



City of La Quinta

CITY / SA / HA / FA MEETING DATE: July 15, 2014

AGENDA CATEGORY:

ITEM TITLE: ADOPT A RESOLUTION TO APPROVE EXPENDITURE OF FORMER REDEVELOPMENT AGENCY BOND PROCEEDS FOR SILVERROCK GOLF COURSE RESTORATION PROJECT

BUSINESS SESSION:

CONSENT CALENDAR: 3

STUDY SESSION:

PUBLIC HEARING:

RECOMMENDED ACTION:

Adopt a resolution to approve expenditure of former Redevelopment Agency bond proceeds for the SilverRock Golf Course Restoration project and make certain findings pursuant to Health and Safety Code Section 33445(a).

EXECUTIVE SUMMARY:

- The Coachella Valley Water District (CVWD) is currently constructing a parallel canal through the Palmer Course at SilverRock Resort in order to restore the design capacity to the canal.
- The City must pay for the reconstruction of the golf holes impacted by CVWD's project once the work is completed in early September 2014.
- Arnold Palmer Design Company (APDC) prepared plans for the restoration of the affected golf holes, which were approved for advertisement for construction bids on June 17, 2014.

FISCAL IMPACT:

The following is the anticipated budget. Proceeds from the former Redevelopment Agency bonds will be used to fund these improvements.

BUDGET LINE ITEM	BUDGET
Phase II Construction - Golf Restoration:	\$ 1,852,000
Professional:	\$ 10,000
Technical (Insp/Test/Survey):	\$ 30,000
Contingency:	\$ 185,200
TOTAL BUDGET:	\$ 2,077,200

The construction allocation for restoration of the five holes impacted by canal relocation project is \$1,852,000. Of this amount, approximately \$140,000 has been set aside for the City to pre-purchase the new golf course turf.

BACKGROUND/ANALYSIS:

In May of 2014, CVWD began constructing 4,700 linear feet of new canal within the United States Bureau of Reclamation (USBOR) easement that cuts through the back nine holes of SilverRock Resort. This new canal is necessary in order to restore the design capacity of the canal that has been compromised due to differential settlement of the canal since its construction in the 1940's.

In order to accommodate this work, the City was required to relocate the golf course irrigation system out of the new canal alignment last summer (Phase I) so the new canal could be constructed this summer. CVWD's contractor is on schedule to complete the new canal including abandoning and backfilling the old canal no later than September 1, 2014. Approval of the award of contract will allow the City's contractor to restore the area from the old canal so it can be incorporated into the Palmer Course (Phase II) in time for the reopening of the course in early November 2014.

In February 2014, the City hired APDC to redesign the five golf holes that will be affected by CVWD's parallel canal project. This was necessary in order to maintain the branding of the City's golf course as an Arnold Palmer Signature Course. At the request of the City's golf course operator, APDC also included redesign of the large bunker adjacent to the 10th green to save the cost of replacement sand that is routinely lost during wind storms. This work was bid as an alternate; therefore, there is no requirement to include it in the award of contract.

On April 16, 2002, the City Council adopted a resolution making findings pursuant to Health and Safety Code Section 33445 to approve the use of funds from the sale of bond proceeds issued by the Redevelopment Agency to purchase the SilverRock Resort project site. The City Council found that entering into the Option Agreement to acquire the SilverRock Resort site would be of benefit to the Project Area and to the immediate neighborhood. Further, that the purchase of the site would assist in the elimination of one or more blighting conditions inside the project area, including the lack of recreation facilities and opportunities, and was consistent with the implementation plan adopted at that time pursuant to Section 33490.

Contingent upon City Council's approval to award a contract on July 15, 2014, the following is the anticipated project schedule:

City Council Considers Award	July 15, 2014
Construction	August through September 2014
Overseeding of Palmer Course	October 2014
Accept Improvements and Reopen Course	November 2014

ALTERNATIVES:

Assuming the lowest bid is within 10 percent of the estimated construction cost, no other alternative is recommended if the City intends to reopen the Palmer Course in early November 2014.

Report prepared by: Bryan McKinney, Principal Engineer

Report approved for submission by: Timothy R. Jonasson, P.E.

Public Works Director/City Engineer

RESOLUTION NO. SA 2014 –

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE LA QUINTA REDEVELOPMENT AGENCY APPROVING THE EXPENDITURE OF REDEVELOPMENT AGENCY BOND PROCEEDS FOR THE SILVERROCK GOLF COURSE RESTORATION IMPROVEMENTS, AND MAKING CERTAIN FINDINGS PURSUANT TO HEALTH AND SAFETY CODE SECTION 33445(a)

WHEREAS, the SilverRock Golf Course Restoration Improvements are located in the former La Quinta Redevelopment Project Area No. 1 (the “Project Area”); and

WHEREAS, the lack of recreational facilities and the prevalence of economic maladjustment were documented as some of the conditions of blight that justified the formation of the Project Area; and

WHEREAS, the construction and installation of the SilverRock Golf Course Restoration Improvements would afford the City the opportunity to continue addressing blighting conditions resulting from the lack of recreational facilities; and

WHEREAS, there is inadequate funding within the City’s General Fund or from other sources to construct the proposed SilverRock Golf Course Restoration Improvements, in that the City’s General Funds are needed to provide essential public services, such a police services and maintenance of existing public improvements; and

WHEREAS, proceeding with the construction and installation of the SilverRock Golf Course Restoration Improvements at this point in time will help to stimulate the local economy by providing local jobs and construction-related expenditures; and

WHEREAS, it would be in the best interest of the public to construct and install the SilverRock Golf Course Restoration Improvements.

NOW, THEREFORE, BE IT RESOLVED by the Successor Agency to the La Quinta Redevelopment Agency as follows:

SECTION 1. The above recitals are true and correct and are adopted as the findings of the City Council.

SECTION 2. The City Council hereby consents to the expenditure of former Redevelopment Agency Bond proceeds to be utilized for the SilverRock Golf Course Restoration Improvements.

SECTION 3. Pursuant to Health and Safety Code Section 33445(a), the City Council finds and determines that:

- A. The construction and installation of the SilverRock Golf Course Restoration Improvements is of benefit to the former Redevelopment Project Area and to the immediate neighborhoods in which the improvements are located.
- B. No other reasonable means of financing the SilverRock Golf Course Restoration Improvements are available to the community at this point in time.
- C. Restoring the SilverRock Golf Course will assist in the elimination of one or more blighting conditions inside the former Project Area No. 1, including the lack of recreational facilities and opportunities, and is consistent with the implementation plan that was in place at the time of the bond sale, pursuant to Section 22490.

PASSED, APPROVED, and ADOPTED at a regular meeting of the Successor Agency to the La Quinta Redevelopment Agency held on this 15th day of July 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

DON ADOLPH, Chairperson
City of La Quinta Acting as Successor Agency
to the La Quinta Redevelopment Agency

ATTEST:

SUSAN MAYSELS, Secretary
City of La Quinta Acting as Successor Agency
To the La Quinta Redevelopment Agency

(CITY SEAL)

APPROVED AS TO FORM:

WILLIAM H. IHRKE, Successor Agency Counsel
City of La Quinta Acting as Successor Agency
To the La Quinta Redevelopment Agency

