



City Council Report

Subject: Adventure Park status update and requests for approval of resolution for proceeding with permanent bathroom facilities and additional funds to allow for permanent food service and other miscellaneous expenses.

Date: June 12, 2018

Submitted by: Marc Mondell, Economic and Community Development Director

Department: Economic and Community Development Department

Recommendation

It is recommended that the City Council receive a report on the status of the construction of the Adventure Park and costs incurred; and adopt a resolution (1) approving the revised low bid from PBM Construction, Inc. (PBM) in the amount of \$632,427.63 for the construction of site built bathrooms, including installation of limited utilities and a combination concrete and asphalt slab, and (2) approve \$900,200 (\$500,200 General Funds and \$400,000 Public Facilities Impact Fee) in additional funds to be included in the FY18-19 budget to be combined with a portion of remaining unspent funds to allow for the expenditure of up to \$1,000,000 to establish permanent food service operations within the Guest Services Building, and to allow for the expenditure of up to \$250,000 for miscellaneous expenses necessary to complete the project, at the discretion of the City Manager.

Should the City Council accept the above recommendations, the costs above will be contained within the FY 18-19 budget, scheduled for adoption on June 26, 2018. The revised conceptual design and estimated cost of the permanent food service operations will be presented for City Council approval at the July 24, 2018 regular meeting.

Construction Status

There are currently three projects related to the adventure park that are under construction including; 1) the parking lots, utilities and access road, 2) the site work and guest services building, and 3) the adventure elements. Various funding sources are being used to fund each project the status of which follows:

Parking Lots, Utilities and Access Road

This project is being constructed by Western Engineering Contractors, Inc. (Western Engineering) and is currently anticipated to be completed by June 30, 2018 at a total cost of \$4,591,223.26. This will provide 189 parking spaces for use by adventure park customers and staff and includes the stubbing of all required utilities and drainage facilities. The costs for this phase of the project will exceed the original contract amount by approximately \$1,191,008 due to the amount and density of rock encountered as was previously accepted by City Council.

Site Work and Guest Services Building

This project is being constructed by Western Engineering and PBM. The full site work, main structure, partial building work, and related concrete pathways are currently anticipated to be completed by June 30, 2018 at a total cost of \$3,745,603.13 (see tables). Food service, bathrooms, ticketing, merchandise, and storage is to be located under the main structure, but is not part of the current contract.

The original architect estimate to complete the building as originally intended and approved by City Council was \$3,000,000. Unfortunately, based on bathroom bids received, staff has estimated the cost of completing the building to allow permanent food service with deck and air conditioning as designed would cost an additional \$3,500,000 the funds of which are not currently available.

Adventure Elements

This project is being constructed by Bonsai Design and is currently anticipated to be completed by August 31, 2018 at a total estimated cost of \$3,038,300. The contract with Bonsai provided for the City Council to approve and authorize a Guaranteed Maximum Price (GMP) prior to commencement of construction. This did not occur as the City has not yet received the final GMP. The above estimated cost assumes the design of the king swing will be completed but the fabrication and installation will not proceed. This element was eliminated under change order #3. Should the City Council desire to have this element added back into the project at this time or at a later date Bonsai is currently estimating that cost at \$410,000 requiring approximately 10 weeks to complete.

The current total estimated cost of \$3,038,300 exceeds contract authority (\$2,971,167 including 15% change order) by \$67,133, even after the deletion of the king swing. Staff will return to City Council to discuss a contract amendment should the GMP exceed authority. Cost overruns on this phase of the project are due to significantly increased labor and materials cost

Funding Status

The following tables prepared by the City's Finance Department shows all funds expended to date on each of the three projects that comprise the Adventure Park, from inception of design through completion of construction. This includes funding for Recommendations (1) through (3) above.

Table 1 (Current Contractual Obligations)

	Site Work & Guest Services Building	Elements	Intersection & Parking	
Total Contract Obligations	\$ 1,906,413.85	\$ 3,211,167.00	\$ 4,406,827.00	
Total Non-contract expenses to date	\$ 277,652.06	\$ 318,776.21	\$ 54,534.97	
Total Project Costs	\$ 2,184,065.91	\$ 3,529,943.21	\$ 4,461,361.97	\$ 10,175,371.09

Table 2 (Budgeted Totals FY17-18 through FY18-19)

	Site Work & Guest Services Building	Elements	Intersection & Parking	
Project Expenses prior to FY 17-18	\$ 196,703.13	\$ 66,728.76	\$ 193,772.26	
Projected Budget for FY 17-18	\$ 2,104,826.43	\$ 3,423,312.67	\$ 4,402,072.41	
Budget for FY 18-19	\$ 2,361,000.00	\$ 202,500.00	\$ -	
Total Budgeted and Projected Project Costs	\$ 4,662,529.56	\$ 3,692,541.43	\$ 4,595,844.67	\$ 12,950,915.66

Note: Difference between Total Project Costs and Total Budgeted Project Costs are items not yet bid and other non-contractual costs remaining.

