



## Council Agenda Report

**Department Name:** Public Works  
**Cost Center:** 5002  
**For Agenda of:** May 18, 2021  
**Placement:** Consent  
**Estimated Time:** N/A

**FROM:** Matt Horn, Public Works Director  
**Prepared By:** Hai Nguyen, Engineer III

**SUBJECT:** AUTHORIZATION TO ADVERTISE MEADOW PARK PATHWAYS MAINTENANCE, SPECIFICATION NO. 1000021

### RECOMMENDATION

1. Authorize staff to advertise for bids and approve the project plans (Attachment A) and special provisions (Attachment B) for Meadow Park Pathways Maintenance, Specification Number 1000021; and
2. Authorize the City Manager to award the construction contract for the bid total if the lowest responsible bid is within the Engineer's Estimate of \$360,000 and the funding amount is consistent with the adopted 2021-23 budget appropriation for this project.

### DISCUSSION

#### Background

Bicycle and pedestrian pathways in City parks and facilities require ongoing maintenance to provide users a safe and quality experience. The asphalt pathways at Meadow Park are failing with severe cracking, rutting, and potholes. Trees that are adjacent to the pathway, or more specifically tree roots, are causing the damage. More than 50% of the pathways within Meadow Park are in poor condition and must be repaired.

This project was originally bid in December 2018 and a contract for construction was awarded. Due to constructability challenges created by the variable condition of the existing pathway condition, tree root conflicts, and utility conflicts the contract was terminated at no cost to the City (Attachment C). This project has now been redesigned to address the previous constructability issues. This project is being proposed for bidding now, prior to final CIP Budget Adoption to secure contracts and begin and complete construction during the summer which is the ideal time for paving.

#### Project Scope

This project will repair approximately 4,300 linear feet of pathways (Attachment D) and replace one removable bollard. The pathway repair consists of milling off and replacing 4 inches of hot mix asphalt. Pavement areas damaged by tree roots will be reconstructed. Some existing tree roots may need to be cut, but all work adjacent to trees will be at the direction of the City Arborist.

**Previous Council or Advisory Body Action**

This project was originally identified in the 2017-19 Financial Plan that was approved by Council. This project was then deferred with the FY 20-21 Budget Supplement.

**Policy Context**

Per the October 2018 Purchasing Policy Update to the July 2015 Financial Management Manual, Council approval is required for Public Projects that cost over \$175,000.

**Public Engagement**

Public engagement was done during the initial identification of this project to be included in the 2017-19 Financial Plan.

**CONCURRENCE**

There is concurrence from Parks and Recreation and Public Works departments with the proposed recommendations outlined in this document.

**ENVIRONMENTAL REVIEW**

This project is exempt from environmental review under Section 15301 Class 1 (existing facilities) of the California Environmental Quality Act (CEQA) Guidelines because the project proposes to maintain existing pathways. The project is consistent with the applicable general plan policies as well as with applicable City Regulations.

**FISCAL IMPACT**

Budgeted: Yes

Budget Year: 2021-22

Funding Identified: Yes

**Fiscal Analysis:**

Staff is recommending this project be approved for advertising in advance of the Budget Adoption for 2021-22 to allow for project implementation during the summer which is the ideal time for paving. If the budget is approved as proposed, the funding will be made available July 1, 2021 to complete this project. If a lower funding level is approved by Council in the 2021-23 Financial Plan, staff may need to adjust the project scope to the approved budget, which will delay the project.

<b>Funding Sources</b>	<b>FY Cost</b>	<b>Annualized On-going Cost</b>	<b>Total Project Cost</b>
General Fund	\$345,900		\$345,900
State			
Federal			
Fees			
Sewer Fund	\$73,600		\$73,600
Total	\$419,500		\$419,500

Meadow Park Pathways Maintenance, Specification No. 1000021			
	Meadow Park Pathways Maintenance (1000021)	Sewer Manhole Cover Adjustments (1000084)	Project Total Costs
	General Fund	Sewer Fund	
Construction Estimate	\$296,000	\$64,000	\$360,000
Contingencies (15%)	\$44,400	\$9,600	\$54,000
<b>Total for Construction</b>	<b>\$340,400</b>	<b>\$73,600</b>	<b>\$414,000</b>
Materials Testing	\$5,000	\$0	\$5,000
Printing	\$500	\$0	\$500
<b>Total Project Cost</b>	<b>\$345,900</b>	<b>\$73,600</b>	<b>\$419,500</b>
Current Project Balance:	\$650	\$41,550	
Additional Funding FY21-23	\$350,000	\$85,000	
Downtown Paving 2021	\$0	(39,675)	
<b>Remaining Balance:</b>	<b>\$4,750</b>	<b>\$13,275</b>	

There is a balance of \$650 in the project account (1000021). Additional funding of \$250,000 from the Local Revenue Measure Fund and \$100,000 from Capital Outlay Fund is proposed in the 2021-2023 Financial Plan Capital Improvement Plan and 2021-22 budget to provide adequate funding for this project.

