



Folsom City Council Staff Report

MEETING DATE:	6/28/2022
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10881 – A Resolution Authorizing the City Manager to Execute an Agreement with Caggiano General Engineering, Inc. for the Construction of the Ashland Water Rehabilitation Project No. 2 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. 10881 – A Resolution Authorizing the City Manager to Execute an Agreement with Caggiano General Engineering, Inc. for the Construction of the Ashland Water Rehabilitation Project No. 2 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. EWR staff identified the Ashland Water Rehabilitation Project No. 2 as a priority project.

This project involves the abandonment of an existing water main in Baldwin Dam Road that has reached the end of its serviceable life and transferring all existing water services from the older water main to a newer parallel water main also located in Baldwin Dam Road. The project also involves re-connecting all branch waterlines, water services, and fire hydrants to the parallel active water main, and demolition of an existing decommissioned booster pump station.

This resolution will authorize the City Manager to execute an agreement with Caggiano General Engineering, Inc. for the construction of the Ashland Water Rehabilitation Project No. 2 in the amount of \$1,494,998, and the budget for this agreement to include a 10% contingency in the amount of \$149,500 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 \$66,141 or greater shall be awarded by City Council.

ANALYSIS

The City completed plans and specifications for the Ashland Water Rehabilitation Project No. 2 and publicly advertised for bids on May 9, 2022. 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 June 10, 2022, for construction of the Ashland Water Rehabilitation Project No. 2:

Contractor	Bid Amount
Caggiano General Engineering, Inc.	\$1,494,998
Rawles Engineering Inc.	\$2,288,700

Staff has reviewed the bids submitted and has determined that Caggiano General Engineering, Inc. is the lowest responsible and responsive bidder who meets the requirements and specifications set forth in the invitation for bids. The Engineer's estimate was \$1,380,000.

FINANCIAL IMPACT

The Environmental and Water Resources Department recommends that the contract be awarded to the lowest responsible, responsive bidder, Caggiano General Engineering, Inc. for \$1,494,998 with the project budgeted for this agreement in the amount of \$1,644,498, which will include a 10% contingency in the amount of \$149,500.

Approximate project costs to date, which include original design services, additional design services, construction administration services, and construction management and inspection services total approximately \$598,679. The Ashland Water Rehabilitation Project No. 2 is included in the Capital Improvement Plan with a FY 2022-23 total project budget of \$1,742,299. Therefore, an additional appropriation will be needed for construction costs, and staff is requesting an additional appropriation of \$500,878 in the Water Operating Fund (Fund 520) for a total project budget of \$2,243,177. Funds are available in Fund 520 for this additional appropriation.

ENVIRONMENTAL REVIEW

A review previously performed by HydroScience Engineers, Inc. found that this project is replacement and/or reconstruction 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, 15302(c) (Replacement or Reconstruction).

ATTACHMENT

Resolution No. 10881 – A Resolution Authorizing the City Manager to Execute an Agreement with Caggiano General Engineering, Inc. for the Construction of the Ashland Water Rehabilitation Project No. 2 and Appropriation of Funds

Submitted,

Marcus Yasutake, Director
ENVIRONMENTAL AND WATER RESOURCES DEPARTMENT

RESOLUTION NO. 10881

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH CAGGIANO GENERAL ENGINEERING, INC. FOR THE CONSTRUCTION OF THE ASHLAND WATER REHABILITATION PROJECT NO. 2 AND APPROPRIATION OF FUNDS

WHEREAS, the City 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 transferring existing water services from a water main that has reached the end of its serviceable life to a newer parallel water main, re-connecting all branch waterlines, water services, and fire hydrants to the parallel active water main, and demolition of an existing decommissioned booster pump 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 May 9, 2022; and

WHEREAS, Caggiano General Engineering, Inc. was the lowest responsible and responsive bidder, with an amount of \$1,494,998; and

WHEREAS, this project is included in the FY 2022-23 Capital Improvement Plan with a project budget of \$1, 742,299, staff is now projecting the total project costs will be \$2,243,177; and

WHEREAS, an additional appropriation of funds in the amount of \$500,878 is needed for a revised project budget of \$2,243,177 and sufficient funds are available in the Water Operating Fund (Fund 520) for this appropriation; 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 Caggiano General Engineering, Inc. for the Construction of the Ashland Water Rehabilitation Project No. 2 for a not-to-exceed amount of \$1,494,998 with the budgeted amount to include a 10% contingency of \$149,500 for a total of \$1,644,498.

BE IT FURTHER RESOLVED that the Finance Director is authorized to appropriate \$500,878 for this agreement. The appropriation will be from the Water Operating Fund (Fund 520), for a total project budget of \$2,243,177.

PASSED AND ADOPTED this 28th day of June 2022, by the following roll-call vote:

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

Kerri M. Howell, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

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