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IGNACIO DE LA FUENTE, PRESIDENT
CITY COUNCIL
OAKLAND, CALIFORNIA

PRESIDENT DE LA FUENTE AND MEMBERS OF THE CITY COUNCIL

SUBJECT: A RESOLUTION AUTHORIZING THE CITY MANAGER TO ACCEPT AND APPROPRIATE A CONTRIBUTION OF TWO MILLION SEVEN HUNDRED SEVENTY-FIVE THOUSAND (\$2,775,000) FROM THE SPANISH SPEAKING UNITY COUNCIL (UNITY COUNCIL) AND TO NEGOTIATE, EXECUTE AND AWARD A CONTRACT TO UNITY COUNCIL IN AN AMOUNT NOT-TO-EXCEED FIVE MILLION NINE HUNDRED THOUSAND DOLLARS (\$5,900,000) FOR PROJECT MANAGEMENT SERVICES TO OVERSEE THE DESIGN AND DEVELOPMENT OF THE UNION POINT PARK PROJECT VALUED AT EIGHT MILLION ~~SIX~~ HUNDRED EIGHTY-FOUR THOUSAND DOLLARS (\$8,684,000).

PURPOSE AND SCOPE

In accordance with the Measure H Charter Amendment, which was passed by the voters at the General election of November 5, 1996, we have made an impartial financial analysis of the accompanying Council Agenda Report and Proposed Resolution. The purpose of our analysis was to evaluate the reasonableness of the proposed resolution. In making our analysis we also discussed various matters with Life Enrichment Agency staff.

Since the Measure H Charter Amendment specifies that our impartial financial analysis is for informational purposes only, we did not apply Generally Accepted Government Auditing Standards as issued by the Comptroller General of the United States. Moreover, the scope of our analysis was impaired by Administrative Instruction Number 137, effective May 21, 1997, which provides only one (1) week for us to plan, perform and report on our analysis.

SUMMARY

Union Point Bark contains three-parcels of land totaling approximately nine acres of waterfront prperty located along the Embarcadero. It is bounded on the north by Dennison Street, to the west by the Union Point Basin Manna and the Oakland Estuary, and at the south by the ConAgra Flour Mill. The first part of the park that is scheduled for development consists of six acres known as Parcel 1.

In September 2000, the City Council approved Resolution. 75774 C.M.S., and awarded a contract to Unity Council for the development of the design and specifications for the project. Unity Council is now prepared to manage the entire project from design through construction completion.

FISCAL IMPACT

The amount of the contract award to Unity Council is \$8,684,000, which is available through various sources controlled by the City of Oakland and Unity Council.

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|-----------------|--------------------|
| City of Oakland | \$5,909,000 |
| Unity Council | <u>2,775,000</u> |
| Total | <u>\$8,684,000</u> |

Unity Council will donate the \$2,775,000 under its control to the City of Oakland.

The funding sources controlled by Unity Council (San Francisco Bay Trails Program and the California State Coastal Conservancy) require that the City be responsible for the costs of maintaining and operating the park. Such costs arc not known at this time. Upon completion of the design and construction bid phase, staff will return to the City Council for approval of the construction contract award, and will also report on maintenance and operational costs.

CONCLUSION

The Proposed Resolution appears to be reasonable. However, the City Council should consider that the City is responsible for maintenance and operational costs, which have not yet been determined.

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Issued by:

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City Auditor

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