



## MEMORANDUM

**TO:** City Council

**FROM:** Bill Robeson, Assistant City Manager/Public Works Director

**BY:** Jill McPeck, Capital Improvement Project Manager

**SUBJECT:** Consideration to Award Construction Contract to G. Sosa Construction, Inc. for 2022 Pedestrian Crossing Improvement Project, PW 2021-08, and Authorization of Budget Adjustment for \$90,618 from Unexpended FY 2021-22 CIP Budget Funds

**DATE:** September 27, 2022

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### SUMMARY OF ACTION:

Awarding a construction contract to G. Sosa Construction, Inc., and allocating an additional \$90,618 of unexpended FY 2021-22 Capital Improvement Program budget funds to the project will allow for sidewalk infill and pedestrian improvements at three intersections within the City. Work is anticipated to begin in October 2022 and be completed in January 2023.

### IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

The FY 2021-22 and FY 2022-23 Capital Improvement Program (CIP) budget included \$250,000 of Highway Safety Improvement Program (HSIP) and \$100,000 of Regional State Highway Account (RSHA) funds for the subject project, for a total project cost of \$350,000. Upon receipt of construction bids, it is now estimated that the total project costs will be \$440,618. The remaining balance of the project is \$90,618 and it is proposed to fund this amount with unexpended American Rescue Plan Act (ARPA) and Sales Tax funds from the FY 2021-22 Capital Improvement Program budget. Staff time will be necessary to coordinate construction activities with the design consultant, engineering inspector, and construction contractor.

Construction	\$ 321,202.75
Construction Contingencies	32,120.25
Contract Admin, Ads, Copies	11,910.00
Design & Survey	75,385.00
<b>Total</b>	<b>\$ 440,618.00</b>

## **City Council**

### **Consideration to Award Construction Contract to G. Sosa Construction, Inc. for 2022 Pedestrian Crossing Improvement Project, PW 2021-08, and Authorization of Budget Adjustment for \$90,618 from Unexpended FY 2021-22 CIP Budget Funds**

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#### **RECOMMENDATION:**

1) Award a construction contract to G. Sosa Construction, Inc. in the amount of \$321,202.75 and authorize the City Manager to approve change orders for up to 10% of the contract amount, \$32,120.25, for unanticipated costs during the construction phase of the project (construction contract costs = \$321,202.75 + \$32,120.25 = \$353,323); and  
2) Approve a budget adjustment to appropriate \$90,618 from unexpended FY 2021-22 Capital Improvement Program budget funds to cover the subject project expenditures.

#### **BACKGROUND:**

In 2018, the City was successful in securing \$150,000 of RSHA funds through the San Luis Obispo Council of Government's (SLOCOG's) Safe Routes to School (SRTS) program for pedestrian improvements in the vicinity of Harloe Elementary School. As part of the 2018 Concrete Repairs project, \$50,000 of these funds were used to install sidewalks along Farroll Avenue between Gaynfair Terrace and Alder Street. The remaining \$100,000 was earmarked for sidewalk gap closures on South Halcyon Road and pedestrian crossing improvements at Sandalwood Avenue.

In 2020, the City was successful in securing \$250,000 of State HSIP funds to install pedestrian crossing improvements at three intersections:

- South Halcyon Road at Sandalwood Avenue
- Farroll Avenue at South Halcyon Road
- East Grand Avenue at Alder Street

The two grants, totaling \$350,000, were combined into one project, and at its July 26, 2022 meeting, the City Council approved the construction plans and specifications for the project (see Attachment 2). Also at this meeting, Council accepted two Public Pedestrian Access Easements and a Grant of Temporary Construction License acquired for the curb ramps at East Grand Avenue at Alder Street in order to meet current American with Disabilities (ADA) standards, and authorized staff to advertise for construction bids pending State approval of the allocation of construction funds. The State funds were allocated on August 4, 2022, and the project was advertised on August 8, 2022.

#### **ANALYSIS OF ISSUES:**

On September 8, 2022, eight bids were received for the 2022 Pedestrian Crossing Improvement Project (Attachment 1). The project specifications state that the lowest bidder will be determined using the Base Bid. There were no Bid Alternates. Following review, it has been determined that the lowest Base Bid was received from G. Sosa Construction, Inc., that G. Sosa Construction, Inc.'s bid is responsive, and that G. Sosa Construction, Inc. is a responsible bidder.

