



# STAFF REPORT – CITY COUNCIL MEETING

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September 06, 2023

**TO:** Honorable Mayor and City Council Members

**FROM:** Netra Khatri, City Engineer

**PREPARER:** Netra Khatri, City Engineer

**DATE:** August 23, 2023

**TITLE:** **Approve the Design and Award a Construction Contract for the Old Arcata Road Improvements Project to GR Sundberg, Inc., in the Amount of \$5,996,109.00; Authorize the City Engineer to Approve Change Orders and Increase the Contract Amount by up to \$179,883.27 (3 Percent of the total bid, for a Total Not to Exceed \$6,175,992.27) to Allow for Any Unforeseen Contingencies and Additional Work as Necessary; and Authorize the City Manager to Execute All Applicable Documents.**

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## **RECOMMENDATION:**

It is recommended that the Council:

- 1) Approve the design and award a construction contract for the Old Arcata Road Improvements Project to GR Sundberg, Inc., in the amount of \$5,996,109.00;
- 2) Authorize the City Engineer to approve change orders and increase the contract amount by up to \$179,883.27 (3 Percent of the total bid, for a total not to Exceed \$6,175,992.27) to allow for any unforeseen contingencies and additional work as necessary; and
- 3) Authorize the City Manager to execute all applicable documents.

## **INTRODUCTION:**

Old Arcata Road is a regionally significant arterial route for Arcata and the Bayside community. The road acts as an alternative route and oversized load route for U.S. 101, provides access to important facilities—such as Sunny Brae Middle School, Jacoby Creek School, and the Bayside Post Office—and provides access to unincorporated areas.

Currently, the road experiences motorists travelling at high speeds and provides limited pedestrian/bicyclist facilities. The road condition varies throughout the project area, but a large amount scored “poor” for its Pavement Condition Index (PCI).

In early 2016, the City contracted with SHN Consulting Engineers to help prepare a community-driven plan for the Old Arcata Road Improvements project. The consultant participated and assisted City staff in hosting multiple community meetings and presented design alternatives at those meetings. The consultants provided illustrations, plans, and graphics of concepts (photo-simulations) at the public meetings. A preliminary report for the project was completed in late 2016. The consultant presented the report to the Transportation Safety Committee on November 15, 2016, and to the City Council on November 16, 2016.

On March 9, 2018, the City solicited a Request for Proposal (RFP) from qualified firms seeking an experienced transportation engineering consultant design team with multi-modal design experience to help prepare engineering plans and environmental documents for the Old Arcata Road Improvements project.

In June 2018, the City contracted with GHD to assist the City in preparing engineering plans and environmental documents for the project. The project team completed environmental documents in March 2022 and design in May 2023. Immediately after receiving final designs, the project was advertised for bidding.

Project plans are available here: <https://www.cityofarcata.org/bids.aspx?bidID=123>

**BACKGROUND:**

Two sealed bids were received from contractors before the 11:00 a.m. deadline on August 10, 2023. Below is the Bid Summary:

Sr. No.	Name of the Contractor	Base Bid	Additive Alternate	Total
1	GRS Inc.	\$ 5,996,109.00	\$ 374,540.00	\$ 6,370,649.00
2	Mercer-Fraser Co..	\$ 7,331,883.50	\$ 139,135.00	\$ 7,471,018.50

*Please see Attachment A, an itemized bid tabulation sheet, for a summary of bids received.*

Following the public opening of bids, the bid range was evaluated for consistency, and the lowest responsive bidder’s bid was examined for consistency with both state and federal guidelines. The project contract Disadvantage Business Enterprise (DBE) goal was set at 19%; GRS, Inc., will exceed the goal. Mercer-Fraser Co. did not submit the DBE commitment goal paperwork with the bids.

If a contract is presently awarded, work will commence on or after September 20, 2023, and should be completed within 150 working days after starting. Prior to issuing a Notice-to-Proceed to the Contractor, public notifications will be made by the City and the Contractor to potentially impacted residents/businesses to inform them of construction activities, possible parking restrictions, and detours/traffic control.

**ENVIRONMENTAL REVIEW (CEQA):**

The City staff completed the Environmental Review (CEQA) for the project in 2022 and filed a Notice of Determination (NOD) on February 17, 2022; State Clearing House No. 2021010176.

**BUDGET/FISCAL IMPACT:**

The base bid amount that staff is recommending to award is approximately \$1.5 million more than budget allocation for the 2023/24 fiscal year for the project. As the construction work for the project will extend to FY 2024/25 we are recommending to award the contact as follows:

<b>Account Number</b>	<b>Amount</b>	<b>Account Name</b>
101-50-45-57601	\$ 1,500,000.00	Capital Streets: Measure G (FY 23-24)
210-50-45-57600	\$ 2,753,084.27	Capital Streets: STIP/HIP (FY 23-24)
208-50-45-57600	\$ 439,599.00	SB 1: Capital - Other Improvements (FY 23-24)
101-50-45-57601	\$ 1,300,000.00	Capital Streets: Measure G ( <b>FY 24-25</b> )
101-50-45-57601	\$ 420,000.00	SB 1: Capital - Other Improvements ( <b>FY 24-25</b> )

Each year the City receives approximately \$1.5 million from Measure G and \$420,000 from SB1 funds for street improvements projects. We are proposing to use those funds for the FY 2024/25 on the Old Arcata Road Improvements project. Those funds will not be expended until July 2024 once the FY 2024/25 budget is approved. Moreover, staff are diligently working with HCAOG to secure additional construction grants for this project. If the City is successful, allocated Measure G and SB1 funds for FY 2024/25 will be used for other street improvement projects.

**ATTACHMENTS:**

- A. BID SUMMARY\_Old Arcata Rd Imp Project (PDF)