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# CITY OF POMONA

## COUNCIL REPORT

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September 20, 2021

To: Honorable Mayor and Members of the City Council

From: James Makshanoff, City Manager

Submitted By: Chris Diggs, Water Resources Director

**SUBJECT: A RESOLUTION ADOPTING AN ADDENDUM TO THE 2017 FINAL MITIGATED NEGATIVE DECLARATION AND AMENDING THE CIP BUDGET; AND, APPROVE AN AGREEMENT TO DESIGN AND CONSTRUCT THE WATER RESOURCES BUILDING**

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### **RECOMMENDATION:**

It is recommended that the City Council take the following actions:

- 1) Adopt the following resolution:

**RESOLUTION NO. 2021-116 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA, CALIFORNIA, ADOPTING THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) ADDENDUM TO THE 2017 FINAL MITIGATED NEGATIVE DECLARATION FOR THE POMONA CORPORATE YARD FACILITY PROJECT (STATE CLEARINGHOUSE NUMBER 2017051029); AND AMENDING THE FY 2021-22 CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET BY UN-APPROPRIATING \$819,017 OF PROPERTY COVERAGE PROCEEDS AND CLOSING THE “CITY STABLE FACILITY,” PROJECT NO. 428-2590-XXXXX-71054; AND, BY UN-APPROPRIATING \$100,000 OF REFUSE FUND, APPROPRIATING \$819,017 OF PROPERTY COVERAGE PROCEEDS AND \$20,667,213 OF WATER FUND RESERVES TO “WATER RESOURCES ADMINISTRATION AND OPERATIONS FACILITY AND HISTORIC STABLE,” PROJECT NO. 575-8125-XXXXX-93135, AND AMEND THE PROJECT TITLE OF “WATER RESOURCES ADMINISTRATION AND OPERATIONS FACILITY AND HISTORIC STABLE,” PROJECT NO. 575-8125-XXXXX-93135, TO “WATER RESOURCES BUILDING,” PROJECT NO. 575-8125-XXXXX-93135**

- 2) Pursuant to Section 15164 of the CEQA Guidelines, the City Council adopts the Addendum to the 2017 Final Mitigated Negative Declaration for the Pomona Corporate Yard Facility Project (State Clearinghouse Number 2017051029) (now known as the “Water Resources Building” project);

- 3) Approve an agreement (Attachment No. 3) with Kemp Bros. Construction, Inc. for the design and construction of the Water Resources Building and reconstruction of the stable building in the amount of \$28,861,614, and contract contingencies of an amount not to exceed 10 percent of the contract amount; and
- 4) Authorize the City Manager, or his designee, to execute the agreement and any change orders on behalf of the City.

#### **EXECUTIVE SUMMARY:**

The recommended actions will result in the adoption of an Addendum to the 2017 Final Mitigated Negative Declaration, approval of a design-build agreement with Kemp Bros. Construction, Inc., amendment of the FY 2021-22 CIP Budget and appropriation of funds to complete the Water Resources Building project.

#### **FISCAL IMPACT:**

The fiscal impact of the proposed actions is a total appropriation of \$21,486,230 into the “Water Resources Building,” Project No. 575-8125-XXXXXX-93135 and an award of a \$28,861,614 design/build contract to Kemp Bros. Construction, Inc. for the construction of the project. As part of the Resolution, Attachment 1, the project title for the “Water Resources Administration and Operations Facility and Historic Stable,” Project No. 575-8125-XXXXXX-93135 is amended to “Water Resources Building,” Project No. 575-8125-XXXXXX-93135.

The “City Stable Facility,” Project No. 428-2590-XXXXXX-71054, is recommended to be closed, and the remaining funding re-appropriated to the “Water Resources Building,” Project No. 575-8125-XXXXXX-93135. In addition, \$100,000 of Refuse Fund dollars are recommended to be un-appropriated from the “Water Resources Building” project. The Refuse Funds were appropriated initially in the mid-1990’s when the project scope included the Solid Waste facility improvements as part of the Corporate Yard project, which are no longer included within the project. Table 1 and Table 2 on the next page summarizes the proposed fiscal impact:

**Table 1**

<b>Category</b>	<b>“City Stable Facility” Project No. 428-2590-XXXXXX-71054</b>
Initial Budget	\$949,380
Budget Amendment: Un-appropriation of Property Coverage Proceeds	(\$819,017)
Revised Budget	\$130,363
Expenditures/Encumbrances (as of September 8, 2021)	(\$130,363)
Remaining Balance	\$0

**Table 2**

<b>Category</b>	<b>“Water Resources Building” Project No. 575-8125-XXXXX-93135</b>
Initial Budget	\$17,629,335
Budget Amendments:	
Appropriation of Water Fund Reserves	\$20,667,213
Appropriation of Property Coverage Proceeds (from the City Stable project)	\$819,017
Un-appropriation of Refuse Funds	(\$100,000)
Revised Budget	\$39,015,565
Expenditures/Encumbrances (as of September 8, 2021)	(\$6,104,095)
Award of Design/Build Contract to Kemp Bros. Construction, Inc.	(\$28,861,614)
Balance available for construction mgmt., contingencies, inspection costs, and other expenses	\$ 4,049,856

