

# City of Sacramento

## Legislation Text

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**File #:** 2020-00267, **Version:** 1

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**Title:**

**Supplemental Agreement: Destination Sacramento Program**

File ID: 2020-00267

**Location:** District 4, Old Sacramento Waterfront

**Recommendation:**

Pass a Motion authorizing the City Manager or the City Manager's designee to execute Supplemental Agreement No. 4 to Agreement No. 2019-0830 with Stantec Architecture, Inc. for Phase 3A - Schematic Design of the Destination Sacramento Program, in the amount of \$455,600 for a new total not-to-exceed amount of \$994,880.

**Contact:** Ellen Sullivan, Project Manager, (916) 808-5758; Richard Rich, Riverfront Project Manager, (916) 808-2519, Office of Innovation and Economic Development

**Presenter:** None

**Attachments:**

1-Description/Analysis

2-Supplemental Agreement

**Description/Analysis**

**Issue Detail:** On April 30, 2019, after reviewing the concepts produced as part of Waterfront Idea Makers, City Council approved an initial \$5 million of funding for the Destination Sacramento Program, with a commitment of up to an additional \$42 million, for a total of up to \$47 million (Resolution No. 2019-0138), and directed staff to proceed with a the Feasibility Phase for the Destination Sacramento Program, starting with the waterfront and a report back in the Fall of 2019. Three projects were approved to move forward into the Feasibility Phase: Front Street Experience, Sacramento History Museum Viewing Deck, and a multi-use barge.

On July 1, 2019, the City entered a multiphase contract (2019-0830) with Stantec for the design and project management of the Destination Sacramento program. The contract consists of four phases:

Phases 1A and 1B - Feasibility, Phase 2 - Planning, Phase 3 - Implementation, and Phase 4 Closing Phase. The contract authorized Stantec to proceed with Feasibility Phase 1A, which Stantec completed in August 2019. As authorized under the City Code, the City Manager executed supplemental agreement number 1, which authorized Stantec to proceed with Phase 1B. On August 27, 2019, City Council approved a motion (2019-0259) authorizing the City Manager to execute supplemental agreement number 2 to complete Feasibility Phase 1B, which Stantec completed in November 2019.

On December 10, 2019, City Council approved a motion (2019-0431) authorizing the City Manager to execute supplemental agreement number 3, which authorized Stantec to proceed with Phase 2 for the Front Street Experience and Sacramento History Museum Viewing Deck, anticipated to be completed in March 2020. Staff is now recommending that the City Council authorize the City Manager to execute supplemental agreement 4. This supplemental agreement will authorize Stantec to proceed with Phase 3A - Schematic Design.

**Policy Considerations:** Implementation of this program will further the visions, goals, and objectives of the 2035 General Plan, the 2003 Sacramento Riverfront Master Plan as approved by the cities of Sacramento and West Sacramento and the Sacramento riverfront priorities set out by the Mayor and City Council. Further, the Destination Sacramento Program will support city investments in the Golden 1 Center and Convention Center Complex by creating a related and supporting asset that will aid the economic development efforts of the city and other civic organizations.

**Economic Impacts:** A renewed Sacramento waterfront destination can have a significant, beneficial impact on Sacramento's ability to 1) capture increased sales and transit occupancy tax revenues from new waterfront business, 2) encourage visitors' choice of Sacramento as a leisure and convention destination, and 3) market the region to new business relocations, and workforce attraction and retention. The City will conduct a Return on Investment analysis for each of the projects contemplated as part of the Destination Sacramento program.

**Environmental Considerations:** This report concerns an agreement for design services that will not have a significant effect on the environment and is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines (Title 14 Cal. Code Reg. §15000 et seq.). Section 15061(b)(3), states that a project is exempt from CEQA if the activity is covered by the common-sense exemption that CEQA applies only to projects which 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. The recommended action does not commit the City to the project or preclude the City from modifying the project to address environmental concerns. Appropriate environmental review, in compliance with CEQA, will be completed prior to development approval of the project.

**Sustainability:** None

**Commission/Committee Action:** None

**Rationale for Recommendation:** The current professional services agreement with Stantec consists of four phases: Phase 1 - Feasibility (1A - Preliminary Feasibility and 1B - Feasibility Evaluation), Phase 2 - Planning Phase, Phase 3 - Implementation, and Phase 4 Closing Phase. To date, Stantec has only been authorized to proceed with Phases 1A - 2. Stantec may only proceed with future phases if authorized by the City.

As Phase 2 - Planning Phase will conclude in March 2020, staff is now recommending approval of a supplemental agreement to authorize Stantec to proceed with Phase 3A - Schematic Design.

**Financial Considerations:** There is sufficient funding in the Destination Sacramento Program Multi-Year Operating Project (I02185000) to fund the supplemental agreement no. 4. The total Feasibility Phase cost of \$364,480 and the total Phase 2 cost of \$174,800 are commensurate with a project of this size and complexity. Additionally, the total Schematic Design costs of \$455,600 are also appropriate for the project.

**Local Business Enterprise (LBE):** Stantec is a local business with established operations in Sacramento.