



Folsom City Council Staff Report

MEETING DATE:	5/23/2023
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 11036 - A Resolution Authorizing the City Manager to Execute an Agreement with McGuire and Hester for the Construction of the Ashland Water Rehabilitation Project 1 and Appropriation of Funds
FROM:	Environmental and Water Resources Department

RECOMMENDATION / CITY COUNCIL ACTION

The Environmental and Water Resources Department recommends the City Council pass and adopt Resolution No. 11036 - A Resolution Authorizing the City Manager to Execute an Agreement with McGuire and Hester for the Construction of the Ashland Water Rehabilitation Project 1 and Appropriation of Funds.

BACKGROUND / ISSUE

The Environmental and Water Resources (EWR) Department identifies water infrastructure rehabilitation and replacement projects through water master plans, ongoing water condition assessment programs, and regulatory changes. Through these efforts, portions of the water system have been identified as needing rehabilitation or replacement in order to improve the water distribution system reliability.

The Ashland Water Rehabilitation Project 1 involves rehabilitating an existing water transmission main along Folsom Auburn Boulevard and Greenback Lane to provide an emergency water intertie to the City from San Juan Water District. The project includes performing an inspection and condition assessment of the existing main, installation of new isolation valves, removal and replacement of water main that has reached the end of its service life, and replacement of an existing PRV station and installation of electrical and instrumentation upgrades including SCADA programming.

This resolution will authorize the City Manager to execute an agreement with McGuire and Hester for the construction of the Ashland Water Rehabilitation Project 1 in the amount of \$2,351,019, and the budget for this agreement to include a 10% contingency in the amount of \$235,101 and Appropriation of Funds.

POLICY / RULE

In accordance with Chapter 2.36 of the Folsom Municipal Code, supplies, equipment, services, and construction with a value of \$70,952 or greater shall be awarded by City Council.

ANALYSIS

The City completed plans and specifications for the Ashland Water Rehabilitation Project 1 and publicly advertised for bids on January 23, 2023. In addition, the City provided these documents to www.ciplist.com, which is also picked up by several area builders' exchanges and the City of Folsom's website. The Environmental and Water Resources Department received the following bids on April 10, 2023, for construction of the Ashland Water Rehabilitation Project 1:

Contractor	Bid Amount
McGuire and Hester	\$2,351,019
Caggiano General Engineering	\$2,723,498

Staff has reviewed the bid submitted and has determined that McGuire and Hester is the lowest responsible and responsive bidder who meets the requirements and specifications set forth in the invitation for bids.

FISCAL IMPACT

The EWR Department recommends that the contract be awarded to the lowest responsible, responsive bidder, McGuire and Hester for \$2,351,019 with the project budgeted for this agreement in the amount of \$2,586,120 which will include a 10% contingency in the amount of \$235,101.

Approximate project costs to date include design, construction administration services, construction management and inspection services, legal advertising, and environmental mitigation, and total approximately \$689,800. The Ashland Water Rehabilitation Project 1 was included in the FY 2022-23 Capital Improvement Plan with a total project budget of \$2,241,888. Therefore, an additional appropriation will be needed for construction costs, and staff is requesting an appropriation of \$1,100,000 in the Water Operating Fund (Fund 520) for a total project budget of \$3,341,888. Funds are available in Fund 520 for this additional appropriation.

ENVIRONMENTAL REVIEW

This project is replacement and/or improvement of existing infrastructure with negligible or no expansion of use and therefore is categorically exempt from environmental review under the California Environmental Quality Act as noted in Title 14 – California Code of Regulations, Chapter 3 – Guidelines for Implementation of the California Environmental Quality Act, Article 19 – Categorical Exemptions, Sections 15301 (Existing Facilities), 15302 (Replacement or Reconstruction), and/or 15304 (Minor Alterations to Land).

ATTACHMENT

Resolution No. 11036 - A Resolution Authorizing the City Manager to Execute an Agreement with McGuire and Hester for the Construction of the Ashland Water Rehabilitation Project 1 and Appropriation of Funds

Submitted,

Marcus Yasutake, Director
ENVIRONMENTAL AND WATER RESOURCES DEPARTMENT

RESOLUTION NO. 11036

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH MCGUIRE AND HESTER FOR THE CONSTRUCTION OF THE ASHLAND WATER REHABILITATION PROJECT 1 AND APPROPRIATION OF FUNDS

WHEREAS, the City of Folsom has identified this project as a priority to maintain integrity and operation of the water distribution system; and

WHEREAS, the infrastructure improvements identified to enhance the City's water distribution system includes installing new water transmission mains, isolation valves, an emergency intertie, and rehabilitation and upgrade to an existing pressure reducing station; and

WHEREAS, the project is categorically exempt from environmental review under the California Environmental Quality Act; and

WHEREAS, plans and specifications were prepared for this work and publicly advertised for bids on January 23, 2023; and

WHEREAS, McGuire and Hester was the lowest responsive bidder, with an amount of \$1,395,785; and

WHEREAS, sufficient funds are available in the Water Operating Fund (Fund 520), however an appropriation in the amount of \$1,100,000 is needed for the project, increasing the overall project budget to \$3,341,888; 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 an agreement with McGuire and Hester for the construction of the Ashland Water Rehabilitation Project 1 for a not-to-exceed amount of \$2,351,019 with the budgeted amount to include a 10% contingency of \$235,101 for a total of \$2,586,120; and

BE IT FURTHER RESOLVED that the Finance Director is authorized to appropriate \$1,100,000 for this agreement. The appropriation will be from the Water Operating Fund (Fund 520) fund balance in the amount of \$1,100,000.

PASSED AND ADOPTED this 23rd day of May 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

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE