Agenda Item #12.1 For Council Meeting of: February 22, 2022

# CITY OF SANTA ROSA CITY COUNCIL

TO:MAYOR AND CITY COUNCILFROM:GRANT BAILEY, SUPERVISING ENGINEERTRANSPORTATION AND PUBLIC WORKS DEPARTMENTSUBJECT:AUTHORITY TO ISSUE DESIGN-BUILD REQUEST FORPROPOSALS FOR THE FIRE DAMAGED ROADWAYRESILIENCY IMPROVEMENTS PROJECT

AGENDA ACTION: MOTION

## RECOMMENDATION

It is recommended by the Transportation and Public Works Department that the Council, by motion, authorize issuance of a Request for Proposals for the Design-Build procurement method for the Fire Damaged Roadway Resiliency Improvements Project.

## EXECUTIVE SUMMARY

Approximately 33 miles of residential streets in the Fountaingrove and Coffey Park neighborhoods of Santa Rosa were significantly damaged as a result of debris removal operation following the 2017 Tubbs Fire. The City may receive federal grant funds applicable to the repair of roads in these neighborhoods. Utilizing a Design-Build delivery method will expedite project delivery, benefitting the project timeline by ensuring timely expenditure of grant funds. Staff has investigated the use of Design-Build procurement to repair and make improvements to damaged City streets and recommends the process be used for the Fire Damaged Roadway Resiliency Improvements project.

#### BACKGROUND

In 2017 the City of Santa Rosa experienced the unprecedented Tubbs wildfire event. At the time, the Tubbs Fire was the most destructive wildfire in California history with more than 2,500 homes destroyed in Santa Rosa alone. This correlates to an approximate loss of five percent (5%) of the City's housing stock and an estimated economic loss of \$1.2 billion. Following the Tubbs Fire in 2017, the City of Santa Rosa, in coordination with the Federal Emergency Management Agency, began a debris removal operation to remove hazardous burned material from the Coffey Park and Fountaingrove neighborhoods of the City. This operation included thousands of truck trips on residential roads not designed to accommodate such loading. Roads along the truck

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haul routes experienced significant damage as a direct result of the required debris removal operations which has led to premature pavement failure on over 33 miles of residential streets within the City of Santa Rosa.

The City Materials Lab has assessed all streets damaged as a result of the debris removal operation and determined appropriate treatments. Lab staff have recommended two treatment options; for streets with localized asphalt failures, a digout repair and slurry seal treatment will be used, while streets that exhibit a more global failure will receive a mill and fill asphalt overlay treatment. Generally, Coffey Park neighborhood streets will predominantly receive a mill and fill treatment while Fountaingrove neighborhood streets will receive a combination of digout/slurry seal and mill and fill treatments. Treatment recommendations were established with the assistance of the City's Pavement Management Program, StreetSaver, which considers a number of factors including severity and type of asphalt distress, asphalt treatment cost effectiveness, and roadway classification.

Staff applied for Community Development Block Grant – Mitigation (CDBG-MIT) and Community Development Block Grant – Disaster Relief (CDBG-DR) funds through the State of California Housing and Community Development Disaster Recovery Program to aid in the repair of City streets damaged by the Tubbs Fire debris removal operation. The City is in the due diligence and project specific application phase of the grant funding program for the Fire Damaged Roadway Resiliency Improvement project with applications due no later than January 31, 2022.

Staff has researched the use of Design-Build procurement for similar roadway construction projects and recommends use of the process for the Fire Damaged Roadway Resiliency Improvements project.

## PRIOR CITY COUNCIL REVIEW

In January 2014, the City Council adopted Ordinance 4021, which established regulations for the award, use and evaluation of Design-Build contracts.

On July 13, 2021, the City Council reviewed a Study Session presentation discussing the use of one-time monies that identified this project as a candidate to receive PGE settlement and CDBG funds.

## **ANALYSIS**

A Design-Build contract is an alternative contracting method in which a single Design-Build Entity both designs and builds a project. This method expedites project delivery by reducing the number of contracts under the project, overlapping the design and construction phases, potentially reducing project costs, and minimizing disputes between designer and contractor. The proposed procurement method will follow Section 3-60 of the City of Santa Rosa Municipal Code. This method allows for selection of a Design-Build firm through a Request for Proposals (RFP) process based AUTHORITY TO ISSUE DESIGN-BUILD REQUEST FOR PROPOSALS FOR THE FIRE DAMAGED ROADWAY RESILIENCY IMPROVEMENT PROJECT PAGE 3 OF 4

on performance objectives established for the project.

A Selection Committee will review and rank the proposals based on the evaluation criteria outlined in Section 3-60.120 of the City Code. Upon completion of the proposal rating process, the Selection Committee will make a recommendation to the City Council to award the Design-Build contract to the Design-Build Entity whose proposal is selected as providing the best value, meeting the interest of the City, and meeting the objectives of the project. A request to award a Design-Build contract will be presented to Council at a later date.

Staff has discussed use of the Design-Build procurement process with the California Department of Housing and Community Development (HCD) responsible for administration of CDBG grant funds. HCD has acknowledged that utilization of Design-Build process is allowable under the grant guidelines; however, further justification is required to confirm the project will be competitively bid, and that project pricing is reasonable compared to other similar projects by following the City Code Chapter 3-60 Design-Build Procurement.

A major benefit for the use of Design-Build on this project is that upon award of the grant funds, the CDBG-DR funds have a "shovel ready" requirement, with an expectation that those funds will be utilized rapidly. A Design-Build process will expedite expenditure of CDBG-DR funds by overlapping design and construction phases and reducing the overall project delivery schedule. Traditional Design-Bid-Build process will likely extend the expenditure of CDBG-DR funds for the project.

Staff has reviewed HCD's procurement manual and is confident a Design-Build request for proposals (RFP) can be drafted to meet competitive procurement requirements. Staff will continue to work closely with HCD throughout the process to ensure the final Design-Build RFP is acceptable under the grant guidelines and is approved by HCD under the Project Application. A motion to authorize issuance of a Design-Build RFP does not require that staff use the process; and ultimately if the Design-Build procurement process is rejected by HCD, staff can utilize traditional Design-Bid-Build process for the project.

## FISCAL IMPACT

A journal ledger account Number 17607 has been established and funded with \$50,000 of gas tax funds to support the scoping and environmental phases.

This item is expected to have no direct fiscal impact on the General Fund.

Additional funding to support design and construction of the Fire Damaged Roadway Resiliency project will be brought before City Council at a future date.

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#### ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378. CEQA may apply if a design-build contract is awarded for construction of this project.

#### BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

#### **ATTACHMENTS**

• Attachment 1 – Proposed Project Area Map

#### CONTACT

Grant Bailey, Supervising Engineer <u>GBailey@srcity.org</u>, 707-543-4508