



## Folsom City Council Staff Report

<b>MEETING DATE:</b>	8/26/2025
<b>AGENDA SECTION:</b>	Consent Calendar
<b>SUBJECT:</b>	Resolution No. 11451 - A Resolution Accepting a Grant of \$42,000 from the Community Development Block Grant (CDBG) Program for the Glenn Drive and School Street Intersection Improvements Project, Project No. 2409, and Authorizing the City Manager to Execute Construction Change Order No.1 with B&M Civil LLC in the amount of \$38,082 and Appropriation of Funds in the CDBG Fund (Fund 201)
<b>FROM:</b>	Public Works Department

### **RECOMMENDATION / CITY COUNCIL ACTION**

The Public Works Department recommends that the City Council pass and adopt Resolution No. 11451 - A Resolution Accepting a Grant of \$42,000 from the Community Development Block Grant (CDBG) Program for the Glenn Drive and School Street Intersection Improvements Project, Project No. 2409, and Authorizing the City Manager to Execute Construction Change Order No. 1 with B&M Civil LLC in the amount of \$38,082 and Appropriation of Funds in the CDBG Fund (Fund 201).

### **BACKGROUND / ISSUE**

On June 13, 2023, the City Council approved Resolution No. 11045, authorizing the City Manager to execute an agreement with the Sacramento Housing and Redevelopment Agency (SHRA) for continued participation in the Community Development Block Grant (CDBG) Program and related activities from January 1, 2024, to December 31, 2026. This agreement authorizes SHRA, on behalf of the County of Sacramento, to undertake essential community development and housing assistance activities in Folsom and to approve eligible programs and/or projects for the years 2024, 2025, and 2026. As part of this program, SHRA has allocated \$42,000 in CDBG funds for qualifying ADA projects.

In December 2024, staff identified the Glenn Drive and School Street Intersection Improvements Project as a potential appropriate use of these funds. The purpose of the project is to bring a critical

intersection in the Central Business District of Folsom into ADA compliance. The intersection of Glenn Drive and School Street serves as both a major connection with the Historic District and a center point of the local neighborhood. ADA ramps have recently been installed at two of the four corners of the intersection; however, the other two remain out of compliance.

Installation of the new ADA ramps requires removal of two existing substandard drainage inlets and regrading of existing concrete sidewalks, curbs, and gutters. New drainage inlets and conduits meeting current city specifications will be installed and connected to the existing storm drain manhole to ensure that proper stormwater drainage is maintained. Milling and replacement of asphalt throughout the intersection is also included in the scope of work. Finally, new thermoplastic crosswalks and stop bars will be striped at all approaches. These improvements will improve pedestrian safety and accessibility within the intersection.

Staff worked closely with SHRA to ensure the project qualified for the available CDBG funds, while concurrently finalizing the construction bid package. Originally, the intent was to accept the grant and award the construction contract simultaneously; however, there were unforeseen delays in the SHRA processing and contracting for this capital project. Staff elected to proceed with awarding this important pedestrian connectivity project and on June 10, 2025, the City Council approved Resolution No. 11397, authorizing the City Manager to execute a construction agreement with B&M Civil LLC for \$118,100 for the Glenn Drive and School Street Intersection Improvements Project from the SB1 Road Maintenance and Rehabilitation Fund (Fund 235).

Staff continued to communicate with SHRA throughout the process, and now that their review has been completed and the draft agreement and contract have been provided to the city, staff recommends accepting the funds in the amount of \$42,000 for its intended use to assist the city with funding ADA improvements for this project, which has not yet broken ground.

Additionally, in April 2025, a sinkhole was identified on Glenn Drive approximately 200 feet from the proposed project intersection. Streets Division staff responded and determined that a failing 24-inch diameter corrugated metal storm drain pipe was the cause of the sinkhole, and a temporary repair was completed to restore the asphalt. Follow up inspections of the upstream and downstream storm drain system identified that a larger storm drain repair or replacement project will need to be undertaken along Glenn Drive from School Street to Wales Drive. While such an extensive storm drain repair is beyond the scope of the current project, staff requested a proposal from B&M Civil LLC for limited extra storm drain work in order to place new 24-inch pipe extending upstream past the School Street intersection so that a future storm drain replacement project would not need to remove and replace asphalt within the newly paved intersection.

## **POLICY / RULE**

Section 2.36.120 of the Folsom Municipal Code states, in part, that contracts for supplies, equipment, services, and construction with an estimated value of \$75,049 or greater shall be awarded by the City Council.

The City Council Adopted Resolution No. 7332 - Financial Policies of the City of Folsom on May 25, 2004. Section D - Intergovernmental Revenues, Paragraph C - Grant Project Resolutions states,

"All grants received from the Federal or State government for operating or capital purposes shall be recognized in separate grant project resolutions. A balanced grant project resolution must be adopted prior to beginning the project."

### **ANALYSIS**

The costs for the additional items of work are in line with the existing project unit prices and commonly expected costs for the various items of work being performed. Staff has reviewed all project changes and recommends approval of this construction change order in the amount of \$38,082. The \$42,000 allocated from the CDBG Program will cover some of the costs of the ADA work associated with the project approved under Resolution No. 11397, and this change order will be funded through the SB1 Road Maintenance and Rehabilitation Fund (Fund 235) previously approved under Resolution No. 11397.

### **FINANCIAL IMPACT**

The City Council's approval of Resolution No. 11397 authorized the execution of the original contract with B&M Civil LLC for \$118,100, with the project budgeted for a total not to exceed amount of \$129,910, which included a ten percent contingency for potential change orders. This Construction Change Order, if approved, will authorize an additional amount of \$38,082 for a total not-to-exceed contract amount of \$167,992. No additional contingency is being requested.

Because the storm drain replacement and pavement restoration work identified in the change order is in addition to the work outlined in the original contract, staff recommends not using the ten percent contingency to fund the change order and rather keep the contingency available for its intended use to cover potential unexpected costs due to unforeseen site conditions.

If accepted, the funding award would increase revenue estimates and appropriations by \$42,000 in the Community Development Block Grant (CDBG) Fund (Fund 201). Costs would be funded initially through the CDBG Fund (Fund 201) and reimbursed by the Sacramento Housing and Redevelopment Agency.

### **ENVIRONMENTAL REVIEW**

This project is Categorically Exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301.

Additionally, SHRA staff conducted an environmental review of the project and determined that it is Categorically Excluded under the National Environmental Policy Act (NEPA) per 24 CFR 58.35(a).

### **ATTACHMENTS**

1. Resolution No. 11451 - A Resolution Accepting a Grant of \$42,000 from the Community Development Block Grant (CDBG) Program for the Glenn Drive and School Street Intersection Improvements Project, Project No. 2409, and Authorizing the City Manager

to Execute Construction Change Order No. 1 with B&M Civil LLC in the amount of \$38,082 and Appropriation of Funds in the CDBG Fund (Fund 201).

2. Draft Grant Agreement Standard Contract between Sacramento Housing and Redevelopment Agency (SHRA) and the City of Folsom for the Glenn Drive and School Street Intersection Improvements Project.
3. Pictures of Existing Conditions at Glenn Drive and School Street Intersection.
4. Glenn Drive and School Street Proposed Intersection Improvements.

Submitted,

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Marcus Yasutake, INTERIM PUBLIC WORKS DIRECTOR