



Folsom City Council Staff Report

MEETING DATE:	5/12/2026
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 11595 - A Resolution Authorizing the City Manager to Execute a Design and Engineering Consultant Services Agreement with R.E.Y. Engineers Inc. in the Amount of \$346,986 for the Folsom-Placerville Rail Trail Project, Project No. PK1604, from State Active Transportation Program Grant Funds in the Amount of \$200,000 and Transportation Demand Act (Fund 248) in the Amount of \$146,986, and Appropriation of Funds in the Amount of \$176,986 from Fund 248
FROM:	Parks and Recreation Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends the City Council approve Resolution No. 11595 - A Resolution Authorizing the City Manager to Execute a Design and Engineering Consultant Services Agreement with R.E.Y. Engineers Inc. in the Amount of \$346,986 for the Folsom-Placerville Rail Trail Project, Project No. PK1604, from State Active Transportation Program Grant Funds in the Amount of \$200,000 and Transportation Demand Act (Fund 248) in the Amount of \$146,986, and Appropriation of Funds in the Amount of \$176,986 from Fund 248.

BACKGROUND / ISSUE

The proposed project would provide Class I Trail improvements for bicycles and pedestrians for approximately 1.25 miles, from Humbug-Willow Creek Trail, which is between Creekside Drive and Oak Avenue Parkway on the west, to Iron Point Road on the east. Most of the proposed project would parallel East Bidwell Street along the Southern Pacific Placerville Branch right-of-way and would be within the existing Sacramento-Placerville Transportation Corridor (SPTC) Joint Powers Authority (JPA).

In June 2015, Parks & Recreation Department staff prepared and submitted a grant application to the Regional Active Transportation Funding Program in the amount of \$1,048,036 with a local match of \$136,000 to provide funding for the design and construction of the Folsom Placerville

Rail Trail. On December 3, 2015, the Sacramento Area Council of Governments (SACOG) Board approved the full amount of the City's requested grant funding through the Congestion Mitigation and Air Quality (CMAQ) grant. At the March 8, 2016, City Council meeting, the Folsom City Council approved the grant award acceptance for the Folsom-Placerville Rail Trail Project.

In March 2017, the City Council awarded a consultant contract to Kimley-Horn & Associates, Inc. to prepare the environmental analysis (NEPA/CEQA) and design/engineering plans (up to 30% complete) for the Folsom-Placerville Rail Trail project. The total contract amount invoiced by Kimley-Horn and Associates for 30% design and environmental clearance was \$383,282.74.

As preliminary design and environmental clearance efforts progressed, staff continued seeking additional funding to fully fund both the final design and construction phases. In March 2023, SACOG awarded the City an additional \$1,700,000 of ATP funding for final design and construction. The required local match for this grant is \$300,000, or 15% of the total grant funding award.

The total grant funding received for the project to date is as follows:

Source	Design	Construction	Total
CMAQ	\$88,530	\$959,506	\$1,048,036
Local Match	\$11,470	\$124,530	\$136,000
State ATP	\$200,000	\$1,500,000	\$1,700,000
Local Match	\$35,000	\$265,000	\$300,000
Total	\$335,000	\$2,849,036	\$3,184,036

Since the grant awards, the project has progressed through the required environmental clearance and preliminary design phase in coordination with Caltrans Local Assistance and the Sacramento Area Council of Governments (SACOG). The Program Supplement Agreement (PSA) with Caltrans for the Project Approval and Environmental Document (PA&ED) phase of the project was adopted by the City Council in 2017. The PA&ED phase was completed in January 2026, with Caltrans accepting the National Environmental Policy Act (NEPA) Categorical Exclusion at the January California Transportation Commission (CTC) meeting. The Program Supplement Agreement (PSA) with Caltrans for the Plans, Specifications, and Estimates (PSE) phase of the project was adopted by the City Council on April 14, 2026.

POLICY / RULE

In accordance with Chapter 2.36 of the Folsom Municipal Code, supplies, equipment, services, and construction agreements with a value of \$77,426 or greater shall be competitively bid and awarded by the City Council.

In accordance with California Government Code Section 4526, the selection by a state or local agency of professional services from private architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firms shall be based on

demonstrated competence and the professional qualifications necessary for the satisfactory performance of the required services.

ANALYSIS

On March 24, 2026, staff received two proposals in response to the RFP issued on February 24, 2026. A review panel consisting of city staff from the Public Works and Parks & Recreation departments separately evaluated and scored the proposals based on criteria including relevant experience, qualifications of the proposed team, understanding of the project scope, and approach to the work. The methods of analysis are consistent with the requirements of Chapter 10 of the Caltrans Local Assistance Project Manual for consultant selection and comply with a qualification-based selection process as required by California Government Code Section 4526. The results of the independent scoring are summarized below:

<u>Firm Name</u>	<u>Total Average Score</u>
R.E.Y. Engineers Inc.	85.6
Kimley-Horn and Associates	69.3

Following the proposal reviews, R.E.Y. Engineers Inc. was unanimously selected as the highest-ranked firm from the selection panel. Their proposal demonstrated a superior understanding of the project constraints and remaining design challenges, and their proposed design team included more substantial depth. Though Kimley Horn provided the preliminary 30% engineering design, given the time that has passed, there was no apparent continuity from the original design team to the proposed staffing plan, so the potential efficiency of continuity did not appear relevant. As a result, the staff recommends awarding the contract to R.E.Y. Engineers, Inc.

In accordance with California Public Contract Code § 4526, which mandates a qualifications-based selection process for professional services such as engineering and construction management, the City is prohibited from opening or considering sealed cost proposals during the evaluation phase, except for the firm ranked highest based on qualifications. Only after R.E.Y. Engineers Inc. was identified as the top-ranked proposer was cost considered during contract negotiations.

The contract with R.E.Y. Engineers, Inc., would be authorized in the amount of \$346,986. The current project budget is summarized as follows:

<u>Design Costs</u>	<u>Costs</u>
PA/ED Phase – Kimley Horn and Associates	\$383,282.74
Final Design Phase – R.E.Y. Engineers Inc.	\$346,986.00
<u>Staff Time (Design)</u>	<u>\$ 30,000.00</u>
Design Total:	\$760,268.74

<u>Construction Costs (Estimated)</u>	<u>Costs</u>
Construction contract	\$2,235,000
Contingency (15%)	\$ 335,000
Construction Management and Construction Engineering (15%)	\$ 335,000

Staff Time (Construction)	\$ 50,000
Construction Total:	\$2,955,000

Staff is estimating construction costs, and this will come back to the City Council for approval at a later date once design services are complete.

Staff will use the City's standard agreement in a form acceptable to the City Attorney.

FINANCIAL IMPACT

If approved, the contract with R.E.Y. Engineers, Inc. would be for an amount not to exceed \$346,986. The Folsom-Placerville Rail Trail Project (PK1604) is included in the FY2025-26 Capital Improvement Plan with a total project budget of \$3,305,438; however, an appropriation is required to fund the final design contract and staff time associated with the project in excess of the \$200,000 grant amount. Staff requests an appropriation of \$176,986 (\$146,986 for the agreement and \$30,000 for staff time) from the Transportation Demand Act (Fund 248) for an updated total project budget of \$3,482,424. Sufficient funds are available in the Transportation Demand Act Fund (Fund 248) to support the proposed appropriation.

ENVIRONMENTAL REVIEW

Part of this project's previous scope of services with the Kimley-Horn contract included performing both a California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) environmental review, which would provide environmental clearance for the project's final design and construction. The project's CEQA Initial Study/Mitigated Negative Declaration was approved by the City Council on February 13, 2024. Caltrans approved the project's NEPA Categorical Exclusion on December 4, 2025.

ATTACHMENT

1. Resolution No. 11595 - A Resolution Authorizing the City Manager to Execute a Design and Engineering Consultant Services Agreement with R.E.Y. Engineers Inc. in the Amount of \$346,986 for the Folsom-Placerville Rail Trail Project, Project No. PK1604, from State Active Transportation Program Grant Funds in the Amount of \$200,000 and Transportation Demand Act (Fund 248) in the Amount of \$146,986, and Appropriation of Funds in the Amount of \$176,986 from Fund 248

Submitted,

Kelly Gonzalez, Parks & Recreation Director

Attachment 1

RESOLUTION NO. 11595

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A DESIGN AND ENGINEERING CONSULTANT SERVICES AGREEMENT WITH R.E.Y. ENGINEERS INC. IN THE AMOUNT OF \$346,986 FOR THE FOLSOM-PLACERVILLE RAIL TRAIL PROJECT, PROJECT NO. PK1604, FROM STATE ACTIVE TRANSPORTATION PROGRAM GRANT FUNDS IN THE AMOUNT OF \$200,000 AND TRANSPORTATION DEMAND ACT (FUND 248) IN THE AMOUNT OF \$146,986, AND APPROPRIATION OF FUNDS IN THE AMOUNT OF \$176,986 FROM FUND 248

WHEREAS, the City desires to design a separated pedestrian and bicycle trail parallel to East Bidwell Street within the existing Sacramento-Placerville Transportation Corridor (SPTC) Joint Powers Authority (JPA); and

WHEREAS, on February 24, 2026, Parks and Recreation staff prepared and released a Request for Proposal (RFP) for engineering and design services for the Folsom-Placerville Rail Trail Project; and

WHEREAS, on March 24, 2026, staff received two qualified proposals; and

WHEREAS, on April 14th, 2026, City Council adopted Resolution No. 11588 authorizing the City Manager to execute a Program Supplement Agreement (PSA) with Caltrans for the Folsom-Placerville Rail Trail Project Plans, Specifications, and Estimates (PS&E) phase grant funds; and

WHEREAS, following evaluation and ranking of the proposals, R.E.Y. Engineers, Inc. was selected based on their project understanding, qualifications, approach to the scope of work, and extensive experience with similar projects in the past; and

WHEREAS, staff reviewed and negotiated the scope of work and fee proposal with R.E.Y. Engineers, Inc., and both sides have agreed to complete the work for a not-to-exceed amount of \$346,986; and

WHEREAS, staff costs for management and delivery of the project are estimated to be \$30,000; and

WHEREAS, an appropriation of \$176,986 from the Transportation Demand Act Fund (Fund 248) to the Folsom-Placerville Rail Trail Project, Project No. PK1604, will be required to cover the cost of the contract and staff time; and

WHEREAS, the Design and Consulting Services Agreement will be in a form acceptable to the City Attorney.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom hereby authorizes the City Manager to execute a design and engineering consultant services

agreement with R.E.Y. Engineers, Inc. in the amount of \$346,986 for the Folsom-Placerville Rail Trail Project, Project No. PK1604: and

BE IT FURTHER RESOLVED, the Finance Director is authorized to appropriate \$176,986 in the Transportation Demand Act Fund (Fund 248) to the Folsom-Placerville Rail Trail Project, Project No. PK1604.

PASSED AND ADOPTED this 12th day of May 2026, by the following roll-call vote:

AYES: Councilmember(s):

NOES: Councilmember(s):

ABSENT: Councilmember(s):

ABSTAIN: Councilmember(s):

Justin Rathel, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

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FOLSOM
DISTINCTIVE BY NATURE