

## Folsom City Council Staff Report

<b>MEETING DATE:</b>	5/12/2020
<b>AGENDA SECTION:</b>	Consent Calendar
<b>SUBJECT:</b>	Resolution No. 10427 - A Resolution Authorizing the City Manager to Execute a Contract Change Order with Western Engineering Contractors, Inc. for the Green Valley Road Widening Project, Project No. PW0804 and Appropriation of Funds
<b>FROM:</b>	Public Works Department

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

The Public Works Department recommends that the City Council pass and adopt Resolution No. 10427 - A Resolution Authorizing the City Manager to Execute a Contract Change Order with Western Engineering Contractors, Inc. for the Green Valley Road Widening Project, Project No. PW0804 and Appropriation of Funds.

### **BACKGROUND / ISSUE**

Utilized by approximately 20,000 vehicles daily, Green Valley Road is a regional arterial connection between the City of Folsom and El Dorado Hills. Green Valley Road has previously been widened to four lanes on both sides of the Project area, at East Natoma Street in Folsom and at Sophia Parkway in El Dorado Hills.

Federal lands encompass the Project on the north and south sides of the road, and will provide the Bureau of Reclamation (Reclamation) a five-year lease with a minimum of four options for renewal for a total of 25 years to allow all of the widening to the south of the existing road. During the lease period, the City will pursue permanent acquisition of the leased property. The widening to the south will allow construction to occur with minimal impact to the existing traffic patterns. A permanent easement will be obtained, based on the as-built condition after completion of the Project. The widening includes four travel lanes, Class 2 bike lanes and a painted median /turn lane.

The project was previously awarded to Northern Pacific Corporation (NPC); however, NPC encountered financial difficulties to perform and the City formally terminated NPC's right to complete the work of the project on July 15, 2019. NPC's surety thereafter stepped in and selected Western Engineering Contractors, Inc. as replacement contractor for the project. Western Engineering Contractors, Inc. restarted the project in September 2019.

In February 2020, the City of Folsom's Environmental and Water Resources Department (EWR) began working with Public Works on a plan to incorporate an EWR planned Capital improvement Project (CIP) to extend the City's waterline within the project area prior to the completion of the Green Valley Widening Project. Incorporating the installation of the waterline extension project into the Green Valley Widening Project will avoid disrupting freshly placed pavement due to saw-cutting and trenching. Additionally, it also avoids funneling traffic from four lanes back down to two lanes in order to install the waterline.

The Green Valley Road Waterline Extension Project is one of thirteen projects included under the Water System Rehabilitation Project No. 2 CIP that was approved by City Council as part of EWR's FY 2019-20 CIP Budget. The Green Valley Road Waterline Extension Project includes the installation of a new 8-inch waterline along Green Valley Road beginning at the intersection of East Natoma and Green Valley Road and continuing northeast along Green Valley Road for approximately 700 feet until the Emergency Vehicle Access located within the Viscaya Subdivision. The purpose of the waterline extension is to create a "looped" water system which increases the reliability and redundancy of the City's water distribution system.

Staff anticipates the Green Valley Widening Project to be completed by June 30, 2020.

### **POLICY / RULE**

Section 2.36.080, Award of Contracts of the Folsom Municipal Code states, in part, that contracts for supplies, equipment, services and construction with an estimated value of \$62,014 or greater shall be awarded by City Council.

Section 2.36.080 C, Award of Contracts of the Folsom Municipal code states, in part, that if a contract change order exceeds \$100,000, the city manager shall obtain the written consent of the mayor or at the mayor's discretion, the city council.

### **ANALYSIS**

City Council approved a contract with Western Engineering Contractors, Inc. for the Green Valley Road Widening Project with Resolution No. 10334, in the amount of \$5,329,506 with a contingency of \$443,399 for a total budget amount of \$5,772,905 at the September 10, 2019 Council Meeting.

Western Engineering Contractors, Inc. has provided a proposed lump sum cost of \$291,343. With a 10% contingency of \$29,134 the total proposed contract change order is \$320,477.

Project Consulting costs associated with this proposed change order for Project Management, Inspection and Materials Testing is \$15,438. This cost is for all work related to Project Management, Inspection and Materials Testing for the waterline installation only.

All costs for the installation of the waterline is Federally Non-Reimbursable and shall be identified as such in all correspondence with Caltrans.

