

Capitola City Council

Agenda Report



Meeting: February 24, 2022
From: Public Works Department
Subject: Consider a Street Resurfacing Project Agreement with the County of Santa Cruz

Recommended Action: Approve a Reimbursement Agreement in the amount of \$426,699 with the County of Santa Cruz for inclusion of City of Capitola streets in the County's 2022 Pavement Management Project.

Background: In June 2021 Capitola City Council approved a list of City streets for pavement resurfacing. Staff divided the scope of work into two phases; the first phase includes removing and replacing structurally deficient sections of roadway with a new four-inch section of asphalt. A contract for this work was awarded in December 2021 and the project is currently under construction.

The second project phase includes roadway resurfacing work. As previously reported, Public Works has been coordinating with the County of Santa Cruz to include this second phase of work with the County's much larger street improvement project, to reduce the project's total costs to the City. The County received bids for their Measure D Pavement Management Project (including City of Capitola roads) on February 3, 2022. The low bid came in 12% under the Engineer's Estimate and the City's portion of the work was 10% under the estimate, which makes the total construction cost of the project \$2,928,522.50 and Capitola's share \$396,944. The County has included in the agreement an 8% overhead fee for managing the project, bringing the City's total cost to \$428,699.

Discussion: The majority of the project cost is \$235,850 for a rubberized cape seal. Staff estimates this cost alone would have been \$30,000 higher had the City bid the project separately. Overall, the City savings achieved by partnering with the County are estimated between \$75,000 to \$100,000, even including the 8% overhead charged by the County.

This project will resurface all or portions of the following roads in the City of Capitola:

- 42nd Avenue
- Diamond Street
- Ruby Court
- Fanmar Way
- Bay Avenue
- Capitola Road
- 30th Avenue

The County's current schedule is to award at contract in mid-April, with construction starting in May or June. Appropriate noticing will be provided to impacted properties in advance of construction.

Fiscal Impact: The previous budget for this 2022 road resurfacing work was \$385,00. An additional \$301,666 of funding is available in the Pavement Management CIP budget. Allocating at additional \$41,699 to this year's road resurfacing work will reduce the balance in the pavement Management CIP project budget to \$259,987. The table below summarizes Pavement Management project funding.

*Pavement Management
Project Available Funding*
Total \$1,392,066

Planned Expenses
2021 Road Repair Project \$ 135,380
2022 Road Resurfacing \$ 426,699
Clares Street Project \$ 570,000
Total \$1,132,079

*Pavement Management
Project Fund Balance* \$ 259,987

Staff anticipates some or most of this remaining fund balance will be needed for the Clares Street project. The plans and specifications for this project are 95% complete and it is anticipated to go to bid this Spring.

Attachments:

1. Reimbursement Agreement Between City of Capitola and County of Santa Cruz

Report Prepared By: Steven Jesberg, Public Works Director

Reviewed By: Chloé Woodmansee, City Clerk; Samantha Zutler, City Attorney

Approved By: Jamie Goldstein, City Manager