

City of Sacramento

Legislation Text

File #: 2019-00633, Version: 1

Title:

Plans and Specifications, Contract Award, Funding Agreement, and Budgetary Adjustments for the New Market Drive Extension Project (L19140410) [Published for 10-Day Review 05/30/2019]

File ID: 2019-00633

Location: New Market Drive between Town Center Drive and Via Ingoglia, District 1

Recommendation:

Adopt a Resolution: 1) approving the Plans and Specifications for the New Market Drive Extension Project; 2) authorizing the City Manager or the City Manager's designee to enter into a Project Agreement with Los Rios Community College District (LRCCD) for an amount not to exceed \$1,007,456; 3) authorizing the City Manager or the City Manager's designee to enter into a Project Agreement with Natomas Unified School District (NUSD) for an amount not to exceed \$1,007,456; 4) authorizing the City Manager or the City Manager's designee to: a) increase the revenue and expenditure budgets of the North Natomas Community Center and Aquatic Complex Project (L19140410) by \$2,014,912 (CIP Reimbursable Fund, Fund 3702) to reflect the terms of the Project Agreements with LRCCD and NUSD; b) transfer \$175,498 from the Tax Zone 1A_56AD Project (J22002600), \$72,315 from the Tax Zone 1B_57AD Project (J22002700), and \$346,828 from the Tax Zone II_58AD Project (J22002800) (CFD No. 4 Series C Construction Fund, Fund 3324) to available fund balance; c) transfer \$751,135 (CFD No. 4 Series C Construction Fund, Fund 3324) from available fund balance to the expenditure budget of the North Natomas Community Center and Aquatic Complex Project (L19140410); d) transfer \$276,041 (North Natomas Lands CFD No. 3 Fund, Fund 2230) from available fund balance to the expenditure budget of the North Natomas Community Center and Aquatic Complex Project (L19140410); and e) transfer \$1,000,000 (Major Street Construction Fund, Fund 2007) from available fund balance to the expenditure budget of the North Natomas Community Center and Aquatic Complex Project (L19140410); 5) awarding the construction contract for the New Market Drive Extension Project to McGuire & Hester for an amount not to exceed \$2,992,792; and 6) authorizing the City Manager or the City Manager's designee to execute a contract with McGuire & Hester for an amount not to exceed \$2,992,792 for the New Market Drive Extension Project.

Contact: Philip Vulliet, Senior Civil Engineer, (916) 808-5092; Nader Kamal, Interim Engineering Services Manager, (916) 808-7035, Department of Public Works

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Resolution
- 3-Specifications - New Market Drive Extension Project
- 4-Plans - New Market Drive Extension Project
- 5-Signed Contract - McGuire & Hester
- 6-Signed Project Agreement - Los Rios Community College District
- 7-Signed Project Agreement - Natomas Unified School District

Description/Analysis

Issue Detail: Extending New Market Drive is needed to serve the planned North Natomas Community Center and Aquatic Complex and other adjacent land uses. The Complex will be located in the North Natomas Community and Regional Park along the extension of New Market Drive at its intersection with Via Ingoglia, across from Natomas Unified School District's (NUSD) Inderkum High School and near Los Rios Community College District's (LRCCD) Natomas Center campus. The construction of the Complex and the New Market Drive extension is planned to start in the summer of 2019 and will be completed in the spring of 2020.

The New Market Drive extension will allow for improved access to the campuses of NUSD and LRCCD, and a traffic signal at its intersection with Via Ingoglia is needed for vehicle, bicycle, and pedestrian safety. NUSD and LRCCD will each contribute \$1,007,456 to the City, for a total of 50% of the \$4,029,860 cost for the New Market Drive Extension Project. The balance of funding to complete the project will be provided by local transportation funds and community facilities district funds.

Policy Considerations: The requested actions are in accordance with City Code Chapter 3.60 and support the City's General Plan goals of improving the transportation system, enhancing community livability, and improving public safety. Additionally, the recommendations in the report are in accordance with City Code Chapter 4.04 and City Council Rules of Procedure, Chapter 7, Section E.2,d, which require additional posting time for labor agreements and agreements greater than \$1 million. This contract was published for 10-day review on May 30, 2019.

Economic Impacts: This new infrastructure is expected to create 11.97 total jobs (6.88 direct jobs and 5.09 jobs through indirect and induced actives) and create \$1,847,854 in total economic output (\$1,164,716 of direct output and another \$683,138 of output through indirect and induced activities).

The indicated economic impacts are estimates calculated using a calculation tool developed by the

Center for Strategic Economic Research (CSER). CSER utilized the IMPLAN input-output model (2009 coefficients) to qualify the economic impacts of a hypothetical \$1 million of spending in various construction categories within the City of Sacramento in an average one-year period. Actual impacts could differ significantly from the estimates and neither the City of Sacramento nor CSER shall be held responsible for consequences resulting from such differences.

