



Folsom City Council Staff Report

MEETING DATE:	2/14/2023
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10989 - A Resolution to Reject all Bids for the Community Development Department Building Permit Center
FROM:	Community Development Department

RECOMMENDATION / CITY COUNCIL ACTION

The Community Development Department recommend that the City Council pass and adopt Resolution No. 10989 - A Resolution to Reject all Bids for the Community Development Department Building Permit Center.

BACKGROUND / ISSUE

The Community Development Permit Center has not been updated in over 25 Years. In an effort to modernize and streamline our planning and permit processes, the Community Development Department applied for and received a grant of \$310,000 in 2019 to design and construct an updated Permit Center. The updated Permit Center will add enhanced customer counter stations for planning, engineering, and building services open directly to the lobby. It will create a small break-out conference room adjacent to the public counter for unscheduled customer meetings and project discussions. The grant also covered one-time costs to improve technology for electronic permitting and customer access to information and records.

Planned Permit Counter improvements were put on pause during the pandemic, but some of the grant funds were utilized to support and enhance electronic permitting and plan check. The original design was modified to reflect changes to our permit and plan check systems, customer behaviors, and desire for safety glass to improve security and airborne viruses. Construction drawings were prepared in 2022 and the project was put out to bid in November. Unfortunately, the bids came in over project budget and the project is being modified to reduce project costs in keeping with available funding.

POLICY / RULE

Section 2.36.180, Award of Contracts of the Folsom Municipal Code states, in part, that the City Council may reject any or all bids or proposals when it is for good cause and in the best interests of the City.

ANALYSIS

Public Works staff prepared the bid package and advertised the project through CIPlist.com on October 26, 2022. Bids were received on November 18, 2022. The three bids received are as follows:

- J Vila Builders, LLC \$376,361
- S W Allen Construction, Inc \$431,980
- Swierstock Enterprise, Inc. dba Pro Builders \$448,000

The Engineer’s Estimate for this project was \$225,000. The Public Works Department staff has found the bids to be in order. Due to funding shortfall, staff recommends that all bids be rejected.

FINANCIAL IMPACT

The contract with J Vila Builders, LLC would be for \$376,361 with a ten percent contingency (\$37,636) added to the budget for potential change orders for a total budget of \$413,997. All three bids exceed the current project budget and should be rejected so that the scope of the project can be modified and rebid.

Moving forward, there are two qualifying grant awards to fund the Permit Center construction: the Planning Grants Program and the Local Early Action Planning Grant. The Permit Center project scope will be modified to reduce costs with a maximum construction budget of \$300,000. Staff expects to rebid the Permit Center project in this first quarter, award and execute a contract, and complete construction in 2023.

ENVIRONMENTAL REVIEW

This project has been deemed categorically exempt from environmental review.

ATTACHMENT

Resolution No. 10989 - A Resolution to Reject all Bids for the Community Development Department Building Permit Center Submitted,

A handwritten signature in blue ink, appearing to read 'Pam Johns', with a long horizontal line extending to the right.

Pam Johns, COMMUNITY DEVELOPMENT DIRECTOR

RESOLUTION NO. 10989

**A RESOLUTION TO REJECT ALL BIDS FOR THE
COMMUNITY DEVELOPMENT DEPARTMENT BUILDING PERMIT CENTER**

WHEREAS, the Community Development Department wishes to update their Permit Center; and

WHEREAS, Public Works staff prepared the bid package, publicly advertised, and received bids on November 18, 2022, with J Villa Builders, LLC. being the lowest responsive and responsible bidder at \$376,361; and

WHEREAS, the Engineer's Estimate is \$225,000; and

WHEREAS, grant funds in the amount of \$300,000 are awarded and budgeted for the project for Fiscal Years 2022-23 and 2023-24; and

WHEREAS, the project will be rescoped to fit the available budget after rejection of all bids and readvertised:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom rejects all bids for the Community Development Permit Center.

PASSED AND ADOPTED this 14th day of February, 2023, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

Rosario Rodriguez, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK