

DATE: July 11, 2012  
TO: Mayor and City Council Members  
FROM: Public Works/Utilities Department  
SUBJECT: **RESOLUTION NO. 9037 - A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT CHANGE ORDER WITH C & C CONSTRUCTION, INC. (CONTRACT NO. 174-21 10-046) FOR THE HISTORIC FOLSOM STATION PROJECT NO. 2613 AND APPROPRIATION OF FUNDS**

### **BACKGROUND/ISSUE**

On December 14, 2010 the Redevelopment Agency of the City of Folsom (RDA) authorized, by Resolution No. 326-R, an agreement with C & C Construction to pay with Redevelopment funds the amount of \$6,016,009.40 plus standard contingency. This agreement was for the construction of the Historic Folsom Station project located in the RDA project area and selection of the contractor was also approved by the RDA. Since the authorization of the agreement, the RDA Fund has made payments to C & C Construction in excess of \$6.45 million as authorized by Resolution No. 326-R.

On June 26, 2012 Council approved a loan from the Transportation Improvement Fund to the General Fund to make payments to C & C Construction. This item is a follow up to that action to complete the funding requirements for the project.

Transportation Enhancement Grant funding totaling \$500,000 will be used to fund the work authorized under this change order.

### **POLICY/RULE**

In accordance with Chapter 2.36 of the Folsom Municipal Code, agreements costing \$41,750 or greater shall be approved by the City Council. Section IV, G of the City of Folsom Financial Policies states that departments will seek City Council approval for interfund borrowing.

### **ANALYSIS**

There are two phases to the Historic Folsom Station Project; the civil improvements and the lighting/landscaping/enhancements. The civil improvements include items such as the concrete work, drainage, railroad tracks, amphitheater, and hand railing. The second phase, lighting/landscaping/enhancements, include all the facility lighting, handrail lighting, landscaping, stage, stage cover, security systems, and sound systems.

Because of the complexity of the initial phase of the project and the termination of the Redevelopment Agency, changes to the initial phase of the contract included advancing the construction of the stage, fencing, and incorporating a portion of the lighting to allow the public use of the facility during the construction of the second phase of the project. Due to the advancement of

portions of the second phase into this phase a Contract Change Order is needed for the increase in the project budget. The advancement of these improvements allowed additional improvements to be completed prior to the opening of the Plaza.

### **FINANCIAL IMPACT**

Funds for the Contract Change Order in an amount not to exceed \$ 500,000 are available in the Transportation Improvement Fund (Fund 446). Upon receipt of the reimbursement of the Transportation Enhancement Grant invoice from Caltrans, the Transportation Fund will be reimbursed for the expenditures incurred. Sufficient funds are available in the Transportation Improvement Fund (Fund 446) and in the reimbursement grant.

The current contract amount, including current contract change orders, is \$6,710,329.34. The new contract amount with this change would be for a not to exceed amount of \$7,210,329.34 and would increase the project budget to \$10,477,218.

### **ENVIRONMENTAL REVIEW**

There is no environmental review necessary for this work.

### **ATTACHMENT**

Resolution No. 9037 - A Resolution Authorizing the City Manager to execute a Contract Change Order with C & C Construction, Inc. (Contract No. 174-21 10-046) for the Historic Folsom Station Project No. 2613 and Appropriation of Funds

**RECOMMENDATION/CITY COUNCIL ACTION**

The Public Works Department recommends that the City Council pass and adopt Resolution No. 9037 - A Resolution Authorizing the City Manager to execute a Contract Change Order with C & C Construction, Inc. (Contract No. 174-21 10-046) for the Historic Folsom Station Project No. 2613 and Appropriation of Funds.

Submitted,



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Richard J. Lorenz, PUBLIC WORKS/UTILITIES DIRECTOR

**RESOLUTION NO. 9037**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT CHANGE ORDER WITH C & C CONSTRUCTION, INC. (CONTRACT NO. 174-21 10-046) FOR THE HISTORIC FOLSOM STATION PROJECT NO. 2613 AND APPROPRIATION OF FUNDS**

**WHEREAS**, on December 14, 2010 the City awarded the Construction Contract for the construction of the Historic Folsom Station Project to C & C Construction, Inc. (Contract No. 174-21 10-046); and,

**WHEREAS**, the initial phase of the project did not incorporate adequate lighting to allow public use of the facility until the second phase of the project was constructed; and,

**WHEREAS**, the construction of the stage and ramps for the amphitheater were advanced into this phase of the project so as to allow public use of the entire Historic Folsom Station Project; and,

**WHEREAS**, additional costs have been incurred on the project due to an increase in item quantities, the addition of two parking areas within the project area, and unforeseen conditions in the excavation; and,

**WHEREAS**, C & C Construction has performed in good faith under this agreement and did construct the Folsom Historic Plaza, which provided jobs to complete the construction; and

**WHEREAS**, there are sufficient funds available in the Transportation Improvement Fund (Fund 446) to fund the proposed contract change order; to be fully reimbursed by a Transportation Enhancement Grant:

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Folsom authorizes the City Manager to execute a contract change order in the amount not to exceed \$500,000 for the Historic Folsom Station Project No. 2613 for a total contract amount not to exceed \$ 7,210,329.34; and,

**BE IT FURTHER RESOLVED** that the Finance Department is directed to appropriate an additional \$500,000 from the Transportation Fund (Fund 446) to the Historic Folsom Station Project No. 2613.

**PASSED AND ADOPTED** on this 24th day of July, 2012, by the following roll-call vote:

AYES: Council Member(s):

NOES: Council Member(s):

ABSENT: Council Member(s):

ABSTAIN: Council Member(s):

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Kerri M. Howell, MAYOR

ATTEST:

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Christa Saunders, CITY CLERK