**FINANCIAL IMPACT**

The current project cost is as follows:

<b>Contract</b>	<b>Cost</b>
Design Contract	\$500,000
Construction Contract with 10% Contingency	\$4,877,386
**Surety Payment for Western Engineering	\$895,519
Construction Engineering, Inspection and Materials Testing	\$545,000
Design Support, Environmental Monitoring and Record Survey	\$115,000
Quality Assurance Materials Testing	\$50,000
*Mitigation Cost (Wetlands, Elderberry, Trees)	\$145,000
**Waterline Construction	\$
***Waterline Project Management, Inspection and Project Management	\$
<b>Total Project Funding for Construction</b>	<b>\$6,627,905</b>
<b>Total Eligible for Federal Funding</b>	<b>\$5,587,386</b>

\*Mitigation Cost is not eligible for Federal Funding and was budgeted/funded previously.

\*\*Surety Payment for Western Engineering not Eligible for Federal Funding up to \$895,519

\*\*\*Waterline cost is not eligible for Federal Funding

The FY 2019-20 Water Operating Fund included funding in the amount of \$205,000 for the Water System Improvement Project No. 2. Staff is requesting an additional appropriation in the amount of \$340,000 for a project budget amount of \$545,000 in order to fund construction of the waterline change order. The additional appropriation would be to the Water Operating Fund (Fund 520) for the Water System Rehabilitation Project No. 2, and the funding source for this appropriation would be current fund balance, which is available.


**ENVIRONMENTAL REVIEW**

Approval of California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) Environmental Clearance has been obtained for the Green Valley Road Widening Project.

**ATTACHMENTS**

1. Resolution No. 10427 - A Resolution Authorizing the City Manager to Execute a Contract Change Order with Western Engineering Contractors, Inc. for the Green Valley Road Widening Project, Project No. PW0804 and Appropriation of Funds

Submitted,



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Dave Nugen, PUBLIC WORKS DIRECTOR

**RESOLUTION NO. 10427**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT CHANGE ORDER WITH WESTERN ENGINEERING CONTRACTORS, INC. FOR THE GREEN VALLEY ROAD WIDENING PROJECT, PROJECT NO. PW0804 AND APPROPRIATION OF FUNDS**

**WHEREAS**, the City of Folsom desires to widen Green Valley Road to four travel lanes, with a painted median and Class 2 bicycle lanes from East Natoma Street in Folsom to Sophia Parkway in El Dorado County (Project); and

**WHEREAS**, the City Manager has been authorized to enter into a Memorandum of Understanding (MOU) with El Dorado County for the Construction and Maintenance of the Project within El Dorado County; and

**WHEREAS**, the City has obtained a Temporary Construction Permit with the United States Bureau of Reclamation to construct the Project; and

**WHEREAS**, the City has obtained a five-year license with four, five-year extensions, as needed, from the United States Bureau of Reclamation to construct the Project; and

**WHEREAS**, the City will work with the Bureau of Reclamation to obtain a permanent easement from the United States of America upon completion of the Project; and

**WHEREAS**, Western Engineering, Inc. was awarded the Green Valley Road Widening Project by Resolution No. 10334 at the September 10, 2019 City Council Meeting; and

**WHEREAS**, City of Folsom Environmental Water Resources Department desires to install 700 linear feet of 8" waterline on Green Valley Road from East Natoma Street to approximately the Emergency Vehicle Access located within the Viscaya Subdivision; and

**WHEREAS**, the waterline project is identified in the FY 2019/20 Capital Improvement Plan as the Water System Rehabilitation Project No. 2; and

**WHEREAS**, the timing of the waterline installation would be after final paving of the Green Valley Widening Project if not added by change order; and

**WHEREAS**, Western Engineering Contractors, Inc. has provided a lump sum cost of \$320,477 including a 10% Contingency to install the waterline; and

**WHEREAS**, Salaber Engineering has provided a budget of \$15,438 to provide Project Management, Inspection and Material Testing for the waterline installation; and

**WHEREAS**, and additional appropriation will be needed to cover the additional contract costs; and

**WHEREAS**, the 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 authorizes the City Manager to execute a contract change order with Western Engineering Contractors, Inc. as replacement contractor substituting Northern Pacific Corporation for the Green Valley Road Widening Project, Project No. PW0804, in the amount of \$291,343 with a contingency of \$29,134 for a total budget amount of \$320,477.

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the Finance Director is authorized to appropriate an additional \$340,000 to the Water Operating Fund (Fund 520) in the Water System Rehabilitation Project No. 2 for a total project budget of \$545,000

**PASSED AND ADOPTED** this 12<sup>th</sup> day of May 2020, by the following roll-call vote:

- AYES:** Council Member(s):
- NOES:** Council Member(s):
- ABSENT:** Council Member(s):
- ABSTAIN:** Council Member(s):

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Sarah Aquino, MAYOR

ATTEST:

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Christa Freemantle, CITY CLERK