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foothill community built on California's rich gold rush history.*



City Manager's Report
March 28, 2023, City Council Meeting
Prepared by: Melissa McConnell, Associate Engineer
Item #: 12.1

Subject: Adopt a Resolution:

1. Approving a \$733,740 budget appropriation in Highway Safety Improvement Program (HSIP) funds for the Broadway Sidewalks project (CIP #41606); and
2. Approving an \$800,000 budget appropriation in Urban Surface Transportation Block Grant Program (STBGP) funds for the said project; and
3. Approving a Consulting Services Agreement with Dewberry Engineers Inc. for Construction Management and Inspection Services in the amount of \$331,655.80 for the said project, and authorizing the City Manager to execute the same; and
4. Approving Amendment No. 8 to the Consultant Services Agreement with R.E.Y. Engineers, Inc. for additional construction engineering design services in the amount of \$26,527 for the said project, and authorizing the City Manager to execute the same; and
5. Authorizing the issuance of Notice to Proceed #10 to R.E.Y. Engineers, Inc. for the construction engineering phase in the total amount of \$45,927 for the said project; and
6. Authorizing the Engineering Department to release construction contract documents for public bidding.

Purpose: This purpose of this item is to approve the budget appropriations and contracts that will enable the Engineering Department to release construction contract documents for public bidding.

Strategic Plan Strategy: Strategy 4 - Update and Maintain City-Owned Infrastructure.

Background: The Broadway Sidewalks Project (CIP #41606) will improve sidewalk connectivity along Broadway between Mosquito Road and Schnell School Road, creating a safe and continuous path of travel for pedestrians. The improvements include construction of concrete curb, gutter and sidewalk, pavement section repair in select locations, and select storm drain collection and water distribution improvements.

On July 31, 2015, an application was submitted for funding for Preliminary Engineering, Right-of-Way, and Construction from the Federal Highway Safety Improvements Program (HSIP). On November 12, 2015, staff was notified that the application was successful in receiving \$679,500 in HSIP funding towards an overall project cost of \$755,000. In 2018, staff requested additional HSIP funding on the basis that construction costs have increased and the project scope needed to include the reconstruction of a sidewalk retaining wall. On October 8, 2018, staff was notified that the additional HSIP funding was approved with an overall project cost of \$1,066,470, with \$959,810 in HSIP funds. In May 2022, the City applied for and was awarded \$1,000,000 in Urban STBGP funds for the project, with \$200,000 for the Right of Way Phase and \$800,000 for the Construction Phase.

Discussion: R.E.Y. Engineers, Inc. Design Contract: On May 8, 2018, the City Council approved a consulting services agreement with R.E.Y. Engineers, Inc. (R.E.Y.) in an amount not to exceed \$119,844 for environmental review and engineering design services for the Broadway Sidewalks project (CIP #41606). At that same time, the City Council approved Notice to Proceed #1 in the amount of \$59,630 authorizing R.E.Y. Engineers, Inc. to begin with the Phase I work. On January 22, 2019, the City Council approved a scope change amendment to R.E.Y.'s contract that transferred \$29,222 from contract Phase II (Plans, Specifications, and Estimate) to contract Phase I (Project Approval and Environmental Documentation) to complete the Location Hydraulic Study required by Caltrans that needed to be completed prior to environmental approval. Following that, staff received approval from Caltrans Local Assistance on moving \$36,000 in HSIP funds from the Construction phase to the Preliminary Engineering phase to cover the cost of the additional technical studies. On February 26, 2019, the City Council approved Amendment No. 2 in an amount not to exceed \$29,222 with a total amended contract amount of \$149,066. On March 26, 2019, the City Council approved contract Amendment No. 3 and issuance of NTP #5 in the amount of \$32,917 for R.E.Y Engineers, Inc. to complete the hazardous waste study required by Caltrans. On November 12, 2019, the City Council approved contract Amendment No. 4 and issuance of NTP #6 in the amount of \$51,456 to complete final design tasks, design coordination with property owners, and utility design and coordination. At that time, the City Council also approved a \$100,000 budget appropriation from the Measure L fund for the project. On February 11, 2020, the City Council approved a budget appropriation of an additional \$60,300 in HSIP funds. On March 22, 2022, City Council approved contract Amendment No. 6 in the amount of \$167,393 for R.E.Y. Engineers, Inc. to provide additional water system improvements design, assist with the Caltrans coordination for right-of-way certification and utility relocation, and an increase in construction engineering support. On August 23, 2022, the City Council approved contract Amendment No. 7 in the amount of \$109,976 for R.E.Y. Engineers, Inc. to complete the complex right of way engineering process, including appraisals, negotiations, and presenting offers to affected property owners, along with approving the \$200,000 budget appropriation of Urban STBGP funds.

R.E.Y. Engineers, Inc. completed the final construction contract documents on November 30, 2022 to submit with the Request for Authorization of Construction package to Caltrans. Due to the fact that construction costs have increased 26% since 2019 when this project was last programmed, it was determined that the project cost estimate was \$688,258.36 over the amount of funding currently programmed. Federal authorization of construction was held while staff discussed the matter with Caltrans staff to see if additional HSIP funding is available. Concurrently, R.E.Y. Engineers, Inc. reviewed the plans with staff, and proposed some revisions to the plans to reduce project costs.

On February 6, 2022, staff was notified by Caltrans that additional HSIP funding will be available for this project. Staff will be submitting a post-programming cost change request to Caltrans to receive the additional HSIP funds in advance of the construction contract award and will be returning to City Council for appropriation of those funds later. In the meantime, the Request for Authorization moved forward with the original funding, and Staff received federal authorization of the Construction phase from Caltrans on March 9, 2023. Staff is recommending approval of Amendment No. 8 to R.E.Y.'s contract in the amount of \$26,527 to cover the additional construction engineering support costs to revise the construction contract documents to incorporate the cost savings measures and provide support through the construction phase. Amendment No. 8 brings the total contract amount with R.E.Y. Engineers, Inc. to \$561,872.

Staff is also respectfully requesting approval to issue Notice to Proceed #10 for the construction engineering phase. NTP #10 includes all construction engineering tasks included in R.E.Y.'s original scope of work through the proposed Amendment No. 8 in the total combined amount of \$45,927. NTP #10 brings the total authorized work amount to \$561,872.

Construction Management Contract: Staff determined that the project's construction management requirements will exceed the available resources of the Engineering Department. The project will require assistance from a consultant to provide staffing of full-time inspectors, part-time office engineer for project record and document control, and a Resident Engineer. On March 9, 2021, the City Council authorized the Engineering Department to prepare and release a Request for Proposals presenting qualifications for Construction Management Services. Three proposals were received on July 20, 2021 from 4Leaf, Coastland, and Dewberry Engineers Inc. The proposals were reviewed, scored, and ranked by qualifications by a panel consisting of two construction and engineering professionals from different agencies and one City staff member. The panel selected Dewberry Engineers Inc. (Dewberry) as the most qualified consultant. Staff met with the project manager from Dewberry on August 12, 2021 to negotiate their proposed scope and fee. Staff and Dewberry were able to reach an agreement on a revised fee in the amount of \$376,486.07.

Soon after that, the awarding the Construction Management contract was delayed while further Right of Way Engineering work was completed. Upon completion of the Right of Way phase, staff met with Dewberry again in December 2022 and negotiated an updated fee in the amount of \$331,655.80 given the refinement in project scope that occurred since their original 2021 proposal. Staff is recommending the approval of a Consultant Services Agreement with Dewberry for the construction management services.

Currently, the construction cost is based on the Engineer's Estimate provided by R.E.Y. Engineers, Inc. in the amount of \$1,806,131 (including contingency) and will be obligated by the various project funding sources. Actual costs will be identified upon receipt of construction bids. At the time of Council's award of the construction contract, budget appropriation for the additional HSIP construction funds as well as Measure L funds for local match will be sought for the construction contract.

The construction contract award will occur following receipt of the supplemental authorization of the additional federal funds.

A timeline of the remaining project milestones are as follows:

Final bid documents are provided to City.....	March 21, 2023
Award CM Consulting Services Agreement with Dewberry.....	March 28, 2023
Advertise Bid Documents for Construction.....	March 30, 2023
Public Notification (Mt. Democrat and others).....	March 31, 2023
Bid Opening.....	April 27, 2023
Award Construction Contract.....	May 23, 2023
Construction begins.....	June 2023
Construction complete.....	December 2023

Options:

1. Approve Amendment No. 8 and NTP #10 with R.E.Y., the Consulting Services Agreement with Dewberry Engineers Inc., and the budget appropriations, as recommended by staff.
2. Provide other direction to staff on the project.

