

**REPORT TO MAYOR/REDEVELOPMENT AGENCY CHAIR
AND COUNCIL/AGENCY BOARD****TO THE HONORABLE MAYOR/REDEVELOPMENT AGENCY CHAIR
AND CITY COUNCIL/AGENCY BOARD:**

DATE: June 22, 2009

Subject: ADOPTING RESOLUTION NO. 09-735 APPROVING AN APPROPRIATION IN THE AMOUNT OF \$20,000 FROM THE REDEVELOPMENT AGENCY UNALLOCATED FUND BALANCE TO PROJECT NO. 2130, CLAYTON ROAD (MARKET STREET TO OAKLAND AVENUE) PAVEMENT REHABILITATION

Report in Brief

In early April 2009, the Federal Highway Administration (FHWA), through Caltrans, changed its Disadvantaged Business Enterprise (DBE) Program from race-neutral to race-conscious. This change required changes to a number of documents and increased the coordination work with Caltrans which increased the design consultant's cost and staff administrative costs for Project No. 2130, Clayton Road (Market Street to Oakland Avenue) Pavement Rehabilitation.

Staff recommends that the Council adopt Resolution No. 09-735 approving an appropriation in the amount of \$20,000 from the Redevelopment Agency Unallocated Fund Balance to Project No, 2130, Clayton Road (Market Street to Oakland Avenue) Pavement Rehabilitation.

Background

On December 1, 2008, the Council approved a Professional Services Agreement (PSA) with Azari Engineering, Inc. of Concord (Azari). This PSA authorized Azari to design Project No. 2130, Clayton Road (Market Street to Oakland Avenue) Pavement Rehabilitation. The project will rehabilitate approximately 1.2 miles of roadway on Clayton Road between Market Street and Oakland Avenue by grinding and replacing the top 3.2 inches of the full width of asphalt pavement.

Design began in December 2008 and was completed in April 2009. Azari incorporated into the project specifications the Caltrans' race-neutral DBE requirement. A race-neutral DBE involves measures where all small businesses are assisted equally, including DBE. Using the completed design documents, staff assembled and submitted forms as required by Caltrans requesting construction authorization (E76).

Discussion

In early April 2009, the FHWA, through Caltrans, changed the DBE program requiring E76 packages use a race-conscious DBE approach. Race-conscious measures involve the use of individual contract goals and require increased activities to assist underutilized DBEs (UDBEs). UDBEs are businesses owned by African-Americans, Asian-Pacific Americans, Native Americans, or Women.

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The change in approach from race-neutral to race-conscious DBEs required revisions to the project specifications. Additionally, it required changes to the "Request for Construction Authorization (E76)" package, which consists of a number of documents. The delay and additional coordination work with Caltrans also increased the staff administrative cost. As shown in Attachment 1, the project requires an additional appropriation of \$20,000. This shift from a race-neutral to a race-conscious program required the City to formally enter into an Implementation Agreement with Caltrans adopting the new DBE program. On June 1, 2009, the Council adopted Resolution No. 09-44 approving the Race-Conscious Implementation Agreement required under the Caltrans DBE Program.

Fiscal Impact

As discussed above, the project requires an additional appropriation of \$20,000. Staff recommends a budget transfer of \$20,000 from the Redevelopment Agency (RDA) Unallocated Fund Balance. The project site is within the Redevelopment Area. The budget transfer has been coordinated with the proposed 10-year Capital Improvement Program (CIP) Plan.

Public Contact

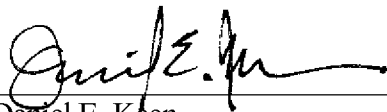
The Agenda item was posted.

Recommendation for Action

Staff recommends the City Council/Redevelopment Agency adopt Resolution No. 09-735 approving an appropriation in the amount of \$20,000 from the Redevelopment Agency Unallocated Fund Balance to Project No. 2130, Clayton Road (Market Street to Oakland Avenue) Pavement Rehabilitation.

Prepared by: Mark Migliore, PE
Associate Civil Engineer
Mark.Migliore@ci.concord.ca.us

Reviewed by: Alex Pascual, PE
Director Building, Engineering &
Neighborhood Services
Alex.Pascual@ci.concord.ca.us



Daniel E. Keen

City Manager

Dan.Keen@ci.concord.ca.us

Attachment 1 – Resolution No. 09-735

Attachment 2 – Budget Transfer Analysis

REDEVELOPMENT AGENCY OF THE CITY OF CONCORD

RESOLUTION NO. 9-735

APPROVING AN APPROPRIATION IN THE AMOUNT OF \$20,000 FROM THE REDEVELOPMENT AGENCY UNALLOCATED FUND BALANCE TO CIP PROJECT 2130, CLAYTON ROAD (MARKET STREET TO OAKLAND AVENUE) PAVEMENT REHABILITATION

WHEREAS, Council approved a Professional Services Agreement with Azari and Associates (Azari) on December 1, 2008 for design of Project 2130, Clayton Road (Market Street to Oakland Avenue) Pavement Rehabilitation; and

WHEREAS, FHWA and Caltrans required all Cities to change the Disadvantaged Business Enterprise Program from Race-Neutral to Race-Conscious; and

WHEREAS, FHWA and Caltrans direction required significant revisions to project specifications and Concord's Request for Construction Authorization package; and

WHEREAS, these revisions required additional funding in the amount of \$20,000 over and above the existing project budget; and

WHEREAS, the RDA director concurred with transferring the required amount from the Redevelopment Agency Unallocated Fund Balance.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CONCORD DOES RESOLVE AS FOLLOWS:

Section 1. Approve the requested budget transfer of \$20,000 from the Redevelopment Agency Unallocated Fund Balance to Project 2130, Clayton Road (Market Street to Oakland Avenue) Pavement Rehabilitation.

Section 2. This resolution becomes effective immediately upon its passage and adoption.

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3 **PASSED AND ADOPTED** by the City Council of the City of Concord on June 22, 2009, by
4 the following vote:

5 **AYES:** Councilmembers -

6 **NOES:** Councilmembers -

7 **ABSTAIN:** Councilmembers -

8 **ABSENT:** Councilmembers -

9 **I HEREBY CERTIFY** that the foregoing Resolution No. 09-735 was duly and regularly
10 adopted at a regular joint meeting of the City Council and the Redevelopment Agency of the City of
11 Concord on June 22, 2009.

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Mary Rae Lehman
City Clerk

15 **APPROVED AS TO FORM:**

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Craig Labadie
City Attorney

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BUDGET ANALYSIS**Clayton Road (Market Street to Oakland Ave.) Pavement Rehabilitation
PROJECT NO. 2130****Available Budget**

Fund 500	<u>\$170,000</u>	RDA Fund
Available Budget	\$170,000	design budget only

Soft Costs

12.9%	Design	\$142,000	Plans, Specifications & Estimate.
0.3%	Right-of-Way	\$3,000	Research & Analysis of applicable parcels
2.0%	Design Coordination	\$22,000	Contract Administration.
1.0%	Miscellaneous	\$11,000	Postage, Printing, NOE, Advertisement, hist. Prop research.
1.1%	Cost Recovery	<u>\$12,000</u>	Indirect costs for design/construction administration.
	Soft Cost	\$190,000	

Soft cost percentages are calculated based on the **estimated** hard construction cost of \$1,100,000.

Construction Costs

not applicable

Total Budget Required

Soft Cost	\$190,000
Hard Cost	NA
Total Budget Required	\$190,000

Additional Budget Required

Total Budget	\$190,000
Available Budget	<u>\$170,000</u>
Additional Allocation Required	\$20,000