



Folsom City Council Staff Report

MEETING DATE:	11/28/2023
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 11133 – A Resolution Authorizing the City Manager to Execute a Contract Change Order with All Phase Construction, Inc. for the Natoma Street Drainage Improvement Project Phase 2, Project No. PW1901, State Project No. 5288(047) and Appropriation of Funds
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

The Public Works Department recommends that the City Council pass and adopt Resolution No. 11133 – A Resolution Authorizing the City Manager to Execute a Contract Change Order with All Phase Construction, Inc. for the Natoma Street Drainage Improvement Project Phase 2, Project No. PW1901, State Project No. 5288(047) and Appropriation of Funds.

BACKGROUND / ISSUE

In early 2017, the City identified a collapsed segment of the storm drain system that flowed adjacent to Natoma Street between Bridge Street and Scott Street. The alignment of this drainage system weaved in and out of private property with very few access points for maintenance. In September of 2017, City Council authorized construction of Phase 1 to realign the storm drain system to keep it within public right of way as much as possible. Construction of the Phase 1 improvements were completed in April 2018.

During the design of the Phase 1 project, field investigations identified additional pipe offsets and corrosion issues with downstream segments of the storm drain system between Scott Street and Riley Street. Additional deficiencies included that the existing pipe alignment was on private property and there was a lack of access points for necessary inspections and maintenance. The City developed the Natoma Street Drainage Improvement Project Phase 2 to bring the system up to current standards and ensure it functions as designed. Phase 2 of the project installed approximately 900 linear feet of new storm drain pipe, abandoned and removed existing failing storm drain pipe, and added new standard manholes, drain inlets, and an outfall structure.

The construction contract for the Natoma Street Drainage Phase 2 Project was awarded by City Council to All Phase Construction, Inc. in May 2022. During construction, several unforeseen items of work were identified that required the issuance of contract change orders, including unstable soil conditions, unidentified utility conflicts, removal and replacement of a segment of water line, additional backfill material, additional grading and paving, and additional striping.

POLICY / RULE

Section 2.36.080 of the Folsom Municipal Code states, in part, that contracts for supplies, equipment, services, and construction with an estimated value of \$70,952 or greater shall be awarded by the City Council.

ANALYSIS

Staff has reviewed the cost proposals for additional items and the Daily Extra Work Reports submitted by All Phase Construction, Inc., and has found them to be consistent with the inspection records for the work in question and consistent with the agreed upon pricing.

Additionally, Public Works staff coordinated with Environmental and Water Resources staff on the scope of improvements to the existing water lines in conflict with the proposed storm drain construction and agreed to share the cost of the additional work as noted in the Financial Impact section below.

FINANCIAL IMPACT

The City Council approved Resolution No. 10853 at the May 24, 2022, City Council meeting authorizing the City Manager to execute a construction agreement with All Phase Construction, Inc. for the Natoma Street Drainage Improvement Project Phase 2, Project No. PW1901, State Project No. 5288(047), in the amount of \$1,430,914, with a contingency amount of \$143,091 for a total amount not to exceed \$1,574,005.

During the course of construction, four change orders were approved by the Project Manager and Public Works Director within the \$143,091 contingency amount. The proposed change order is for \$38,607.45 and when combined with the previously approved change orders, exceeds the authorized contingency amount by \$18,745.

Once authorized, the proposed construction change order would increase the authorized project total by \$18,745, for a new agreement total amount not-to-exceed \$1,592,750.

Staff is requesting an appropriation of \$10,000 in the Water Operations Fund (Fund 520) and \$8,475 in the Drainage Capital Improvement Fund (Fund 448) for the cost of the improvements to the existing water lines in conflict with the storm drain construction. Funds are currently available in the Water Operations Fund (Fund 520) and the Drainage Capital Improvement Fund (Fund 448) for the respective additional appropriation.

ENVIRONMENTAL REVIEW

As part of the design phase, it was determined that construction of this project could be done under a Categorical Exemption classification of the CEQA Guidelines. The CEQA Notice of Exemption was filed with the County in March 2021, and no further environmental analysis is required.

ATTACHMENT

Resolution No. 11133 – A Resolution Authorizing the City Manager to Execute a Contract Change Order with All Phase Construction, Inc. for the Natoma Street Drainage Improvement Project Phase 2, Project No. PW1901, State Project No. 5288(047) and Appropriation of Funds

Submitted,

Mark Rackovan, PUBLIC WORKS DIRECTOR

RESOLUTION NO. 11133

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT CHANGE ORDER WITH ALL PHASE CONSTRUCTION, INC. FOR THE NATOMA STREET DRAINAGE IMPROVEMENT PROJECT PHASE 2, PROJECT NO. PW1901, STATE PROJECT NO. 5288(047) AND APPROPRIATION OF FUNDS

WHEREAS, the City Council approved contract 174-21 22-050 with All Phase Construction, Inc. for the Natoma Street Drainage Improvement Project Phase 2; and

WHEREAS, the City of Folsom desires to continue rehabilitation of the existing drainage system in the Natomas Street area; and

WHEREAS, during construction, numerous unforeseen items of work were identified that required the contractor to perform extra work resulting in construction change orders; and

WHEREAS, the total amount of the construction change order #5 is \$38,607.45; and

WHEREAS, an additional appropriation of funds in the amount of \$18,745 for a revised agreement amount not to exceed \$1,592,750 and sufficient funds are available in the Water Operating Fund (Fund 520) of \$10,000 and the Drainage Capital Improvement Fund (Fund 448) of \$8,745 for the additional 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 a Contract Change Order for \$38,607.45 with All Phase Construction, Inc. for the Natoma Street Drainage Improvement Project Phase 2, Project No. PW1901, State Project No. 5288(047).

NOW, THEREFORE BE IT FURTHER RESOLVED that the Chief Financial Officer is authorized to appropriate \$18,745 for this agreement. The appropriation will be from the Water Operating Fund (Fund 520) in the amount of \$10,000 and from the Drainage Capital Improvement Fund (Fund 448) in the amount of \$8,745 for a total agreement amount not to exceed \$1,592,750.

PASSED AND ADOPTED this 28th day of November 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