**Item 8.h.**

**City Council****Consideration to Award Construction Contract to G. Sosa Construction, Inc. for 2022 Pedestrian Crossing Improvement Project, PW 2021-08, and Authorization of Budget Adjustment for \$90,618 from Unexpended FY 2021-22 CIP Budget Funds  
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Based on the lowest base bid received, it is estimated that the total project costs will be \$440,618, as shown in the table below, which is \$90,618 more than what is currently budgeted for the Project. Staff recommends allocating unexpended funds from Fiscal Year 2021-22 Capital Improvement Projects to the Project, as follows:

- \$24,958.42 of remaining FY 2021-22 ARPA funds from the Chevron Storm Drain project, which has been completed as follows:

\$ 525,800.00	Budgeted
486,110.87	Expended
14,730.71	To be Used for Project Related Fencing Repairs
<u>\$ 24,958.42</u>	Remaining / Allocate to Pedestrian Crossings

- \$10,659.58 of remaining FY 2021-22 Sales Tax funds from the Castillo Del Mar project, which has been completed as follows:

\$ 694,061.53	Budgeted
683,401.95	Expended
<u>\$ 10,659.58</u>	Sales Tax Remaining / Allocate to Pedestrian Crossings

- \$55,000 of FY 2021-22 Sales Tax funding allocated to the Guardrails project that was not completed in FY 2021-22.

The following table depicts the current Project costs in light of received bids and the recommending funding sources for the new total project cost of \$440,617:

<b>Revenue</b>	<b>Available Budget</b>	<b>Current Estimate</b>	<b>Shortfall</b>
State HSIP	\$ 250,000.00	\$ 250,000.00	\$ 0.00
Regional SHA	100,000.00	100,000.00	0.00
ARPA (251 E Grand Storm Drain)	0.00	24,958.42	24,958.42
Sales Tax (Castillo Del Mar Extension)	0.00	10,659.58	10,659.58
Sales Tax (Guardrail Replacement)	0.00	55,000.00	55,000.00
<b>Total Revenue</b>	<b>\$ 350,000.00</b>	<b>\$ 440,618.00</b>	<b>\$ 90,618.00</b>

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**Expenditures**

Construction	\$ 262,705.00	\$ 321,202.75	\$ 58,497.75
Construction Contingencies	0.00	32,120.25	32,120.25
Contract Admin, Ads, Copies	11,910.00	11,910.00	0.00
Design & Survey	75,385.00	75,385.00	0.00
<b>Total Expenditures</b>	<b>\$ 350,000.00</b>	<b>\$ 440,618.00</b>	<b>\$ 90,618.00</b>

The contract time is 60 working days and it is anticipated work will be performed October 2022 to January 2023.

**ALTERNATIVES:**

The following alternatives are provided for the Council's consideration:

1. Award a construction contract to G. Sosa Construction, Inc. in the amount of \$321,202.75 and authorize the City Manager to approve change orders for up to 10% of the contract amount, \$32,120.25, for unanticipated costs during the construction phase of the project (construction contract costs = \$321,202.75 + \$32,120.25 = \$353,323.00); and approve a budget adjustment to appropriate \$90,618.00 from unexpended FY 2021-22 Capital Improvement Program budget funds to cover the subject project expenditures;
2. Award a construction contract to G. Sosa Construction, Inc. in the recommended amounts but approve a budget adjustment to appropriate \$90,618 from excess available General Fund balance;
3. Do not approve a construction contract to G. Sosa Construction, Inc.; or
4. Provide other direction to staff.

**ADVANTAGES:**

Installation of improvements at uncontrolled pedestrian crossings will address one of the main safety issues in the City (where fatal and severe injury pedestrian to vehicle collisions occur) as identified in the Local Road Safety Plan (LRSP). Installation of sidewalks where none currently exists will provide safe and continuous access for pedestrians in the vicinity of Harloe Elementary School.

**DISADVANTAGES:**

There will be intermittent sidewalk closures during the project. These closures will be minimized as much as possible and the project specifications require the contractor to notify affected residents and businesses in advance. In addition, staff will work with Lucia Mar School District and Harloe Elementary School personnel to coordinate disruptions to parents and students accessing the school from Farroll Avenue.

**City Council**

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**ENVIRONMENTAL REVIEW:**

The project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Guideline Section 15301(c) for repairs and maintenance of existing streets, sidewalks, gutters and similar facilities.

**PUBLIC NOTIFICATION AND COMMENTS:**

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

**Attachments:**

1. Bid Opening Log Sheet
2. July 26, 2022 Staff Report and Attachments