



## Folsom City Council Staff Report

<b>MEETING DATE:</b>	7/8/2025
<b>AGENDA SECTION:</b>	Consent Calendar
<b>SUBJECT:</b>	<p>Mangini Ranch Trails Project</p> <ul style="list-style-type: none"><li>a. Resolution No. 11430– A Resolution Denying the Bid Protest from Dutch Contracting Inc</li><li>b. Resolution No. 11432 – A Resolution Authorizing the City Manager to Execute a Construction Agreement with Consolidated Engineering Inc. for the Mangini Ranch Trails Project, to be Funded by Fund 472 – Folsom Plan Area Capital Fund, Including: (1) a Construction Agreement with Consolidated Engineering Inc. in the Amount of \$2,774,608; (2) a 10% Construction Contingency in the Amount of \$277,461; and (3) Appropriation of Funds in the Amount of \$289,035 to cover additional costs not allocated</li><li>c. Resolution No. 11433 - A Resolution Authorizing the City Manager to Execute a Professional Services Agreement with Kimley-Horn and Associates in the Amount of \$29,640 for Construction Engineering Support Services, to be Funded by Fund 472 – Folsom Plan Area Capital Fund</li><li>d. Resolution No. 11434 – A Resolution Authorizing the City Manager to Execute a Professional Services Agreement with Pinnacle Project Management in the Amount of \$99,000 for Construction Management Services, to be Funded by Fund 472 – Folsom Plan Area Capital Fund</li></ul>
<b>FROM:</b>	Parks and Recreation Department

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

The Parks & Recreation Department recommends that the City Council pass and adopt the following resolutions:

- a. Resolution No. 11430 – A Resolution Denying the Bid Protest from Dutch Contracting Inc
- b. Resolution No. 11432 – A Resolution Authorizing the City Manager to Execute a Construction Agreement with Consolidated Engineering Inc. for the Mangini Ranch Trails Project, to be Funded by Fund 472 – Folsom Plan Area Capital Fund, Including: (1) a Construction Agreement with Consolidated Engineering Inc. in the Amount of \$2,774,608; (2) a 10% Construction Contingency in the Amount of \$277,461; and (3) Appropriation of Funds in the Amount of \$289,035 to cover additional costs not allocated
- c. Resolution No. 11433 Authorizing the City Manager to Execute a Professional Services Agreement with Kimley-Horn and Associates in the Amount of \$29,640 for Construction Engineering Support Services, to be Funded by Fund 472 – Folsom Plan Area Capital Fund
- d. Resolution No. 11434 Authorizing the City Manager to Execute a Professional Services Agreement with Pinnacle Project Management in the Amount of \$99,000 for Construction Management Services, to be Funded by Fund 472 – Folsom Plan Area Capital Fund

### **BACKGROUND / ISSUE**

The Mangini Ranch Trails Project is located within the Folsom Plan Area Specific Plan (FPA), specifically in the Mangini Ranch development area bounded by Alder Creek Parkway to the north, Savannah Parkway to the east, East Bidwell Street to the west, and White Rock Road to the south. The FPA includes over 30 miles of planned trails. Currently, there are approximately 10 miles of trails already constructed in the FPA. The project would construct approximately 2.5 miles of trails within the Mangini Ranch development area. The trail alignments through this new residential development were approved as part of the FPA and the Mangini Ranch development project approvals.

On September 14, 2021, City Council awarded a design contract (\$180,239.50) to Kimley-Horn and Associates (KHA) for engineering and design services for the Mangini Ranch Trails project in the FPA. KHA prepared design development, engineering, construction documentation and project specifications for the construction bid of Mangini Ranch Trails.

As part of Folsom's FY 2022-23 budget, the Mangini Ranch Trails project was allocated \$2,200,000 for construction. Additionally in the FY 2024-25 budget, the project was allocated another \$1,000,000, for a total approved project budget of \$3,380,240 in the Folsom Plan Area Mangini Ranch Trails Project (Project PK2201).

On July 9, 2024, the City Council approved Contract Amendment #1 to the KHA contract in the amount of \$31,734 to include two additional trail improvement areas in the design that

were outside of the original scope of services.

On November 12, 2024, the City Council approved Contract Amendment #2 to the KHA contract in the amount of \$143,944.50 to conduct a Feasibility Study to determine the viability of an overcrossing or undercrossing in place of the proposed at grade crossing of East Bidwell Street.

### **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 \$75,049 or greater shall be awarded by City Council.

### **ANALYSIS**

Parks & Recreation Department staff prepared the construction bid package and solicited bids via the City website and [www.publicpurchase.com](http://www.publicpurchase.com). The project was issued for bids on May 1, 2025. A total of five bids were received on June 12, 2025.

