



CITY OF WHEATLAND

CITY COUNCIL MEETING STAFF REPORT

June 14, 2016

SUBJECT: Additional Grant Funds for Safe Routes to School Gap Closure Project Federal Project No. SRTS-5478(006)

PREPARED BY: Dane Schilling, City Engineer

Recommendation

Adopting a resolution amending the FY15-16 Budget for the Safe Routes to School Gap Closure Project and authorizing the City Manager to execute change orders up to the revised grant amount.

Background/Discussion

On April 12, 2016, the City Council adopted a resolution to authorize the City Manager to enter into a construction contract with the S.T Rhoades Construction, Inc. for two federally funded Safe Routes to School Projects in the amount of \$383,592 and authorize the City Manager to execute change orders up to the maximum grant amounts.

One of the two Safe Routes to School Projects involves the construction of sidewalks, curb ramps, minor drainage improvements, and pavement widening along Highway 65 for about 500-foot south of McDevitt Drive (identified in the bid documents as Alternate A). Originally this segment of the project included just curb, gutter and sidewalk. However, the work along Highway 65 is within Caltrans right-of-way and required that the City obtain an encroachment permit from Caltrans. As a condition of issuing an encroachment permit, Caltrans required much more work on this segment than originally anticipated in the grant application. The additional work raised the cost of this segment to approximately \$128,000 which exceeded the City's grant by about \$106,000.

After several inquiries by Staff to obtain additional funding, Caltrans Office of Local Assistance (the federal grant administration division of Caltrans) tentatively agreed to provide the City with additional grant funds to complete the work along Highway 65 south of McDevitt Drive. The attached justification letter was submitted to assist with the final determination. Caltrans agreed with the justification and began processing the request. Subsequently, the City has received documentation confirming the additional grant funding will be committed to the project and final authorization is pending as of the time this staff report was prepared.

Staff confirmed that the Contractor would honor their original bid for the work involved with Alternate A and a draft change order was signed by the Contractor (see attachment).

Staff is requesting that the current year budget be amended to include the additional grant funds for the Gap Closure Project and authorize the City Manager to execute change orders up to the revised grant amount.

Alternatives

1. Amend the budget and City Manager authorization for the additional funds.
2. Direct staff to take other action.

Fiscal Impact

Additional project funds will likely offset all additional costs associated with Alternate A. If the work associated with Alternate A is not awarded the City may end up returning approximately \$34,500 in unspent grant funds.

The following is a revised budget for the Gap Closure Project SRTS-5478(006):

Grant:

Original Construction Grant Amount	\$266,180
<u>Additional Grant Funding</u>	<u>\$106,726</u>
Total Grant Funding for Construction	\$372,906

Anticipated Construction Expenditures:

Construction Contract	\$185,345
Construction Contingency (10%)	\$ 18,535
Construction Management/Inspection (15%)	\$ 27,800
Bid Alternate A	\$128,387
<u>Bid Alternate A Contingency (10%)</u>	<u>\$ 12,839</u>
Total Construction	\$372,906

Attachments

Attachment 1 – Resolution

Attachment 2 – Letter to Jim Day, Additional Funding Request for SRTS-5478(006),
May 19 2016

RESOLUTION NO. XX – 16

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHEATLAND
AMENDING THE FISCAL YEAR 2015-16 BUDGET AND AUTHORIZING
THE CITY MANAGER TO EXECUTE CONTRACT CHANGE ORDERS UP TO
THE REVISED MAXIMUM GRANT AMOUNT**

WHEREAS, The City of Wheatland has obtained two Safe Routes to School Grants for construction of sidewalks, road widening and other related improvements for two projects known as the Sidewalk Gap Closure Project (Federal Aid project number 5048(006)) and the Wheatland Road Safe Routes to School Project the (Federal Aid project number 5048(007)); and

WHEREAS, On September 10, 2015, The California Department of Transportation authorized the City to proceed with bidding and construction of both projects; and

WHEREAS, On April 14, 2016, construction for said projects were awarded to the lowest responsible and responsive bidder, S.T. Rhoades Construction, Inc. with a combined bid amount of \$383,592; and

WHEREAS, the bid submitted by S.T. Rhoades Construction, Inc. for Alternate A of the Gap Closure Project was in the amount of \$128,387; and