Table 3 (Project Funding Sources)

	Site Work & Guest Services Building	Elements	Intersection & Parking	
Placer Valley Tourism Grant (240)*	\$ 300,000.00	\$ -	\$ -	
Rule 20A Credits (100)	\$ 607,000.00	\$ -	\$ -	
Sale of West Oaks property (301)**	\$ 480,000.00	\$ -	\$ -	
100- General Fund	\$ 1,185,499.56	\$ 3,433,612.67	\$ 721.73	
120- GF-Streets Maintenance Reserve	\$ -	\$ -	\$ 700,000.00	
122- GF-Economic Development Reserve	\$ 178,730.00	\$ 199,528.76	\$ -	
210- Sales Tax SB325	\$ -	\$ -	\$ 3,148,390.94	
301-Community Park Fees***	\$ 20,600.00	\$ 39,400.00	\$ 150,000.00	
304- Capital Construction Impact Fees	\$ -	\$ -	\$ 196,700.00	
305- Oak Tree Mitigation	\$ 29,900.00	\$ -	\$ -	
308- Public Facilities Impact Fee	\$ 1,860,800.00	\$ 20,000.00	\$ -	
311- Rocklin PFA Capital	\$ -	\$ -	\$ 400,032.00	
Total Budgeted and Projected Project Costs	\$ 4,662,529.56	\$ 3,692,541.43	\$ 4,595,844.67	\$ 12,950,915.66

Notes: * \$150,000 received to date; balance to be paid upon project completion.
** West Oaks property has not yet been sold
*** Community Park Fund 301 currently has a negative balance and will require a loan from General Fund until the balance is no longer negative.

Bathrooms, Food Service and Miscellaneous Expenses

The original bids for the bathroom facilities, installation of utilities and a concrete slab under the guest services building was \$871,000. The request for bids was modified to replace portions of the concrete slab with an asphalt surface, and reduced the utilities installation work. The low bid for this revised request is \$632,427.63. Staff recommends proceeding with the partial asphalt surface bid, as this approach saves approximately \$238,000 and the asphalt surface is sufficient for food service operations at this time. Enhanced facilities can be constructed at a future time.

Staff has requested that the City Council establish a budget of \$1,000,000 for permanent food service operations. While final designs have not been completed and costs have not been determined, staff envisions that this budget will support food service operations to include a limited menu for customer walkup service and event catering but not full restaurant level service as originally intended.

Staff has also requested that the City Council authorize \$250,000 for miscellaneous expenses to complete the Adventure Park and deliver a fully functional facility to Legacy Family Adventures (LFA) the park operator. Such expenses may include site grading and landscaping, fencing, signage, building theming, architect fees, etc..

Park Operations

The Kids Zone and Paddle Boats are substantially complete, and LFA was authorized to hold a small private event over Memorial Day weekend, after providing insurance, indemnification, and satisfying other safety criteria. Given the success of the event, LFA will be allowed ongoing weekend use of the areas for private (by reservation) weekend use only. Parking for these events is provided using the City Hall parking lot and adjacent bathrooms. LFA will be utilizing a food truck and catering (as necessary) for these events until that time that permanent food service is established within the guest services building.

LFA has scheduled an event for June 16, 2018 for approximately 1,000 season ticket holders, which includes an LFA sponsored amphitheater concert. LFA has also been granted limited temporary use of the grass area adjacent to the amphitheater in support of their activities assuming no conflicts. Staff is working to complete the Rock Maze area and flex-space (adjacent to existing picnic area) by the end of July to provide an additional amenity for guest use and reduce impact to the grass area.

Soft Opening

Once the balance of adventure elements are completed and LFA staff are trained on their use and operation, Adventure Park operations will be turned over to LFA. This is currently scheduled to occur by August 31, 2018. Completion of the construction of bathroom facilities will not be completed until the end of October, final design and completion of permanent food service is anticipated within six months. Temporary bathrooms and food service facilities may be needed until that time that permanent bathrooms and food service facilities are available.

Fiscal Impact

Should Council accept staff's recommendation, total expenditures to complete the project would not exceed \$12,950,915.66.