


Agenda Report Reviewed by:  
City Manager: 

CITY OF SEBASTOPOL  
CITY COUNCIL  
AGENDA ITEM

**Meeting Date:** November 7, 2023  
**To:** Honorable Mayor and City Councilmembers  
**From:** Mario Landeros, City Engineer  
**Subject:** Bodega Avenue Bike Lanes and Rehabilitation Phase 1 CIP Budget Amendment  
**Recommendation:** Adoption of Resolution Approving a CIP Budget Amendment and Authorize City Manager to approve contract change orders up to 20% of the contract amount  
**Funding:** Currently Budgeted:  Yes  No  Not Applicable

Account Code: Fund 211/Grant-OBAG2; Fund 123/Pavement Reserve Fund; Fund 201/Measure M Transportation  
Costs authorized in City Approved Budget:  Yes (Finance Initialed AK)  No (Finance Exempt)

**INTRODUCTION/PURPOSE:**

The item is to request Council adoption of a Resolution approving a budget amendment to the Fiscal Year 2023-24 Capital Improvement Program (CIP) Budget for Bodega Avenue Bike Lanes and Rehabilitation Project 0513-74.09 (the Project) and authorize City Manager to approve contract change orders up to 20% of the contract amount.

**BACKGROUND AND DISCUSSION:**

Council on May 16, 2023, awarded the construction contract to Argonaut Constructors and authorized 10% of the contract for contingencies during construction. On June 20, 2023, Council approved the Green Valley Consulting Engineers contract for construction management and inspection. Other construction support service contracts approved under the City’s procurement policy include: 1) construction engineering and environmental compliance; and 2) materials compaction testing. A contract change order (CCO 1) for unforeseen underground conditions was approved within the City Manager’s approval authority and CIP budget in the amount of \$49,042.

During work and in preparation for street pavement overlay it was discovered in the bid documents for work items to adjust the iron covers of existing utility manholes and boxes to the new pavement elevation the quantity of manhole covers was undercounted and for utility boxes was missing. The elevation adjustments to the iron covers are necessary to provide a uniform and smooth pavement overlay. The estimated cost to adjust the iron covers is \$88,000 and will require approving of a contract change order to do the work. Approval of a change order to adjust the iron covers, however, is outside of the City Manager’s approval authority of 10% of the contract that was authorized at the time of bid award. The additional costs would also exceed the CIP Budget for the Project.

Staff is requesting: 1) a budget amendment to the Fiscal Year 2023-24 CIP Budget to account for the added costs described above for adjusting the iron covers of existing utility manholes/boxes and construction engineering support services; and 2) authorizing the City Manager to approve contract change orders up to 20% of the contract amount. Table 1 below is a summary of construction costs for the Project.

Table 1: Construction Cost Summary for Bodega Avenue Bike Lanes and Rehabilitation Phase 1 Project

Construction contract (original)	\$993,775.00
CO 1 (4.94%)	49,042.00
Remaining Contingency (5.06%)	50,308.00
Construction Management, Inspection & Materials Testing	167,575.00
Estimated Cost to Adjust Iron Covers	88,000.00
Construction Cost Total	\$1,348,700.00
FY 2023-24 CIP Project #0513-74.09 Budget	\$1,245,000.00
<b>Budget Amendment Proposed</b>	<b>\$103,700.00</b>

**ENVIRONMENTAL REVIEW:**

The proposed action is  Not a project under CEQA  Not exempt  Exempt under Section \_\_\_\_\_ from the requirements of the California Environmental Quality Act (CEQA). Previously the Project was determined to be exempt under CEQA and the National Environmental Policy Act (NEPA).

**GOALS:**

This action supports the following City Council Goals and General Plan Actions:

Goal 2 - Maintain, Improve and Invest in the City’s Infrastructure (Water, Sewer, Streets, Circulation, Parks, Storm Drains and Public Facilities).

**PUBLIC COMMENT:**

As of the writing of this staff report, the City has not received any public comment. However, staff anticipates receiving public comments from interested parties following the publication and distribution of this staff report. Such comments will be provided to the City Council as supplemental materials before or at the meeting. In addition, public comments may be offered during the public comment portion of the agenda item.

**PUBLIC NOTICE:**

This item was noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to scheduled meeting date.

**FISCAL IMPACT:**

The adopted CIP budget for Fiscal Year 2023-24 for Bodega Avenue Bike Lanes and Rehabilitation Project 0513-74.09 is \$1,245,000. The proposed budget amendment of \$103,700 to accommodate the change order to adjust iron covers and construction engineering support services described above is proposed to be funded as listed below shown in Table 1 below:

Table 2 Adopted and Proposed Amended Budget

Fund No.	Fund Source	ADOPTED	PROPOSED
211	Grant - OBAG 2	\$968,000	\$968,000
123	Pavement Reserve Fund	\$84,000	\$84,000
201	Measure M Transportation	\$193,000	\$296,700
Total		\$1,245,000	\$1,348,700

**RECOMMENDATION:**

Staff recommends the Sebastopol City Council:

1. Adopt the Resolution amending Fiscal Year 2023-24 Capital Improvement Program budget for Bodega Avenue Bike Lanes and Rehabilitation Phase 1 for CIP Project 0513-74.09,
2. By minute order Authorize City Manager to approve contract change orders up to 20% of the contract amount.

**Attachments:**

1. Resolution

**CITY OF SEBASTOPOL**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEBASTOPOL AUTHORIZING A CIP BUDGET AMENDMENT FOR BODEGA AVENUE BIKE LANE AND REHABILITATION PHASE 1 PROJECT #CIP 0513-74.09

WHEREAS, City Council on May 16, 2023, awarded the construction contract to Argonaut Constructors and authorized 10% of the contract for contingencies during construction; and

WHEREAS, additional budget is needed to fund the total cost of construction of Bodega Avenue Bike Lanes and Rehabilitation Phase 1 Project, which includes construction, construction management and inspection, construction engineering and environmental compliance and materials compaction testing; and

WHEREAS, a budget amendment to the adopted Fiscal Year 2023-24 Capital Improvement Program (CIP) budget to proposed expenditures and funding sources is necessary for incorporating cost changes due to unforeseen field conditions and addition of items of work required to complete Bodega Avenue Bike Lanes and Rehabilitation Phase 1 Project but not included in the initial bid documents; and

WHEREAS, on June 20, 2023, City Council adopted the Fiscal Year 2023-24 CIP Budget for Bodega Avenue Bike Lanes and Rehabilitation Phase 1 Project #CIP 0513-74.09 for construction and inspection in the amount of \$1,245,000; and

WHEREAS, the adopted and proposed amended budget to incorporate cost changes as described above and required to complete Bodega Avenue Bike Lanes and Rehabilitation Phase 1 Project is shown in Table 1.

*Table 1 - Adopted and Proposed Amended Budget*

Fund No.	Fund Source	ADOPTED	PROPOSED
211	Grant - OBAG 2	\$968,000	\$968,000
123	Pavement Reserve Fund	\$84,000	\$84,000
201	Measure M Transportation	\$193,000	\$296,700
Total		\$1,245,000	\$1,348,700

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Sebastopol does hereby approve a budget amendment for Bodega Avenue Bike Lanes and Rehabilitation Phase 1 Project #CIP 0513-74.09 from \$193,000 to \$296,700 from Measure M Transportation Fund 201 as shown on Table 1 above.

The above and foregoing Resolution was duly passed, approved, and adopted at a meeting by the City Council on the 7<sup>th</sup> day of November 2023, by the following vote:

**VOTE:**

- Ayes:
- Noes:
- Absent:
- Abstain:

APPROVED: \_\_\_\_\_  
 Mayor Neysa Hinton

ATTEST: \_\_\_\_\_  
 Mary Gourley, Assistant City Manager/City Clerk, MMC

APPROVED AS TO FORM: \_\_\_\_\_  
 Larry McLaughlin, City Attorney