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**City Manager's Report**  
**December 12, 2023, City Council Meeting**  
**Prepared by: Cory Schiestel, Senior Civil Engineer**  
**Item #: 12.3**

**Subject:** Consider approving a Consulting Services Agreement and Notice to Proceed with Dokken Engineering for environmental and engineering design services for the Canal Street Phase 1 – Combellack Road to Cougar Lane project (CIP #42402) and the Phase 2 - Cougar Lane to US Highway 50 project (CIP #42404).

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**Recommendation:** Adopt a Resolution:

1. Approving a Consulting Services Agreement with Dokken Engineering for environmental and engineering design services for the Canal Street Phase 1 – Combellack Road to Cougar Lane (CIP #42402) in the amount of \$1,999,203.47 and the Canal Street Phase 2 – Cougar Lane to US Highway 50 (CIP #42404) in the amount of \$1,231,966.76, for a total combined amount of \$3,231,170.23, and authorizing the City Manager to execute the same; and
2. Authorizing the Interim City Engineer to issue and execute the Notice to Proceed #1 (NTP #1) to Dokken in the total combined amount of \$858,131.32, with \$507,904.69 for the Canal Street Phase 1 – Combellack Road to Cougar Lane project (CIP #42402) and \$350,226.63 for the Canal Street Phase 2-Cougar Lane to US Highway 50 project (CIP #42404).

**Purpose:** The purpose of this item is to approve a consulting services agreement with Dokken and authorize staff to issue NTP #1 that will enable initiation of the project and begin the preliminary engineering and environmental documentation phase.

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

**Background:** Canal Street was originally identified as a priority, locally funded Capital Improvement Project (CIP) in the City's 2017-2018 CIP Budget as a pavement reconstruction project that would also include the investigation and repair/replacement of underground utilities. As the City began to evaluate the needs of the corridor, it became evident that Canal Street is lacking adequate bicycle and pedestrian facilities to support nearby access and amenities to Markham Middle School and El Dorado High School. Currently, Canal Street has substandard sidewalk which is only on one side of the street, and no bicycle facilities.

During the project needs assessment, a large gap in the sidewalk network was also identified on Combellack Road, which is a critical piece in connecting the northern residential areas to both schools on Canal Street.

In the summer of 2022, the City applied for and successfully received funding in response to a Call for Projects from the El Dorado County Transportation Commission. During the application process, the City split Canal Street into two separate projects due to their unique needs. The northern portion of Canal Street was identified as Phase 1 – from Combellack Road to Cougar Lane. Phase 1 also includes the segment of sidewalk on Combellack Road from Canal Street to David Circle. The southern portion of Canal Street was identified as Phase 2 – from Cougar Lane to US Highway 50.

The City was awarded \$1,327,950 in CMAQ funds for Phase 1 (with a required 11.47% local match). The City was also awarded \$750,000 in Urban STBGP funds for Phase 2 (with a required 20% local match). The awarded funds are only for the preliminary engineering, final design, and right of way phases.

The City also submitted a separate application to fund the construction of Phase 1A, the Combellack Road Sidewalk Project. The City was successful in securing \$783,490 in Urban STBGP funds (with a required 11.47% local match) for construction of Phase 1A. These funds will not be authorized until after bid documents have been completed.

The construction of Canal Street Phase 1 and Phase 2 is not currently funded, but staff will be working to identify all potential sources of construction funding as the project develops.

Utilizing local funding for the federal match requirements and any ineligible work, Canal Street and Combellack Road will also undergo utility condition assessments within the project limits to determine all necessary utility relocations, repairs, rehabilitations, and/or replacements. These investigative and design efforts would run concurrently so that the City can deliver one comprehensive project addressing all the infrastructure needs. It is anticipated that the project will include full pavement, potential subgrade reconstruction of the roadway, roadway thermoplastic striping, driveway conform paving, water system improvements, storm drain improvements, and sewer collection improvements in addition to the sidewalk and bicycle facilities.

In January 2023, FHWA issued the authorization to proceed with the Preliminary Engineering phase for Canal Street Phase 1 and Phase 2.

**Discussion:** Staff released a Request for Proposals (RFP) for Engineering Design and Environmental Services on July 27, 2023, and the proposals were due on August 31, 2023. Four (4) proposals were received. A panel of three reviewed and evaluated the proposals and scored them based on the evaluation criteria described within the RFP. Interviews were held on September 27, 2023 for all four proposers. Again, the interviews were ranked and scored based on the evaluation criteria established in the RFP. Unanimously, Dokken's proposal and interview scored the highest among the panel demonstrating exceptional knowledge and understanding of the project.

Dokken's proposal includes a detailed scope, schedule, and fees in the amount of \$1,999,203.47 for Phase 1 and \$1,231,966.76 for Phase 2. These fees are totals for all tasks through construction including final design, bid assistance, and construction engineering support.

Staff is recommending approval of the Consulting Services Agreement with Dokken for the negotiated scope and fee in the total combined amount of \$3,231,170.23.

Along with the Agreement, staff is recommending issuance of Notice to Proceed (NTP) #1 to Dokken in the combined amount of \$858,131.32 to kick-off the project and begin the PA/ED

phase. NTP #1 includes \$507,904.69 for Phase 1 and \$350,226.63 for Phase 2. Additional NTPs will be issued in the future as key milestones are completed and additional funding becomes available.

The tentative project schedule is as follows:

1. Award Consulting Services Agreement – December 12, 2023
2. Project Kick-off – Phase 1 and Phase 2 – January 1, 2024
3. Completion of Bid Documents for Phase 1A (Combella Sidewalk Project) – December 2024
4. Request for Authorization to Proceed with Construction for Phase 1A (Combella Sidewalk Project) – January 2025
5. Completion of Bid Documents for Canal Street Phases 1 and 2 – July 2027
6. Request for Authorization to Proceed with Construction for Canal Street Phases 1&2 – October 2027

**Options:**

1. Approve the Consulting Services Agreement and NTP with Dokken, as recommended by staff.
2. Direct staff to negotiate other terms with Dokken.

**Environmental:** Environmental review and documentation will be included within the scope of NTP #1 with Dokken.

**Cost:** The cost for work being approved at this time is a not-to-exceed amount of \$858,131.32 for NTP #1 with Dokken Engineering.

**Budget Impact:**

**Canal Street Phase 1 – Combella Road to Cougar Lane (CIP #42402)**

The City Council adopted the Fiscal Year 2023/2024 Capital Improvement Program Budget, which appropriated \$974,088 for the Canal Street Phase 1 – Combella Road to Cougar Lane project (CIP #42402). To date, the project has encumbered the following costs:

|   |                          |
|---|--------------------------|
| Dokken Engineering (Proposed NTP No. 1) | \$507,905                |
| El Dorado County Recorder/Clerk         | 51                       |
| Engineering Staff                       | 9,450                    |
| <b>Total</b>                            | <b><u>\$ 517,406</u></b> |

As you can see, the \$517,406 in total encumbrances, including the proposed \$507,904.69 NTP No. 1 with Dokken, is well within the \$974,088 project budget.

**Canal Street Phase 2 – Cougar Lane to US Highway 50 (CIP #42404)**

The City Council adopted the Fiscal Year 2023/2024 Capital Improvement Program Budget, which appropriated \$450,000 for the Canal Street Phase 2 – Cougar Lane to US Highway 50 project (CIP #42404). To date, the project has encumbered the following costs:

|   |                          |
|---|--------------------------|
| Dokken Engineering (Proposed NTP No. 1) | \$ 350,227               |
| El Dorado County Recorder/Clerk         | 51                       |
| Engineering Staff                       | 4,725                    |
| <b>Total</b>                            | <b><u>\$ 355,003</u></b> |

As you can see, the \$355,003 in total encumbrances, including the proposed \$350,226.63 NTP No. 1 with Dokken, is within the \$450,000 project budget.



M. Cleve Morris, City Manager



Melissa McConnell, Interim City Engineer

Attachments:

Attachment A: Resolution

Attachment B: Project Exhibits