The five base bids received are:

- |  |             |
|--|-------------|
| • Consolidated Engineering, Inc.             | \$2,774,608 |
| • Dutch Contracting, Inc.                    | \$2,940,563 |
| • JPB Design, Inc.                           | \$3,056,925 |
| • B&M Civil, LLC                             | \$3,549,135 |
| • Central Valley Engineering & Asphalt, Inc. | \$4,157,469 |

Staff reviewed the five submittals and found the bid from Consolidated Engineering to be the lowest responsive bid for the Mangini Ranch Trails Project. The Engineer's Estimate for this project was \$2,900,000. The Parks & Recreation Department found the bid and submittal by Consolidated Engineering to be in order and intended to recommend that the contract be awarded to the responsive low-bidder, Consolidated Engineering Inc. Before staff issued a Notice of Intent to Award, a bid protest was received.

In addition to the contracts with Consolidated Engineering Inc, KHA, and Pinnacle Project Management (PPM), staff also included \$100,000 in soft costs to the construction budget (staff time, materials testing, environmental monitoring). Per the City Manager's direction, staff was asked to charge time spent on the Project to Fund 472 – Folsom Plan Area Capital Fund, estimated to be approximately \$50,000 for the entirety of construction. Materials testing, in the estimated amount of \$24,500, was also included in the soft costs to cover any required field testing of materials during construction. In addition, the Project is required to comply with the Folsom Plan Area Specific Plan Mitigation and Monitoring Reporting Program (MMRP). To comply, staff contacted Helix Environmental Planning for an environmental monitoring scope of services and received a proposal in the amount of \$25,500. All soft costs fall below the City Manager's signing authority of \$75,049 and would not need City Council approval but are being included here to help provide a complete disclosure of all anticipated costs for this Project.

### **Bid Protest**

On June 17, 2025, staff received a bid protest from Dutch Contracting Inc. (**Attachment 9**). In the email to staff, Dutch Contracting Inc stated the following:

1. As outlined in Section 2.07, the City is required to award the project to the lowest responsive and responsible bidder who demonstrates the requisite experience, financial stability, facilities, and management capabilities to execute the project successfully and on schedule. Dutch Contracting Inc. maintains that Consolidated Engineering Inc. does not meet these critical criteria.
2. Their previous contract—Willow Creek Bridge (bid date: February 8, 2024) for Amador County—was awarded at just under \$2 million. Reports indicate that the contractor is significantly behind schedule, struggling to meet contractual requirements, and facing liquidated damages of \$6,300 per calendar day. Additionally, at least one subcontractor has sought and been granted contract relief due to mismanagement.
3. Based on our research, this project would be the largest undertaken by Consolidated Engineering Inc. to date.
4. To protect taxpayer interests, we urge the City to exercise due diligence under Section 2.07 and require the three lowest bidders to submit statements of experience and business standing and/or financial statements.

On June 19, 2025, Consolidated Engineering Inc. (CEI) submitted a bid protest response with supporting documentation (**Attachment 10**). The bid protest response includes the following:

1. "Based on our research, this project would be the largest undertaken by Consolidated Engineering Inc. to date." This is False, CEI's largest project to date is with the City of Pittsburg and the current contract amount to date is \$3,825,342.25.
2. "Reports indicate that the contractor is significantly behind schedule, struggling to meet contractual requirements, and facing liquidated damages of \$6,300 per calendar day." This is false, the project is behind schedule, but not due to CEI's lack of management. The project is now ahead of our original projected workday window and is expected to be complete by October 2025.
3. "Additionally, at least one subcontractor has sought and been granted contract relief due to mismanagement." This is false, the only subcontractor that has sought to be granted relief from their contract decided to close their business (Big B Construction).
4. CEI has been established for over 9 years in the heavy civil industry and exclusively in the public works sector for over 5 years. CEI has never had a bond claim in the history of the company. CEI can provide over 100 references for successfully completed projects in the past 5 years.

After receiving the bid protest response from Consolidated Engineering, staff reached out to Amador County to verify statements made in Dutch Contracting bid protest and Consolidated Engineering's bid protest response. On Thursday June 19, 2025, staff spoke with Jeff Christman of Amador County about the Willow Creek Bridge project referenced in Dutch

Contracting Inc. bid protest. The following is a synopsis of our conversation:

Spoke with Jeff Christman from Amador County about the bridge project referenced in Dutch Contracting bid protest. Jeff stated that Amador County had no issues with Consolidated Engineering work on the Willow Creek Bridge Project. The reference in Dutch's bid protest to the sub-contractor leaving was not 100% true. The sub (Big B Concrete) left the project because he was retiring and getting out of the construction business. Environmental permitting was the reason the project was shut down for the winter. The reference to liquidated damages is not true. Consolidated Engineering has a very good working relationship with Amador County. No issues with Consolidated Engineering work in previous projects in the County. The project was supposed to restart June 2nd, but there was a bird nesting in a culvert and water was still flowing in the creek. The project restarted on June 9th.

After reviewing the bid protest, bid protest response, and correspondence with Amador County, staff believe the bid protest lacks merit and recommends denial.

The Project will require construction design support from Kimley-Horn and Associates (KHA) and construction management services from Pinnacle Project Management (PPM).

