

APPROVED

MAY 20 2009

BOARD OF RECREATION
and PARK COMMISSIONERS

REPORT OF GENERAL MANAGER

NO. 09-118

DATE May 20, 2009

C.D. All

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: MEMORANDUM OF UNDERSTANDING WITH THE BUREAU OF STREET SERVICES TO PURCHASE ASPHALT CONCRETE AND ALLOCATION OF SUBDIVISION/QUIMBY FEES AND OTHER FUNDING

R. Adams	_____	J. Kolb	_____
H. Fujita	_____	F. Mok	_____
S. Huntley	_____	K. Regan	_____
V. Israel	_____	*M. Shull	<u><i>M. Shull</i></u>

Ray Adams
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Approve a proposed Memorandum of Understanding (MOU) with the Bureau of Street Services (BSS), substantially in the form on file in the Board Office, for the purchase of Recycled Asphalt Concrete (RAC), subject to the approval of the City Attorney as to form;
2. Direct the Board Secretary to transmit the proposed MOU to the City Attorney for review and approval as to form;
3. Authorize the General Manager to execute the MOU upon approval by the City Attorney;
4. Authorize the Department's Chief Accounting Employee, subject to Mayor and Council approval, to request the City Administrative Office (CAO) to include in the CAO report to transfer an appropriation in the amount of \$180,000 from Fund 302 Department 89 Account 460K-00, Quimby Funds/Subdivision Fees to BSS Fund 100 Department 86 Account 3030, Construction Materials, and transfer of cash will be made on an as-needed basis, subject to the submission of expenditure(s)/invoice(s) by BSS and approval of the expenditure(s)/invoice(s) by the Department of Recreation and Parks, Planning and Construction Division; and,

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5. Authorize the General Manager or his designee to make technical corrections as necessary to those transactions included in this report.

SUMMARY:

The Department of Recreation and Parks (RAP) uses RAC for paving or repairing facility parking lots, bike paths/walkways/trails, basketball and other sports courts and for additional, incidental projects. The Planning and Construction Division anticipates that the demand for RAC will significantly increase because of construction and refurbishment projects now being planned or designed. The Bureau of Street Services (BSS) has agreed to provide the RAP with RAC. The estimated annual need is 10,000 tons. BSS will provide RAC to RAP at their cost of production, which is generally 17 to 35 percent less than the market rate. RAP staff may pick up the RAC from various BSS facilities or, depending on scheduling, they may be able to deliver the RAC to RAP. Obtaining RAC in this manner will lower the RAP's material, labor and transportation costs.

Staff has determined that this MOU does not constitute a "project" subject to CEQA because it only creates a government funding mechanism that does not involve any commitment to a specific project that may result in a physical impact to the environment. Therefore, no CEQA documentation is required to approve the MOU. The environmental effects of the purchase and use of the RAC material will be assessed in the future in accordance with CEQA as part of each specific project for which the materials will be purchased.

The Assistant General Managers of Operations East and Operations West concur with staff's recommendation.

FISCAL IMPACT STATEMENT:

There will be no impact to the Department's General Fund associated with approving this proposed MOU. Board approval will be sought for future funding on a project-by-project basis.

This report was prepared by Jimmy Newsom, Management Analyst II of the Planning and Construction Division.