Environmental Considerations:

California Environmental Quality Act (CEQA): Pursuant to CEQA requirements, the Mitigated Negative Declaration for the North Natomas Regional and Community Park Master Plan Amendment and Community Center and Aquatics Complex Project, which included the extension of New Market Drive, was adopted on June 7, 2018 (State Clearinghouse #2018022004).

Sustainability: None

Commission/Committee Action: None

Rationale for Recommendation: The project was advertised, and bids were received on April 17, 2019. The bids are summarized below:

Contractor	Bid Amount
Teichert Construction.	\$3,638,079
Martin Brothers Construction	\$3,679,263
McGuire & Hester	\$2,992,792

The Engineer's Estimate was \$2,950,000. It is recommended that the construction contract be awarded to the lowest responsive and responsible bidder, McGuire & Hester. Approval by the City Council is necessary to award the construction contract.

Financial Considerations: The estimated total project cost for the New Market Drive Extension Project is about \$4.1 million. The proposed funding structure is below:

Fund Number	Fund Name	Amount
3702	CIP Reimbursable Fund	\$2,014,912
3206	NNFP Public Facilities Fee Fund	\$52,000
3324	CFD No. 4 Series C Construction Fund	\$751,135
2230	North Natomas Lands CFD No. 3 Fund	\$276,041
2007	Major Street Construction Fund	\$1,000,000

	Total	\$4,094,088
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Upon the execution of the funding agreements with LRCCD and NUSD for a total amount of \$2,014,912 (CIP Reimbursable Fund, Fund 3702), and with the City's contributions including \$1,000,000 from the Major Street Construction Fund (Fund 2007) available fund balance, \$276,041 from the North Natomas Lands CFD No. 3 (Fund 2230) available fund balance, and \$751,135 from the CFD No. 4 Series C Construction Fund (Fund 3324) available fund balance, there will be sufficient funding in the North Natomas Community Center and Aquatic Complex Project (L19140410) to award the construction contract to McGuire & Hester for an amount not to exceed \$2,992,792 and cover the remaining project costs including construction management.

There is sufficient funding within the Tax Zone 1A_56AD Project (J22002600), the Tax Zone 1B_57AD Project (J22002700), the Tax Zone II_58AD Project (J22002800), and the available fund balances of the Major Street Construction Fund (Fund 2007), the North Natomas Lands CFD No. 3 Fund (Fund 2230), and the CFD No. 4 Series C Construction Fund (Fund 3324) to support the recommended transfers.

Local Business Enterprise (LBE): McGuire and Hester is an LBE.

Background: In order to provide access to the planned North Natomas Community Center & Aquatic Complex at the North Natomas Community and Regional Park (the "Park"), it is necessary to extend New Market Drive to serve the Complex. The Complex includes a 50-meter pool that is suitable for swim competitions, as well as two smaller pools, and a community center for recreational programs, meetings and events. The Complex will be located in the Park along the extension of New Market Drive at its intersection with Via Ingoglia Street, across from Natomas Unified School District's (NUSD) Inderkum High School and near Los Rios Community College District's (LRCCD) Natomas Center campus. The construction of the Complex and the New Market Drive extension is planned to start summer of 2019 and will be completed in the winter of 2020. The City prepared a Mitigated Negative Declaration (MND) for the amendment to the North Natomas Regional Park Master Plan, which included the extension New Market Drive, and approved the Complex Project on June 7, 2018.

The New Market Drive Extension Project construction contract was advertised on March 26, 2019, and bids were received on April 17, 2019. McGuire & Hester is the lowest responsive and responsible bidder. Approval by the City Council is necessary to award the construction contract.

The New Market Drive extension will allow for improved access to the campuses of NUSD and LRCCD and a traffic signal at its intersection with Via Ingoglia Street is needed for vehicle, bicycle and pedestrian safety. NUSD and LRCCD will each contribute \$1,007,456 to the City, for a total of 50% of the \$4,029,860 cost for the New Market Drive Extension Project. This funding represents their fair share contribution to this infrastructure project.

The balance of funding to complete the project will be provided by local transportation funds and community facilities district funds. The Community Facilities District No. 4 (CFD 4) was formed to issue bonds and construct drainage facilities in North Natomas. If there are bond proceeds in excess of what is needed for drainage facilities, then remaining proceeds can be used for construction of major roadways such as New Market Drive. The Department of Utilities has reserved the amounts necessary to construct the remaining drainage improvements and has released the remaining amount of proceeds from CFD 4, Series C bond issuance for construction of New Market Drive.

The North Natomas Community Facilities District No. 3 (CFD 3) was formed to fund and maintain landscape improvements in North Natomas. Funds allocated from CFD 3 will be used to fund landscaping in the project.