



## CC Regular Meeting

# AGENDA ITEM REPORT

**Meeting:** July 15, 2025

**Title:** Covina Recreation Village Project – Project No. P2202 – Replacement of State of California Budget Act of 2021 (SB 129) Library Grant Funds with Measure CC Funds in the Amount of \$251,952.93 for Use Towards Demolition of Existing Easterly Building

**Presented by:** Rafael M. Fajardo, Director of Public Works/City Engineer

**Recommendation:** Approve Resolution CC 2025-84 amending the Fiscal Year 2024/25 Capital Improvement Program Budget, appropriating Measure CC Fund – Fund Balance in the amount of \$251,952.93 in lieu of State of California Budget Act of 2021 (SB 129) Library Grant Funds for use towards the Demolition of Existing Easterly Building.

### EXECUTIVE SUMMARY:

On July 16, 2024, the City Council approved a contract with Perera Construction and Design Inc. for the construction of the Covina Recreation Village Project - Phase I, which consists of the construction of a new gymnasium at the westerly building of the former Vita Pakt warehouse. Construction is underway and it is anticipated that the project will be completed in spring 2026.

Phase II of the project consists of retrofitting the existing easterly building to construct a new 14,140 square-foot library. A recently completed structural engineering analysis of the easterly building concluded that portions of the building have major structural deficiencies that are cost-prohibitive and unsafe for future development. On February 4, 2025, Council approved a project change order for Perera Construction and Design, Inc. to demolish the structurally deficient areas of the building, making it shovel-ready for future construction of the new library space. At this time, it is recommended that the City Council consider an appropriation of Measure CC funds for the demolition of the existing easterly building. As proposed, the competitive grant award to construct a new public library totaling \$5.377 million will be reserved for the construction phase of this project.

### DISCUSSION:

The City Council's February 4, 2025, action approved the use of State of California Budget Act of 2021 (SB 129) Library Grant funds for the demolition of the existing easterly building. Upon further analysis, City staff is recommending the use of Measure CC Funds in lieu of SB 129 funds for the Phase I demolition of the existing easterly building in order to have all SB 129 funds be included in Phase II – Library construction costs. Moreover, the \$5,377,020 the City has accumulated in SB 129 funds will be easier to track in terms of project expenditures and simplify future auditing obligations with the proposed amendment in funding sources.

### FISCAL IMPACT:


Resolution CC 2025-84 will appropriate \$251,952.93 from Measure CC Fund – Fund Balance into account number (4600-3900-55100-P2202) for use towards the Phase I demolition of existing easterly building. Accordingly, \$5,377,020 in State of California Budget Act of 2021 (SB 129) Library Grant Funds will be available for Phase II – Library construction costs under account number (460039ST-55100-P2202).

### CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):

This project has been determined to be categorically exempt under CEQA in accordance with Title 14, Chapter 3, Class 1, Sections 15301 and 15302. This exemption includes the minor alteration of existing public facilities

involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination.  
The project involves negligible or no expansion of an existing use.

Respectfully submitted,



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Rafael M. Fajardo  
Director of Public Works/City Engineer