Parkland In-Lieu (Quimby) Funds	Park Improvement Funds	
	Parks and Rec General Plan Implementation Account (2000526)	Parks and Rec General Plan Implementation Account (2000526)	Development Related Parks Improvement - Laguna Lake Improvements: Account (2000057-01)	Unreserved Fund Balance	Project Total Costs
Base Engineer Estimate	\$279,393	\$50,000	\$520,607	\$0	\$850,000
Additive Alternative A	\$0	\$0	\$196,000	\$34,000	\$230,000
Additive Alternative B	\$0	\$0	\$50,000	\$0	\$50,000
Total	\$279,393	\$50,000	\$766,607	\$34,000	\$1,130,000
Contingencies (18%)	\$0	\$0	\$33,393	\$39,607	\$73,000
Total Construction Estimate	\$279,393	\$50,000	\$800,000	\$73,607	\$1,203,000
Materials Testing:	\$0	\$0	\$0	\$10,000	\$10,000
Construction Consultant Support	\$0	\$0	\$0	\$24,000	\$24,000
Printing:	\$0	\$0	\$0	\$1,683	\$1,683
Total Project Estimate	\$279,393	\$50,000	\$800,000	\$109,290	\$1,238,683
Current Available Balance:	\$279,393	\$50,000	\$1,696,831	\$239,290	\$2,265,514
New Requested Funding	\$279,393	\$50,000	\$800,000	\$109,290	\$1,238,683
Funds Remaining	\$0	\$0	\$896,831	\$130,000	\$1,026,831

ALTERNATIVES

1. **Approve authorization to advertise the project with a reduced publicly disclosed funding amount.** The City Council may choose to approve the project and authorize the project advertisement with a publicly disclosed funding amount of \$1,000,000. This would reduce the \$239,290 appropriation from the Park Improvement Funds to \$89,290 and will leave \$150,000 in the Park Improvement Funds for other city-wide park projects. Staff does not recommend this alternative because the lower funding limit will reduce the park amenities that can be constructed with this project.
2. **Approve authorization to advertise the project and require staff to only use funding dedicated to Laguna Lake Park from the San Luis Ranch Development.** The City Council may choose to approve the project and authorize the project advertisement with a publicly disclosed funding amount of \$1,130,000 but only use funds from the Parkland In-Lieu (Quimby) Funds (Project 2000057) from the San Luis Ranch Development Agreement. This would eliminate the requested appropriation from the Park Improvement Funds and eliminate the transfer request from Account 2000526 in order to spend this funding on other city-wide park projects. Staff does not recommend this alternative as it limits the future improvements that can

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be made within Laguna Lake Park with the fees collected from the San Luis Ranch Development.

3. **Direct Staff to work with the Parks and Recreation Commission.** Council could direct staff to work with Staff to reduce the scope of the project or defer certain amenities to future phases. Council should identify any specific amenities or elements of the project that might be deferred or identified for potential fundraising.
4. **Deny or defer authorization to advertise the project.** The City Council may choose not to authorize project advertisement. Staff does not recommend this alternative as the Parks and Recreation Blueprint for the Future: 2021-2041 (General Plan and Element) highlighted the Laguna Lake Off-Leash Dog Area in the Near-Term improvements as needing fencing, shade, and ground treatment.

ATTACHMENTS

- A - Draft Resolution authorizing use of Park Improvement Funds, Parkland In-Lieu (Quimby) Funds, Capital Outlay Funds to support Laguna Lake Dog Park Revitalization (Spec. No. 2001068)
- B - Project Plans (Spec. No. 2001068)
- C - Project Special Provisions (Spec. No. 2001068)
- D - Current photo examples of Laguna Lake Off-Leash Dog Area