During construction of the Mangini Ranch trails, the City is requesting continued design support from KHA. The existing KHA contract includes unused hours from Contract Amendment #2 that will be used for the project construction support services. Kimley-Horn and Associates will provide the Scope of Services on a labor fee plus expense basis. Including the hours from Contract Amendment #2, the construction support services scope will be performed for the additional not to exceed amount of \$29,640 (**Attachment 7**).

The City has selected Pinnacle Project Management (PPM) to perform construction management duties for the Mangini Ranch Trail project. The City of Folsom currently partners with PPM for construction management oversight within the Folsom Plan Area development. Pinnacle recently provided excellent construction management and City representation for the successful Phase 1 trails project, constructed by Toll Brothers in the Regency development. While industry standard construction management contract values typically range from 10% to 20% of the total construction cost, the City sought to maximize public funding and achieve significant economies of scale. We requested a scope and fee from PPM aligned with their current qualifications and the project's needs.

PPMs scope of services for the project includes a not to exceed amount of \$99,000 (**Attachment 8**), representing approximately 3.5% of the total construction cost, which demonstrates exceptional value and substantial savings for this project. This fee ensures proper inspection, documentation, and implementation of the City's plans, standards, and municipal code. Therefore, staff recommends that the City Council approve this work as an amendment to the existing contract with PPM.

Based on the foregoing, the attached resolutions would deny the bid protest from Dutch

Contracting Inc and authorize the City Manager to execute a construction agreement with Consolidated Engineering Inc for the construction of the Mangini Ranch Trails Project and Appropriation of Funds. Staff will use the City's standard construction agreement in a form acceptable to the City Attorney.

### **FINANCIAL IMPACT**

The current approved project budget for Mangini Ranch Trails is \$3,380,240, therefore an additional appropriation in the amount of \$289,035 will be required for a new total project budget of \$3,669,275. The revised project budget includes the contracts with Consolidated Engineering Inc (\$2,774,608), a 10% budget contingency (\$277,461), Kimley-Horn and Associates (\$26,640), Pinnacle Project Management (\$99,000), , and soft costs (staff time, materials testing, environmental monitoring, etc.) estimated to be \$100,000, plus all previously spent and encumbered funds noted in the Total Existing Contracts line item in the table below. The additional appropriation will be from the Folsom Plan Area Capital Fund (Fund 472). Sufficient funds are available in the Folsom Plan Area Capital Fund (Fund 472) for this appropriation,

<b>Mangini Ranch Trails Budget</b>	
<b>Current Approved Project Budget</b>	<b>\$3,380,240.00</b>
KHA Design Contract	\$180,239.50
KHA Amendment #1	\$31,734.00
KHA Amendment #2	\$143,944.50
AZOO: Savannah Pkwy Traffic Light Poles/Bolts	\$35,648.01
<b>Total Existing Contracts</b>	<b>\$391,566.01</b>
<b>Proposed Construction Budget</b>	
Construction Bid (Consolidated Engineering)	\$2,774,608.00
Construction Contingency (10%)	\$277,460.80
KHA Construction Support	\$26,640.00
PPM Construction Management	\$99,000.00
Soft Costs*	\$100,000.00
<b>Total Proposed Construction Budget</b>	<b>\$3,277,708.80</b>
<b>Total Proposed Project Budget</b>	<b>\$3,669,275</b>
<b>Additional Budget Appropriation Needed</b>	<b>\$289,035</b>
* Staff Time, Materials Testing, Environmental Monitoring, etc.	

### **ENVIRONMENTAL REVIEW**

The City, as lead agency, previously certified an EIR/EIS for the Folsom Plan Area Specific Plan (FPASP). Subsequently, the City determined that the Mangini Ranch Subdivision project, including the Mangini Ranch Trails, was entirely consistent with the FPASP. In reviewing this project, staff has determined that none of the events specified in Public

Resources Code section 21166 has occurred. Therefore, the proposed project is exempt from CEQA as previously determined CEQA Guidelines section 15182.

### **ATTACHMENTS**

1. Resolution No. 11430 – A Resolution Denying the Bid Protest from Dutch Contracting Inc
2. Resolution No. 11432 – A Resolution Authorizing the City Manager to Execute a Construction Agreement with Consolidated Engineering Inc. for the Mangini Ranch Trails Project, to be Funded by Fund 472 – Folsom Plan Area Capital Fund, Including: (1) a Construction Agreement with Consolidated Engineering Inc. in the Amount of \$2,774,608; (2) a 10% Construction Contingency in the Amount of \$277,461; and (3) Appropriation of Funds in the Amount of \$289,035 to cover additional costs not allocated
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5. Consolidated Engineering Inc. Bid
6. Mangini Ranch Trails Construction Bids Tabulation Table
7. Kimley-Horn and Associates Contract Amendment #3 Scope of Services
8. Pinnacle Project Management Scope of Services
9. Dutch Contracting Inc Bid Protest Email
10. Consolidated Engineering Inc. Bid Protest Response
11. Trails Map

Submitted,

Kelly Gonzalez, Parks & Recreation Director