



City of Grass Valley City Council Agenda Action Sheet

Title: Downtown Streetscape Improvements Project - Award Contract

Recommendation: That Council 1) approve Resolution 2022-18, awarding a contract for the Downtown Streetscape Improvements Project to Sierra Foothills Construction Company and approving Change Order #1 to narrow the project scope, 2) authorize the Mayor to execute a Design-Build contract, subject to legal review, and 3) authorize the City Engineer to approve construction change orders for up to 10% of the contract amount, and 4) authorize the Finance Director to execute the necessary budget transfers needed to fully fund the project.

Prepared by: Bjorn P. Jones PE, City Engineer

Council Meeting Date: 04/26/2022

Date Prepared: 04/21/2022

Agenda: Administrative

Background Information: On December 14, 2021, Council authorized the advertisement for bids for the Downtown Streetscape Improvements Project. The project involves the transformation of Mill Street (from Neal to West Main Street) and portions of Main Street (from Church Street to Richardson Street) to create a pedestrian friendly, town square atmosphere, allowing restaurants and retail businesses to expand operations into the city right of way.

Proposals were requested by February 8, 2022 and one bid was received. The proposal was provided by a Sierra Foothills Construction Company led team with a total proposed construction cost of \$6,741,000. The bid was deemed responsive, and a review of their proposal determined Sierra Foothills Construction Company and team were qualified and well suited to execute the work.

Over the past two months Staff has systematically worked with Sierra Foothills Construction Company and their team to narrow the scope of the project in order to reduce the project costs to within the City's budget. Major cost savings were uncovered by eliminating duplicitous work and modifying the scope of several work items to more easily executable construction methods and materials; such as switching from brick pavers to stamped concrete construction. Staff will present a summary of all major scope changes at the Council meeting.

In order to proceed with contract award, it was determined that award of a contract proceed based on the original proposal, with the concurrent execution of a change order to reduce the project scope to within budget. At this point discussions have

identified possible change order savings of \$1,741,000 to reduce the amended contract amount to \$5,000,000. Staff will present alternate contract items for consideration at the City Council meeting, primarily including electrical conduit and up lighting of street trees along Main Street, for an estimated \$250,000 in additional costs.

Staff recommends that Council approve the attached Resolution 2022-18; awarding the construction contract to Sierra Foothills Construction Company in the original amount of \$6,741,000, and subsequently approving a contract change order in an amount determined by Council based on alternate work items. Also requested with this motion is Council approval to authorize the Mayor to execute the Design Build contract, subject to legal review, authorize the City Engineer to approve construction change orders up to 10% of the contract amount, and authorize the Finance Director to execute the necessary budget transfers to fully fund the project.

Council Goals/Objectives: The Downtown Streetscape Improvements Project executes portions of work tasks towards achieving/maintaining Strategic Plan Goal #1 - Community and Sense of Place, Goal #4 - Economic Development and Vitality and Goal #7 - Water & Wastewater Systems & Underground Infrastructure.

Fiscal Impact: The Downtown Streetscape Improvements Project was partially budgeted in the 21/22 FY CIP Budget with \$1,000,000 in Measure E funds. American Rescue Plan Act (ARPA) Funding of \$3,200,000, which is now available, was slated for allocation to this project, and \$645,000 of Water Rate Funds will be utilized for the water line replacement work. Special Project Fund and General Fund surplus from Fiscal Year 2020/21 are available to fully fund the project.

Funds Available: Yes

Account #: 300-406-66005

Reviewed by: City Manager