TO: James L. App, City Manager

FROM: Doug Monn, Public Works Director

SUBJECT: 21st Street Improvements Construction Budget

DATE: September 18, 2012

NEEDS: For City Council to consider a construction budget for 21st Street Improvements.

FACTS:

1. In December 2010, the State of California Strategic Growth Council awarded the 21st Street Project with an Urban Greening Grant in the amount of $993,000.

2. On March 1, 2011, the City allocated an additional $450,000 from Redevelopment Agency (RDA) Bonds for the project prior to the State's dissolution of the City's Redevelopment Agency.

3. Design of the project is complete and ready for construction. It includes the following features (as required in the grant):
   - reduce the volume and intensity of storm water runoff
   - increase groundwater recharge
   - improve pedestrian and bicyclist mobility and safety
   - shade the street with trees
   - low impact development

   Antiquated water, sewer and storm drain lines are also being upgraded as part of the project. Funding will come from the respective enterprise budgets.

4. Project plans and bid documents have been prepared. The base bid is for 21st Street between Spring Street and Riverside Avenue. A bid additive alternate is included for the two blocks of 21st Street between Vine and Spring Streets..

ANALYSIS & CONCLUSION: The project is ready to bid once City Council adopts a budget for construction.

POLICY REFERENCE: Resolution No. 11-005 accepting the Urban Greening Grant.
Resolution No. RA 11-003 allocating $450,000 towards the project with RDA bonds.

FISCAL IMPACT:

A construction budget of $2,795,000 for the base bid improvements has been estimated. The additive bid design (Vine to Spring) would require an additional $636,000. See details below.

Construction Base Project (Spring to Riverside)	$ 2,100,000
Construction inspection & management	190,000
Construction design support	70,000
(review of submittals, requests for information, design clarifications, and special landscape inspection)	
Soils engineering services	50,000
(compaction testing, subgrade, pipe trench, paving)	
Arborist review and monitoring	5,000
Union Pacific permits and flagging	50,000
Streetlight infrastructure and undergrounding of overhead utilities	200,000
Subtotal	$ 2,665,000
5% Contingency	130,000
Total	$ 2,795,000
Bid additive (Vine to Spring)	$ 636,000 *
Grand Total	$ 3,431,000

* Bid additive comprised of:

Surface improvements	490,000
Sewer improvements	135,000
Water improvements	3,000
Landscaping improvements	8,000
	$ 636,000

Funding Sources

The following funding sources maybe considered for base bid construction.

Urban Greening Grant	$ 993,000
General Fund Reserves*	218,000
*Note: Should the Court allow the City to use RDA Funds, General Fund Reserves would be reimbursed.	
Sewer Fund	380,000
Water Fund	80,000
SD Impact Fee	235,000
Total	$ 1,906,000

Shortfall without bid additive: ($2,795,000 – $1,906,000) = $ 889,000

Shortfall with bid additive: ($3,431,000 – $1,906,000) =$1,525,000

There is currently a balance of $623,859 from Fund 200 comprised of Highway User Tax Account (HUTA) funds the State returned from previous years of borrowing to balance the State Budget. It is proposed that the City Council allocate $490,000 of these funds towards construction of 21st Street. Additionally there is a balance of $312,000 in Fund 217, Storm Drain Impact Fee. It is proposed that $235,000 be allocated towards 21st Street. Finally, there is a current balance of $1,666,432 from the Traffic Impact Fee (Fund 213) of which $540,000 is reserved for the 46 East/Dual Left project leaving a balance of $1,126,432 available. It is proposed that $399,000 of Traffic Impact Fees be allocated towards 21st Street.

Funding resources for the 21st Street Base Bid Project are summarized below:

Urban Greening Grant	$ 993,000
General Fund Reserves advance	218,000
Sewer Fund	380,000
Water Fund	80,000
SD Impact Fee	235,000
Gas Tax Fund 200	490,000
Traffic Impact Fee	399,000
Total	$ 2,795,000

The Vine to Spring Street portion of the project will be included as a bid additive alternate..

OPTIONS:

a. Adopt Resolution No. 12-xx adopting the final construction budget for the 21st Street Project (111.910.5452.688) as follows:

Urban Greening Grant	$ 993,000
General Fund Reserves advance	218,000
Sewer Fund	380,000
Water Fund	80,000
SD Impact Fee	235,000
Gas Tax Fund 200	490,000
Traffic Impact Fee	399,000
Total	$ 2,795,000

b. Amend, modify, or reject the above option.

Prepared by: Ditas Esperanza, P.E., Capital Projects Engineer

Attachments: Resolution

RESOLUTION NO. 12-xxx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES ADOPTING A CONSTRUCTION BUDGET FOR 21ST STREET IMPROVEMENTS

WHEREAS, in December 2010 the State of California Strategic Council awarded the 21st Street Improvement Project with an Urban Greening Grant in the amount of $993,000; and

WHEREAS, the City Council allocated an additional $450,000 to the project from Redevelopment Agency (RDA) Bonds prior to its dissolution; and

WHEREAS, the project design is complete and ready for construction; and

WHEREAS, the City Council has adopted a construction budget for the base bid, Spring Street to Riverside Avenue.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. The City Council of the City of El Paso de Robles does hereby adopt a construction budget of $2,795,000 for the 21st Street Project, Budget No. 111.910.5452.688.

SECTION 2. The City Council does hereby authorize the funding source for the construction budget as follows:

Urban Greening Grant	$ 993,000
General Fund Reserves (potentially reimbursed from Redevelopment Agency Bonds)	218,000
Sewer Fund	380,000
Water Fund	80,000
SD Impact Fee	235,000
Gas Tax Fund 200	490,000
Traffic Impact Fee	399,000
Total	$ 2,795,000

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 18th day of September, 2012 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Duane Picanco, Mayor

ATTEST:

Caryn Jackson, Deputy City Clerk