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City Manager's Report
August 27, 2024, City Council Meeting
Prepared by: Melissa McConnell, City Engineer
Item #: 12.2

Subject: Consider approving Amendment No. 1 to the Agreement for Engineering Services a reduced amount of \$214,510 and Notice to Proceed No. 2 with R.E.Y. Engineers, Inc. in the amount of \$142,405, and budget appropriations totaling \$2,000,000 for the Smith Flat Road Storm Drain and Paving project (CIP #42213).

Recommendation: Adopt a resolution:

1. Approving an Amendment No. 1 to the Agreement for Engineering Services with R.E.Y. Engineers, Inc. for a reduced amount of \$214,510 for the Smith Flat Road Storm Drain and Paving Project (CIP #42213), and authorizing the City Manager to execute the same; and
2. Authorizing the City Engineer to issue Notice to Proceed No. 2 in the amount of \$142,405 to R.E.Y. Engineers, Inc for the said project; and
3. Approving a \$1,700,000 budget appropriation from the Measure L Fund for the said project; and
4. Approving a \$200,000 budget appropriation from the Measure H Fund for the said project; and
5. Approving a \$100,000 budget appropriation in Fiscal Year 2023/2024 Surface Transportation Block Grant Program exchange funds for the said project; and
6. Finding that the project is exempt from CEQA pursuant to CEQA Guidelines Section 15301.

Purpose: The purpose of this item is to approve and authorize the steps needed to move the project into the final design phase.

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

Background: The City's Pavement Management Program cites a Pavement Condition Index (PCI) of 8 for Smith Flat Road, citing it as failed and in need of replacement. In addition, Smith Flat Road experiences isolated areas of flooding during rain events due to failed and/or undersized storm drain culverts. Staff has identified storm drain repairs to be included in the project, and additional repairs or replacements will be identified through the project design process. Smith Flat Road has a City sewer line within the roadway, and El Dorado Irrigation District (EID) waterline in the vicinity of the project, but not entirely within Smith Flat Road. Evaluation of the sewer main is included in the scope of the project and repairs will be identified through the design process. EID staff has not identified any necessary waterline repairs or replacements that need to be included in the project

Discussion: On August 8, 2023, the City Council approved an Agreement for Engineering Services in the amount of \$809,088 with R.E.Y. Engineers, Inc. (REY) for the Smith Flat Road Storm Drain and Paving Project (CIP #42213). Their scope of work includes all necessary tasks to take the project from preliminary engineering through final design to construction engineering support. Notice to Proceed No. 1 was issued in the amount of \$413,185 for REY to complete the preliminary engineering and environmental phase of the project.

Through the preliminary engineering phase, REY completed a thorough condition assessment of the City's storm drain culverts and the sewer main within the project limits. The condition assessment evaluated options for repairs including lining the storm drain pipes and full replacement. REY also prepared a Drainage Study to evaluate the capacity of the storm drainage system on Smith Flat Road and made recommendations for improvements. The preliminary design process also included a Geotechnical Report which evaluated options for pavement rehabilitation, including full removal and replacement, partial depth recycling, and full depth reclamation. The outcome of these efforts was a refined set of 30% design plans recommending full removal and replacement of the pavement, storm drainage improvements, and spot repairs on the sewer main.

Further evaluation of REY's scope of work revealed that some of the services would no longer be necessary. Their original scope of work included structural engineering services for the structural design of a culvert carrying Hangtown Creek under Smith Flat Road. However, through the condition assessment, it was determined that replacement of the culvert is not necessary. Other services, such as utility verification and coordination, will be performed in-house by Engineering Department staff, rather than having REY perform the work.

Staff is recommending approval of Amendment No. 1 to the Agreement with REY which would down-scope their services in the amount of \$214,510, resulting in a revised contract amount of \$594,578. Staff is also recommending issuance of Notice to Proceed No. 2 in the amount of \$142,405, which would authorize remaining tasks in their scope of work with the exception of the construction engineering support task.

Options:

1. Approve the Amendment No. 1 to the Agreement with R.E.Y. Engineers, Inc., issuance of NTP No. 2, and the budget appropriation, as recommended by staff.
2. Provide other direction to staff.

Environmental: The project was determined to be Categorical Exempt according to CEQA Guidelines Section 15301 because the project involves the rehabilitation and replacement of existing facilities. A Notice of Exemption was filed with the El Dorado County Recorder's Office on November 3, 2021.

Cost: The reduced cost of the proposed Amendment No. 1 with R.E.Y. Engineers, Inc. is \$214,510. The additional cost of the Notice to Proceed No. 2 with R.E.Y. Engineers, Inc. is \$142,405.

Budget Impact: The City Council adopted the Fiscal Year 2021/2022 Capital Improvement Program Budget which appropriated \$200,000 for the Smith Flat Road Storm Drain and Paving project (CIP #42213). On August 8, 2023, the City Council approved a \$400,000 budget appropriation for a total project budget of \$600,000.

At its meeting held on June 3, 2024, the Measures H/L Sales Tax Committee recommended a \$200,000 budget appropriation from the Measure H Fund and a \$1,700,000 budget appropriation from the Measure L Fund for the Smith Flat Road Storm Drain and Paving project (CIP #42213). Staff respectfully requests the City Council approve the Committee’s recommendation and an additional \$100,000 budget appropriation in Fiscal Year 2023/2024 Surface Transportation Block Grant Program exchange funds, for a total project budget of \$2,600,000.

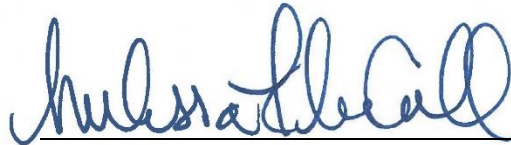
To date, the project has encumbered the following costs:

UNICO Engineering, Inc.	\$ 25,789
R.E.Y. Engineers, Inc. (Notice to Proceed No. 1)	413,185
R.E.Y. Engineers, Inc. (Proposed Notice to Proceed No. 2)	142,405
El Dorado County Recorder Clerk	50
City Personnel	15,549
Total	<u><u>\$ 596,978</u></u>

As you can see, the \$596,978 in project encumbrances, including the proposed \$142,405 NTP #2 with R.E.Y. Engineers, Inc., is within the proposed \$2,600,000 project budget.



M. Cleve Morris, City Manager
 Attachments:



Melissa McConnell, City Engineer

- Attachment A: Resolution
- Attachment B: Project Exhibit