WHEREAS, the City did not have enough grant funding at the time the contract was awarded to S.T. Rhoades Construction to include the optional Bid Alternate A; and

WHEREAS, City requested additional grant funding for the project and the City has every indication that it will obtain additional grant funding in the amount of \$106,726 to cover the costs of Alternate A; and

WHEREAS, S.T. Rhodes Construction has agreed to honor their original bid submitted for Alternate A if a contract change order were issued by the City;

NOW, THEREFORE, the City Council of the City of Wheatland does hereby resolve that upon receipt of federal authorization to receive additional funding for the Safe Routes to School Gap Closure Project, the City Manager is directed to amend the FY15-16 Budget for the project by increasing the budget in the amount of \$106,726 and authorizes the City Manager to execute change orders up to the revised maximum grant amount.

PASSED AND ADOPTED at a regular meeting thereof held on the 14th day of June 2016, by the following vote:

AYES:
NOES:
ABSENT:

Attest:

Jay Pendergraph, Mayor

Lisa J. Thomason, City Clerk



City of Wheatland

111 C Street Wheatland, California 95692

TELEPHONE (530) 633-2761

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May 19, 2016

James P. Day
Caltrans-District 3
Office of Local Assistance
703 B Street
Marysville, CA 95901

RE: Request for Additional Project Funding - City of Wheatland Safe Routes to School Project SRTS-5048(006)

Dear Mr. Day,

In 2011 the City of Wheatland applied for and was subsequently awarded a Federal Safe Routes to School grant for the City's Gap Closure Project. The project scope included an approximately 500-ft of curb, gutter and sidewalk improvements along the westerly side of State Route 65 south of the McDevitt Drive intersection. This segment was included in the project because closing this gap would provide a continuous, safe and ADA-compliant pedestrian facility for neighborhoods just north of the City's four schools.

The grant application for this project anticipated constructing the curb, gutter and sidewalk improvements with a minimal amount of transitional paving to the existing highway shoulder. However, in order to obtain an encroachment permit for the project, Caltrans District 3 Encroachment Permits division required the highway to be paved to the full width of improvements. The City revised the project design accordingly in order to obtain the encroachment permit. Subsequently, the City packaged this segment as "Bid Alternate A" because the revised cost estimates indicated that the original grant amount may not be enough to construct this segment.

On April 14, 2016, the City of Wheatland awarded a construction contract for the base bid of the project to S.T. Rhoades construction in the amount of \$185,345 (see Attachment A - City Staff Report). As shown in the City's Staff Report, Bid Alternate A was submitted by the low bidder and eventual contractor in the amount of \$128,387.

There is currently \$266,180 in grant funding available for the construction phase of this project. As awarded, construction is anticipated take approximately \$231,680 of the available funding with approximately \$34,500 in potentially unused grant funding.

The City views the SR-65 segment of the project as a vital part of its school routes, serving roughly a quarter of the City's population. Therefore, the City of Wheatland kindly requests additional funding in the amount of \$106,726 to allow the City to award a contract change order for Bid Alternate A. This additional funding plus the funds that would have otherwise been returned at the end of the project will be used for construction and construction contingency to build Bid Alternate A. No additional funding is requested for construction management or materials testing. A revised summary of construction spending is shown below.

Gap Closure Project SRTS-5478(006)

Grant:

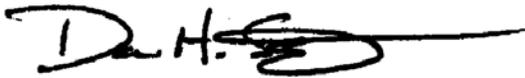
Original Construction Grant Amount	\$266,180
<u>Additional Grant Funding Request</u>	<u>\$106,726</u>
Total Grant Funding for Construction	\$372,906

Anticipated Construction Expenditures:

Construction Contract	\$185,345
Construction Contingency (10%)	\$ 18,535
Construction Management/Inspection (15%)	\$ 27,800

Bid Alternate A	\$128,387
<u>Bid Alternate A Contingency (10%)</u>	<u>\$ 12,839</u>
Total Construction	\$372,906

Thank you for your consideration of this matter. Please feel free to contact me at (530) 401-4610 if you have any questions.



Dane H. Schilling, PE
City Engineer
City of Wheatland

Attachment A – Staff Report: Award of Safe Routes to School Projects

Cc: Greg Greeson, City Manager
Marc Fernandez, Assistant Engineer
Project File SRTS-5048(006)