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City Manager's Report
August 13, 2024, City Council Meeting
Prepared by: Cory Schiestel, Senior Civil Engineer
Item #: 12.1

Subject: Consider approving a resolution directing staff to proceed with de-programming and liquidating funding, terminating the Cedar Ravine Road Multimodal Study Project (CIP #42422), and terminating the current Consulting Services Agreement with CivicWell.

Recommendation: Adopt a Resolution

1. Directing staff to proceed with de-programming funds through the State Sustainable Communities Grant for the Cedar Ravine Road Multimodal Study Project (CIP #42422); and
2. Approving a \$158,616 budget liquidation of State Sustainable Communities Grant revenues for the said project; and
3. Approving a \$20,551 budget liquidation of Road Maintenance and Rehabilitation Account revenues for the said project; and
4. Terminating the Consulting Services Agreement with CivicWell; and
5. Terminating the said project.

Purpose: The purpose of this item is to provide staff direction on their recommendation to take the necessary steps to terminate the project.

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

Background: In 2022, the City applied for and was awarded State Sustainable Communities Competitive Grant funding for the Cedar Ravine Road Multimodal Study. The planning-level study would analyze and make recommendations for improved multimodal access and connectivity in the Cedar Ravine Road corridor from Main Street to Lions Park. The study was to develop conceptual plans and cost estimates that the City could utilize to implement improvements in the future.

On October 20, 2022, the City and Caltrans entered into a Restricted Grant Agreement (RGA) establishing the terms of the project funding.

On December 12, 2023, CivicWell entered into a Consulting Services Agreement with the City. While not performing the actual study themselves, CivicWell was to assist City staff with project management and coordination of the Request for Proposals (RFP) process for consultant selection. The agreement with CivicWell also included public outreach assistance including, assembling a Project Advisory Group, organizing community events, developing publicity materials with local input, and documenting public input for inclusion in the resulting plan document. On March 13, 2024, with the

assistance of CivicWell, the City released the RFP for Consulting Services to perform the multimodal study. The proposal was distributed to more than 50 consulting engineering firms.

Unfortunately, the City received zero proposals by the due date on April 10, 2024.

Discussion: On May 23, 2024, City staff met with Caltrans staff, and it was concluded that the lack of consultant interest was the result of insufficient funding to achieve the project goals required by the RFP. Caltrans indicated that no additional state funding was available for the project and that the scope of work described in the RFP is consistent with the scope of work discussed in the RGA. No modifications to the scope of work (i.e., down-scoping the project) would be possible without degrading the purpose and intent of the project. Caltrans confirmed that the project may be infeasible to implement within the funding available. One option would be to cancel the project and the remaining funds returned to the State.

Subsequent to the meeting with Caltrans on May 29, 2024, CivicWell indicated that the future of their non-profit organization is also questionable and that they may soon be dissolving. They informed City staff that they may not be able to fulfill the commitment of their Consulting Services Agreement. After discussions, CivicWell agreed that terminating their agreement with the City was the best decision. On July 3, 2024, CivicWell accepted \$4,459 as payment in full for their services completed to date on the project (Attachment B).

For these reasons staff is recommending termination of the agreement with CivicWell, de-programming of the remaining State Sustainable Communities Competitive Grant funds, and cancelling the CIP project. However in the future, staff will continue to look for other funding opportunities for multimodal and safety improvements in the Cedar Ravine Road corridor.

Options:

1. Direct staff to proceed with de-programming State Sustainable Communities Competitive Grant funding, terminating the project, and terminating the consulting services agreement with CivicWell as recommending by staff.
2. Provide other directions to staff.

Environmental: Not applicable for this phase of the project.

Cost: None

Budget Impact: At its meeting held on November 14, 2023, the City Council approved a budget appropriation in the amount of \$167,634 in State Sustainable Communities Grant funds and another budget appropriation in the amount of \$21,719 from Road Maintenance and Rehabilitation Account for a total project budget of \$189,353. Fortunately, de-programming the funds through Caltrans and cancelling the project would not require the City to pay back any funds spent to date, which totals \$10,186.88. Because the project is being deprogrammed, Staff recommends the City Council approve a \$158,616 budget liquidation in State Sustainable Communities Grant revenues and a \$20,551 budget liquidation in Road Maintenance and Rehabilitation Account revenues.



M. Cleve Morris, City Manager



Melissa McConnell, City Engineer

Attachments:

Attachment A: Resolution

Attachment B: CivicWell Letter Accepting Termination of the Agreement (June 20, 2024)