



Folsom City Council Staff Report

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| MEETING DATE: | 10/26/2021 |
| AGENDA SECTION: | Consent Calendar |
| SUBJECT: | Resolution No. 10736- A Resolution Authorizing the City Manager to Execute a Construction Agreement with Sierra National Construction, Inc. for the On-Call Concrete and Asphalt Maintenance Project and Appropriation of Funds |
| FROM: | Public Works Department Parks and Recreation Department |

RECOMMENDATION / CITY COUNCIL ACTION

The Public Works Department recommends that the City Council pass and adopt Resolution No. 10736– A Resolution Authorizing the City Manager to Execute a Construction Agreement with Sierra National Construction, Inc. for the On-Call Concrete and Asphalt Maintenance Project and Appropriation of Funds.

BACKGROUND / ISSUE

The City is responsible for the ongoing maintenance of concrete and asphalt infrastructure located within the public right of way and on various City owned properties, including City Parks and within Landscaping and Lighting Districts.

The City currently maintains a list of distressed concrete and asphalt locations and compiles them into yearly capital improvement projects, which typically results in repairs that are finalized months after being identified. By utilizing the on-call contract approach, repairs will be able to be made in a timely manner, resulting in a better level of service to residents. Both the Public Works Department and the Parks and Recreation Department will utilize these on-call services to improve efficiency and responsiveness of needed repairs. The option to renew the contract yearly, for a period of up to three years, will ensure there is no lapse in providing these services.

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 \$62,657 or greater shall be awarded by City Council.

ANALYSIS

Public Works staff prepared the bid package, and the project was publicly advertised on September 3, 2021. The bid documents estimated the anticipated quantities that will be performed each fiscal year, with the understanding that the City reserves the right to adjust quantities and project budget, and to extend the contract for a period of up to three years dependent on the contractor's performance.

Bids were opened on September 28, 2021 with the following bids received:

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|---|--------------|
| 1. Sierra National Construction | \$ 524,069 |
| 2. B&M Builders | \$ 704,250 |
| 3. Express Sewer and Drain | \$ 1,068,700 |
| 4. Doug Veerkamp | \$ 1,094,356 |
| 5. Central Valley Engineering & Asphalt | \$ 1,960,530 |

Staff analyzed the wide range in bid results and concluded that the uncertainty of the quantities for each work order likely led to higher unit prices for the three highest bidders. Sierra National Construction, the lowest responsive and responsible bidder, provided unit prices that have been historically expected for this type of work.

The Engineer's Estimate for this project was \$500,000.

FINANCIAL IMPACT

The City Council's approval of Resolution No. 10736 would authorize the execution of a Construction Contract with Sierra National Construction, Inc. for a yearly amount of \$524,069, for a total not-to-exceed contract amount of \$1,572,207 over three years. A contingency will not be required for this contract.

The yearly funding amounts for the contract will be divided as shown below:

| Fund/Account | Department | Amount |
|----------------------------------|---|-------------------|
| Fund 235 SB-1 RMRA Gas Tax | Public Works | \$ 424,069 |
| Account Park Maintenance | Parks and Recreation (Parks/General Fund) | \$ 50,000 |
| Fund 266 CFD #12 | Parks and Recreation (Landscaping and Lighting) | \$ 25,000 |
| Fund 267 CFD #13 | Parks and Recreation (Landscaping and Lighting) | \$ 25,000 |
| | Total Contract Amount | \$ 524,069 |

In Fiscal Year 2021-22 an additional appropriation will be required in the RMRA Fund (Fund 235) \$424,069, CFD #12 (Fund 266) \$25,000 and CFD #13 (Fund 267) \$25,000. There are funds available in each fund in fund balance for this contract. The portion of the contract for Park Maintenance will be absorbed in the General Fund (Fund 010) without an additional appropriation.

ENVIRONMENTAL REVIEW

This project has been deemed categorically exempt from environmental review.

ATTACHMENT

1. Resolution No. 10736 – A Resolution Authorizing the City Manager to Execute a Construction Agreement with Sierra National Construction, Inc. for the On-Call Concrete and Asphalt Maintenance Project and Appropriation of Funds

Submitted,



Mark Rackovan, PUBLIC WORKS DIRECTOR

Lorraine Poggione

Lorraine Poggione, PARKS AND RECREATION DIRECTOR

RESOLUTION NO. 10736

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSTRUCTION AGREEMENT WITH SIERRA NATIONAL CONSTRUCTION, INC. FOR THE ON-CALL CONCRETE AND ASPHALT MAINTENANCE PROJECT AND APPROPRIATION OF FUNDS

WHEREAS, the Public Works and Parks and Recreation Departments desire to utilize the on-call contracting method for concrete and asphalt infrastructure maintenance to better streamline efficiency and responsiveness of needed repairs; and

WHEREAS, Public Works staff prepared the bid package, and the project was publicly advertised on September 3, 2021, and the bids were received on September 28, 2021, with Sierra National Construction, Inc. being the lowest responsive and responsible bidder; and

WHEREAS, funds in the amount of \$424,069 are available in the RMRA Gas Tax Fund (Fund 235) for Fiscal Year 2021-22 however an additional appropriation in the amount of \$424,069 will be required; and

WHEREAS, funds in the amount of \$50,000 are available in the Parks and Recreation Division of the General Fund (Fund 010) for Fiscal Year 2021-22; and

WHEREAS, funds in the amount of \$25,000 are available in the CFD #12 Maintenance District Fund (Fund 266) for Fiscal Year 2021-22 and an additional appropriation in the amount of \$25,000 will be required ; and

WHEREAS, funds in the amount of \$25,000 are available in the CFD #13 American River Canyon Maintenance District Fund (Fund 267) for Fiscal Year 2021-22 however an additional appropriation in the amount of \$25,000 will be required ; and

WHEREAS, a contingency is not required for this contract; 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 construction agreement with Sierra National Construction, Inc. for the On-Call Concrete and Asphalt Maintenance Project for an annual amount of \$524,069, for a total not-to-exceed amount of \$1,572,207 over three years.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Finance Director is authorized to appropriate in the Fiscal Year 2021-22 Operating Budgets as shown below;

1. Appropriate \$424,069 to the RMRA Gas Tax Fund (Fund 235)
2. Appropriate \$25,000 to the CFD #12 Maintenance District Fund (Fund 266)
3. Appropriate \$25,000 to the CFD #13 American River Canyon Maintenance District Fund (Fund 267)

Appropriations for year two and year three of this contract will be appropriated during the budget process for each of the additional years.

PASSED AND ADOPTED this 26th day of October, 2021, by the following roll-call vote:

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

Michael D. Kozlowski, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK