

STAFF REPORT

City Council Business Item

DATE: October 7, 2024

TO: Honorable Mayor and Council Members

FROM: Mat Nyberg, Deputy City Engineer

THROUGH: Amy Nilsen, Interim City Manager

SUBJECT: **Authorize the Interim City Manager to award a Construction Contract for the Main Street Gateway Project (CIP 9128) and Approve a SBR**

STAFF RECOMMENDATION:

Authorize the Interim City Manager to award a Construction Contract to GRS Inc. for the Main Street Gateway Project and Approve a Supplemental Budget Request for \$387,838.

EXECUTIVE SUMMARY:

A Northern entrance gateway project has been a topic of conversation among staff and the Fortuna community for decades. In 2016, the idea gained some traction but fell short due to lack of funding. Later in 2023, staff applied for a Caltrans Clean California Project, a program that aims to beautify and improve local streets, roads, tribal lands, parks, pathways, and transit centers through grant funding. Unfortunately, the application did not lead to sufficient funds and the gateway concept was halted once again. However, in late 2023 Caltrans staff reached out to the City regarding a second round of 2023 funds, reviving the project.

Since February of this year, City staff have been working with Caltrans in a cooperative agreement to develop and ultimately construct the Main Street Gateway concept. The Project will rehabilitate the two concrete medians on Main Street and Highway 101, located to the South of the C. Crane facility and to the North of Sunbelt Rentals. The improvements will be visible as one enters the City from the Highway 101 South Main Street off-ramp and departs the City via North Main Street to the Highway 101 on-ramp. The design includes a mixture of native and low-maintenance, drought-tolerant landscaping, decorative concrete, and a welcome sign to be placed on the larger median, with the smaller median to be improved only with decorative concrete. The proposed landscaping palette is similar in nature to the existing landscaping at the private business (C. Crane) to the North. The stamped concrete and welcome sign will be a river rock pattern or a similar that complements the masonry rock wall to the Northwest. A four-foot-wide perimeter of decorative concrete will allow easy and off-street access for median maintenance. The welcome sign will be made of pre-cast concrete or concrete block with river rock façade, and placed to be visible to vehicles entering and leaving the City. The draft sign design included in the project bid package is included as Attachment C, and staff will be seeking final concurrence from the council on the sign design during the staff report presentation.

The Main Street Gateway Project design and bid package were finalized and publicly advertised on September 12. The bid period ended on September 30th, 2024, at which time the City received four responsive bids. The bid totals are shown in the table below:

Name of Contractor	Base Bid Amount
GR Sundberg Inc.	\$330,960.00
Mercer Fraser	\$344,344.00
RAO Construction	\$360,730.00
Mobley Construction	\$431,740.00

The apparent low bid was submitted by GR Sundberg Inc. with a total bid price of \$330,960 which is within the Clean California funding allocation of \$387,838.

City staff have confirmed that the bid received from GR Sundberg Inc. was fully responsive and that they have active licenses and registrations. Staff recommend awarding the contract to GR Sundberg Inc.

If the project is awarded, staff anticipate being under contract in mid-October. Mobilization and construction is anticipated to take approximately four-weeks, and is scheduled to be completed by December 13, 2024. The draft Notice of Potential Award is included as Attachment A.

FINANCIAL IMPACT:

This project is fully funded by the Caltrans Clean California Program, which is grant funding that will be reimbursed through a cooperative agreement the City has with Caltrans. Staff are requesting the approval of a Supplemental Budget Request to fund 350, which would bring the Clean California funding into this fiscal year’s budget as both revenue and expenditure. The available funding would cover the contract bid amount and also provide a 17% contingency during construction. See the table below for a breakdown of budgetary impacts on project funding.

Contract Amount	Contingency	Not To Exceed Contract Amount	Clean California Funding	City Fund Budgetary Impact
\$330,960	\$56,878	\$387,838	\$387,878	\$0

Staff recommends approval of a Supplemental Budget Request (Attachment B) allocating \$387,878 in expenditures from Fund 350 for construction and accepting \$387,878 in revenues from the Caltrans Clean California Program for reimbursement.

RECOMMENDED COUNCIL ACTION:

1. Receive staff presentation and review Council questions with staff
2. Open Public Comment
3. Close Public Comment
4. Motion to Authorize the Interim City Manager to award a Construction Contract for the Main Street Gateway Project and Approve a Supplementary Budget Request for \$387,838. Voice vote.

Attachments:

- Notice of Potential Award
- Supplemental Budget Request
- Final Draft Welcome Sign Design