Another source of funding includes the Sewer Manhole Cover Adjustments Account (1000084) to support adjustment of sewer facilities to new pavement elevation. There is currently a balance of \$41,550 in the account. Additional funding of \$85,000 is proposed in the 2021-2023 Financial Plan Capital Improvement Plan to provide adequate funding for this project and the 2021 Downtown Pavement Improvements Project.

## ALTERNATIVES

**Deny Authorization to advertise.** The City Council may choose not to authorize project advertisement prior to consideration of the 2021-23 budget review and approval. Staff does not recommend this option, as the pathways are in need of repairs. Staff has recommended this unique timing to try and get the project completed over the summer which is the ideal time for paving.

### Attachments:

[a - COUNCIL READING FILE - 1000021 Plans](#)

[b - COUNCIL READING FILE - 1000021 Specifications](#)

**c - City Manager Report to Terminate Project**

**d - Project Vicinity Map**



# City Manager Report

Final City Manager Approval	Approver Name	Date Approved
ACM Community Services	Shelly	7/29/18

Reviewer Routing List	Reviewer Name	Date Reviewed
City Engineer	MH	7/18/19
City Attorney	CB	7/24/19
Finance	BE	7/24/19

July 16, 2019

FROM:	Daryl Grigsby, Director of Public Works	<i>MH for DG</i>	7/18/19
PREPARED BY:	Hai Nguyen, Engineer III		
SUBJECT:	Meadow Park Pathways Maintenance, Specifications No. 1000021 – Contract Termination		

## RECOMMENDATION

Terminate contract with Souza Engineering Contracting in the amount of \$118,090 for Meadow Park Pathways Maintenance Project.

## DISCUSSION

### Background

On December 10, 2018 the City Manager authorized inviting bids for the Meadow Pathways Maintenance Project, Specification Number 1000021. Bids were opened on January 10, 2019 and Souza Engineering Contracting, Inc. (Souza) was the lowest responsible bidder with a proposal of \$118,090 for the total project. The project was approved for award on February 4, 2019 (Attachment 1).

The project preconstruction meeting was held on February 28, 2019. During the meeting, Souza's project manager asserted that existing site conditions posed constructability challenges and that design changes should be implemented by Contract Change Order. Staff investigated and determined that changes proposed by Souza, if implemented, would have resulted in undue risk to the City due to a change in character of the contract work for which the resulting cost was unpredictable, but likely to exceed the approved project budget. Souza's proposal would also have impacted the drainage characteristics of the pathway which would negatively affect pathway longevity.

Despite the above findings, Staff's investigation revealed that the existing conditions would require a more robust pavement section to ensure cohesiveness of the pavement structure and support of the heavy construction equipment completing the milling and paving operations. Staff prepared a Cost Request to Souza with these contract modifications. Souza returned a proposal that would have approximately doubled the total project costs.



As a result of the potential cost overruns, Staff have agreed with Souza to terminate the project at zero cost to the City.

**Project Development**

Staff will complete further investigation of project conditions to determine the most appropriate changes to the current design, which may include additional pavement areas allowing for better turning movements for maintenance vehicles and a thicker pavement section to further extend the life of the pathways.

**FISCAL IMPACT**

The project will be re-designed for construction within the available account balance of \$137,090, with work to take place in Summer 2020. It should be noted that high demand for contract labor has recently resulted in substantial increases in project costs. In the event costs exceed the available budget, Staff will seek additional funding sources to complete the work.

**ALTERNATIVES**

***Deny termination of the contract.*** City Manager may choose not to terminate the contract. This alternative is not recommended because existing funds are not sufficient to support construction costs.

**ATTACHMENTS**

1. [1000021 CMR Award Report](#)

<https://slocitycloud.sharepoint.com/sites/SLOHub/Administration/citymanagersreports/Shared Documents/Public Works/2019/CIP Engineering/1000021 Meadow Park Pathways - Contract Termination/1000021 CMR Termination.docx>

