

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
BOARD OF DIRECTORS MEETING**

**DATE:** September 01, 2021  
**TO:** Board of Directors  
**FROM:** Rafael Payan, General Manager  
**SUBJECT:** Review of Finance Committee Recommendations for Capital Improvements at Palo Corona's Rancho Cañada Unit

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**RECOMMENDED ACTIONS:**

Staff respectfully recommends that the Board:

1. Please review the detailed summary of the Finance Committee meeting dated July 15, 2021, entitled "Potential Funding of Capital Improvement Projects at Palo Corona Regional Park's Rancho Canada Unit" (**ATTACHMENT 1**).

Please note that the Finance Committee established three (3) Tiers in descending order of priority, the highest priority project listed in Tier I.

Since that Finance Committee meeting, the projects, project costs, and grant application scopes have continued to evolve, therefore;

2. Please provide staff direction on how to proceed regarding the noted capital improvement projects and their potential funding sources as listed in (**ATTACHMENT 2**).

The Board's direction will authorize staff to:

- A. Use MPRPD's Reserve Funds for the Tier I project;
  - Reroofing and replacement HVAC system for the Rancho Canada Unit's former clubhouse;
- B. Use Rural Infrastructure Revenue Enhancement (RIRE) allocation, Per Capita allocation, and current fiscal year budget allocations for the following Tier II items:
  - ADA-compliant facilities including a shuttlebus/school bus drop-off/pick-up plaza which will allow visitors to gather while awaiting a bus and serve as a launch point to the park, its trails, and Discovery Center;
  - Improvements also include much needed sanitary facilities adjacent to the park's primary trailhead, and these scope items' associated utilities;
  - Use Reserve Funds for an additive alternate event tent pad and picnic area, previously approved for construction by the Board in December 2019.

- C. Explore and pursue alternative funding sources for those scope items in Tier III, not recommended for funding via MPRPD's Reserve Funds at this time, but may be recommended when a funding source can be identified and secured. These options include:
- i. Financing through low interest loans.
  - ii. Grants for those scope items typically listed as Additive Alternates in **ATTACHMENT 1**. Because of those amenities ability to serve a broad segment of our population (including visitors of all capacities while providing a facility that may be absent in this part of the county or state) the proposed Additive Alternates may possibly be more likely to receive grants.

**FISCAL IMPACT:**

To be determined (please see below for summary and **ATTACHMENT 2** details)

**FUNDING SOURCES:**

**TIER I**

- **Cost Estimate:** \$1,200,000
- **Base Bid Scope:** Reroofing and HVAC Replacement of/for Former Clubhouse
- **Funding Source:** Existing MPRPD Reserves
- **Additive Alternates:** Not Applicable
- **Additive Alternates Cost Estimate:** Not Applicable

**TIER II:**

- **Cost Estimate:** \$3,487,000
- **Base Bid Scope:** Construction of several Project-B scope items including ADA-compliant shuttlebus/school bus drop-off/pick-up plaza which will allow visitors to gather while awaiting a bus and serve as a launch point to the park, its trails, and Discovery Center. Improvements also include much needed sanitary facilities adjacent to the park's primary trailhead, and the project's associated utilities.
- **Funding Sources:**
  - **\$250,000** from Recreational Infrastructure Revenue Enhancement (RIRE). This grant has already been awarded to MPRPD;
  - **\$400,000** from Allocations for California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 Per Capita Grant Program. This grant has already been awarded to MPRPD; and,
  - **\$2,350,000** allocated in the FY21-22 budget.
- **Additive Alternate**
- **\$487,000 Event Tent Pad, Picnic Area, and Associated Utilities**
  - The previously Board-authorized event tent pad (December 2019 meeting) will support popular, well-attended events such as California Wildlife Day, MPRPD's Annual Wildflower Show, and other functions including serving as an outdoor gathering area for Environmental Education programs.

Utilities include electrical and potable water service which could be constructed in conjunction with Project B's restroom building's utilities. This should result in cost savings since work is already being done in this area.

**Tier III:**

- Maintenance Building-related scope, dog park restroom and associated utility items included in Project- A, as well as Project B items, such as the picnic areas, outdoor classroom, boardwalk, and pond viewing area, and the amphitheater, are not recommended for funding at this time but may be reconsidered in the future when construction funding is identified or obtained. Portions of Project A, like the dog park, however, have been included as part of the Regional Park Program (RPP) grant application.

**GRANT PACKAGE – REGIONAL PARK PROGRAM (RPP)**

- Staff and RGS Consultants are currently working on an application package for the RPP grant program. The maximum award is \$3,000,000. There is no matching fund requirement. Staff and consultants have determined based on grant requirements and public input, that the following items will provide the most desirable competitive scope items.
  - **Dog Park (\$1,025,000)**
    - This site improvement will include construction of a fenced compound with separate enclosures for small and large dogs.
    - At a recent MPRPD-sponsored Plan Your Park event, the public overwhelmingly requested MPRPD construct the proposed ADA-compliant dog park, above all other potential site improvements and facilities.
  - **Inclusive Nature Play Area/Playground (\$1,475,000)**
    - Unlike many other nature-based parks, MPRPD is striving to make PCRPD a Nature Park that is accessible to people of all physical and cognitive abilities. MPRPD would like to replicate many of the wonderful successes of Tatum's Garden; in this case a park for All Children with a focus on nature.
  - **ADA Parking (3) Spaces & Pathway (\$500,000)**
    - ADA-compliant parking spaces within the existing gravel overflow parking lot, with ADA-compliant trails to the dog parks, from the proposed parking lot and its accessible parking spaces.
  - **Additive Alternate**
  - **Seating & Shade Structures (\$100,000)**

The seating and shade structures could be included in a bid package to determine real world costs. However, the District is not obligated to award

additive alternates. These items would likely be funded via community fund raising, and not included in the grant scope.

If the grant application does not result in an award, it is recommended that the Board consider funding these items from Reserves, seek low interest financing, and look for other grant opportunities.

**FUNDING BALANCE:**

The District currently has approximately \$5,000,000 in Reserve fund balance in excess of Reserve Fund Policy target. The actual amount is pending completion of the annual financial audit, as some numbers and reports are not yet available. After allocating \$1,200,000 for TIER I reroofing/HVAC project, the remaining balance could be considered for projects not covered/ or awarded by the RPP grant.

**DISCUSSION:**

On August 5, 2021, MPRPD's Finance Committee and staff met in public session to review several proposed capital improvement projects and identify their potential funding sources.

In summary, the Finance Committee recommended three tiers in descending order of priority. As noted in **ATTACHMENT 2**, staff subsequently identified several funding sources for the Finance Committee's and Board's consideration. As explained, MPRPD is not obligated to award the Additive Alternates and will be subject to the Board's review and consideration once bids are received.

**ATTACHMENT:**

1. [Potential Funding of Capital Improvement Projects at Palo Corona Regional Park's Rancho Canada Unit](#)
2. [Capital Improvements & Potential Funding Sources Spreadsheet](#)