**PREVIOUS RELATED ACTION:**

On September 18, 2017, the City Council approved a settlement agreement with Southern California Gas Company and Southern California Edison for the clean-up of lamp black at the City’s Water Resources Department (WRD) administrative and operations yard. It adopted Resolution No. 2017-18. On June 3, 2019, City Council was presented with the disposition of the City Stable. At that meeting, City Council requested staff look at alternatives to restore and preserve the City Stable building. On July 15, 2019, City Council requested staff include the Stable in the WRD’s proposed office building. April 6, 2020, City Council approved an agreement to complete an environmental analysis to include the Stable building in the WRD’s office building.

**ENVIRONMENTAL IMPACT:**

Pursuant to Section 15164 of the CEQA Guidelines, the City Council adopts the Addendum to the 2017 Final Mitigated Negative Declaration for the “Pomona Corporate Yard Facility” Project (State Clearinghouse Number 2017051029) (now known as the “Water Resources Building” project), Attachment 1, Exhibit “A.” The City Council hereby finds on the basis of substantial evidence, in light of the whole record, the following:

1. No substantial changes are proposed to the project which will require major revisions of the 2017 Final Mitigated Negative Declaration for the Pomona Corporate Yard Facility Project.

2. No substantial changes have occurred in the circumstances under which the project is undertaken which will require major revision of the adopted mitigated negative declaration.
3. No new information of substantial importance has been received which was not known and could not have been known at the time the Initial Study/Mitigated Negative Declaration for the Pomona Corporate Yard Facility Project (now known as the “Water Resources Building” project).
  - a. The project will not have any new significant effects that had not been discussed in the previous Mitigated Negative Declaration.
  - b. Significant effects previously examined are not now substantially more severe than shown in the previous Mitigated Negative Declaration.
  - c. There are no mitigation measures previously found not to be feasible, which have now been found to be feasible.
  - d. There are no new mitigation measures, which are considerably different from those, analyzed in the previous Mitigated Negative Declaration that would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure.

## **DISCUSSION:**

At the July 15, 2019, City Council meeting, staff received direction to incorporate the City’s Stable building into the Water Resources Department (WRD) building project. To facilitate this, staff met with the selected design builder to determine what, if any, additional environmental investigation and evaluation were required. Based on the meeting, it was determined additional environmental evaluation effort was necessary. To complete this effort, staff issued a request for proposal, and Council approved an agreement with Dudek to complete the assessment.

After a May 3, 2018 advertisement, on October 9, 2018, five of the eight bidding design-build contractors were invited to present their proposals and be evaluated. After a careful review, made up of several City staff and representatives from Griffin Structures, the City’s consultant working on the project, Kemp Bros. Construction, Inc. (Kemp), working with Sillman Architects (Sillman), was selected as the most qualified bidder.

Along with hiring Dudek to complete the environmental evaluation, at that same July 15, 2019 Council meeting, the City hired Sillman to incorporate the Stable building into the proposed administrative building complex. The scope of this effort was to reduce the size of the proposed administrative building, incorporate the Stable building into the overall design of the complex, and merge the two buildings in a way that would facilitate public use of the Stables building. The final merged site plan (Attachment No. 2) would best utilize all the space within the Stable building and the newly designed WRD administration building. The revised design of the WRD administrative building reduces the original design from a 17,634 ft<sup>2</sup> two-story building to a 10,036 ft<sup>2</sup> single-story building and 4,213 ft<sup>2</sup> for the Stable building. Therefore, the total improved building area will be 14,249 ft<sup>2</sup>.

The design Sillman developed satisfies all requirements needed for the WRD, and was presented to the Historic Preservation Commission. The new administrative building and the Stable building pair well together. The brick façade on the new Stable building exhibits the historical importance of the building, as does the corrugated metal on both the new administrative building and the warehouse. In addition, the elevations on the new administrative building are high enough not to be overshadowed by the 2-½ story Stable building, which sits pushed back on the lot. The design influences include a striped down Mediterranean revival style, and a utilitarian style consistent with the current architecture onsite. Overall, the Historic Preservation Commission approved the general design.

After several months of brick testing and negotiations, staff is now in a position to recommend a design-build contract with Kemp. At this juncture, staff is seeking approval of the attached Kemp agreement (Attachment 3).

Prepared by:

*Chris Diggs*  
Chris Diggs, Water Resources Director

**ATTACHMENTS:**

Attachment 1 – Resolution No. 2021-116 with Exhibit “A”  
Attachment 2 – Water Resources Building Site Plan  
Attachment 3 – Agreement with Kemp Bros, Inc.