Environmental: On December 11, 2018, City Council found the project to be exempt from the California Environmental Quality Act (CEQA) pursuant to section 15301 and 15303 of the CEQA guidelines and a Notice of Exemption has been filed.

Cost: The cost of the proposed Amendment No. 8 with R.E.Y. is a not to exceed amount of \$26,527, and the proposed Consulting Services Agreement with Dewberry is in a not to exceed amount of \$331,655.80.

Budget Impact: At its meeting held on May 8, 2018, the City Council appropriated \$80,000 for the Broadway Sidewalks project (CIP #41606). On December 11, 2018, the City Council approved \$55,900 in additional budget appropriations. The City Council approved \$50,840 in additional budget appropriations at its meeting held on February 26, 2019. On March 26, 2019, the City Council approved an additional \$7,460 budget appropriation. The City Council approved an additional \$100,000 budget appropriation at its meeting held on November 12, 2019. On February 11, 2020, the City Council approved an additional \$60,300 budget appropriation. On March 12, 2022, the City Council approved an additional \$200,000 budget appropriation for a total project budget of \$554,500. On August 23, 2022, the City Council approved an additional \$200,000 budget appropriation for a total project budget of \$754,500.

Staff received federal authorization of the construction funds on March 9, 2023. Tonight, staff is respectfully recommending City Council approval of \$1,533,740 in additional budget appropriations for a total proposed project budget of \$2,288,240, as shown below:

Funding Source	Revised Project Revenue Budget	Proposed Project Revenue Budget	Increase/ (Decrease)
HSIP	\$ 226,070	\$ 959,810	\$ 733,740
Gas Tax Fund	18,430	18,430	-
Measure L Fund	310,000	310,000	-
Urban STBGP	200,000	1,000,000	800,000
Total	\$ 754,500	\$ 2,288,240	\$ 1,533,740

To date, the project has encumbered the following costs:

R.E.Y. Engineers, Inc. (Notice to Proceed No. 1)	\$	59,630
R.E.Y. Engineers, Inc. (Notice to Proceed No. 2)		29,222
R.E.Y. Engineers, Inc. (Notice to Proceed No. 3)		45,192
R.E.Y. Engineers, Inc. (Notice to Proceed No. 4)		7,214
R.E.Y. Engineers, Inc. (Notice to Proceed No. 5)		32,917
R.E.Y. Engineers, Inc. (Notice to Proceed No. 6)		51,456
R.E.Y. Engineers, Inc. (Amendment No. 5)		24,537
R.E.Y. Engineers, Inc. (Amendment No. 6)		167,393
R.E.Y. Engineers, Inc. (Amendment No. 7)		109,976
R.E.Y. Engineers, Inc. (Proposed Notice to Proceed No. 10)		45,927
Dewberry Engineers Inc. (Proposed Agreement)		331,656
C.E. Cox Engineering Inc.		1,500
John Driscoll, City Attorney		355
El Dorado County Recorder-Clerk		219
Kronick, Moskovitz, Tiedemann, & Girard, City Attorney		6,059
Mountain Democrat		68
PG&E		62,215
Trustees of the Bota Family Trust		3,600
Trustees of the Valencia Family Trust		6,400
City Staff		100,032
Total	\$	<u>1,085,568</u>

As you can see, the \$1,085,568 in project encumbrances, including the proposed NTP #10 in the amount of \$45,927 (inclusive of the \$26,527 Amendment No. 8 with R.E.Y. Engineers, Inc.) and the proposed \$331,655.80 Consulting Services Agreement with Dewberry Engineers Inc., is within the proposed \$2,288,240 proposed project budget.

Recommendation: Adopt a Resolution:

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2. Approving an \$800,000 budget appropriation in Urban Surface Transportation Block Grant Program (STBGP) funds for the said project; and
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5. Authorizing the issuance of Notice to Proceed #10 to R.E.Y. Engineers, Inc. for the construction engineering phase in the total amount of \$45,927 for the said project; and
6. Authorizing the Engineering Department to release construction contract documents for public bidding.



M. Cleve Morris, City Manager



Rebecca Neves, City Engineer

Attachments:

Attachment A: Resolution

Attachment B: Project Exhibit