



# City of Rialto

Council Chambers  
150 S. Palm Ave.  
Rialto, CA 92376

## Legislation Text

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**File #:** 17-796, **Version:** 1, **Agenda #:** TAB 2

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For City Council Meeting [October 10, 2017]

TO: Honorable Mayor and City Council

APPROVAL: Michael E. Story, City Administrator

FROM: Robert G. Eisenbeisz, P.E., Public Works Director/City Engineer

Request City Council to 1) Adopt **Resolution No. 7213**; and 2) Award a Contract to KASA Construction, Inc., in the Amount of \$5,147,000 for the Construction of Joe Sampson Park, City Project No. 150303.

**(ACTION)**

**BACKGROUND:**

On July 12, 2016, the City Council awarded a Professional Services Agreement (PSA) in the amount of \$227,880 to Community Works Design Group, Inc. (CWDG) of Riverside, California, for preparation of Master Plans for both the Frisbie Park Expansion and the Joe Sampson Park Development.

On March 14, 2017, the City Council made several decisions governing the development of Joe Sampson Park. First, the Council approved the Master Plan for Joe Sampson Park, which identified in concept the amenities that the park will provide to the Rialto community. Second, Council approved the First Amendment to the Professional Services Agreement with CWDG for Phase II Final Engineering, Landscape Design, and Project Management Services for development of Joe Sampson Park. This action authorized CWDG to initiate final design and engineering activities, leading to the completion of construction documents for the Park. Lastly, Council approved a budget adjustment in the amount of \$315,611, to accommodate the Phase II design and engineering work by CWDG for Joe Sampson Park. Following this approval, CWDG expeditiously completed final plans, special provisions, and the engineer's estimate for the project.

On June 27, 2017, the City Council authorized release of Request for Bids for construction of Joe Sampson Park.

**ANALYSIS/DISCUSSION:**

On June 28, 2017, the City released RFB No. 18-003 for Construction of Joe Sampson Park, published the RFB in the *San Bernardino County Sun*; posted the RFB on the City of Rialto website, provided construction documents to various plan rooms, and advertised the project in Planet Bids.

On August 15, 2017, the City received eleven (11) bids, tabulated in **Table 1** below, for each bidder:

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**Table 1**

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Company	Location	Type of Firm	Bid Amount
KASA Construction, Inc.	Chino, CA	Corporation	\$ 5,147,000
CS Legacy Construction, Inc.	Pomona, CA	Corporation	\$ 5,381,000
Environmental Construction, Inc.	Woodland Hills, CA	Corporation	\$ 5,494,245
USS CAL Builders, Inc.	Stanton, CA	Corporation	\$ 5,628,000
Los Angeles Engineering, Inc.	Covina, CA	Corporation	\$ 5,784,400
Horizons Construction Co. Intl., Inc.	Orange, CA	Corporation	\$ 5,864,000
Aramexx Group, INC.	Claremont, CA	Corporation	\$ 6,054,330
Hal Hays Construction, Inc.	Riverside, CA	Corporation	\$ 6,059,289
Future DB International, Inc.	Irvine, CA	Corporation	\$ 6,380,000
Access Pacific, Inc.	Pasadena, CA	Corporation	\$ 6,670,000
OHNO Construction Co	Fontana, CA	Partnership	\$ 6,754,000

After a detailed review of the bids received, KASA Construction, Inc., of Chino, California was determined to be the lowest responsible bidder for the project. The engineer's estimated cost range to construct the site improvements for Joe Sampson Park is \$5.8M to \$6.4M. Staff reviewed the bid, references, and contractor's licenses, and found KASA Construction, Inc., to be properly licensed and qualified. References included the cities of Costa Mesa, Westminster, and Mission Viejo, all whom gave high marks to KASA for recent work completed. In addition, KASA Construction, Inc. recently completed Rialto's Phase I Metrolink Parking Expansion project. KASA successfully completed that project in accordance with City standards. Contract Change Orders (CCO's) on that project amounted to 5.4% of the construction contract amount, which is consistent with industry expectations for a project of that type and magnitude. Approved CCO's were related to additional work requested by the City, resolving unknown underground utility conflicts, and in response to insufficient detail in the construction documents. Staff negotiated the cost of these items based upon contract unit prices and/or actual time and materials in accordance with the contract specifications.

Staff recommends awarding the site improvements contract to KASA Construction, Inc., in the amount of \$5,147,000. The City's standard Construction Agreement is included as **Attachment 1**. The Contractor's license and reference check is included as **Attachment 2**.

Chapter 2.47 of the Rialto Municipal Code provides local preference to firms located in Rialto for non-construction contracts; however, as a general law city, Rialto must award construction contracts to the lowest responsible bidder, thus the provisions of Chapter 2.47 do not apply.

The park project also requires the procurement of a prefabricated restroom building. Public Works will separately but concurrently complete this procurement and return to Council with a request to authorize the purchase of the necessary building for the Park. Additionally, staff is reviewing consultant proposals for Construction Management Services. Upon completion of this review, Staff will negotiate a final scope and fee with the highest ranked consultant and return to Council with a recommendation to approve a Professional Services Agreement with the selected firm.

### **ENVIRONMENTAL IMPACT:**

Construction of the Project is subject to state environmental review pursuant to the California Environmental Quality Act (CEQA). The City, acting as the lead agency pursuant to CEQA, prepared an Initial Study and a Mitigated Negative Declaration (MND) for the Project. The MND has been

circulated for public review and comment and the comment period ended on October 2, 2017. The project is scheduled for review and approval at the Development Review Committee on October 11, 2017. The City will not enter into the construction contract until the City records a Notice of Determination.

**GENERAL PLAN CONSISTENCY:**

Approval of this action complies with the following City of Rialto Guiding Principles, General Plan Goals and Policies:

*Our City government will lead by example, and will operate in an open, transparent, and responsive manner that meets the needs of the citizens and is a good place to do business.*

Goal 2-24: Take advantage of opportunities to increase and enhance open spaces throughout Rialto.

Goal 2-27: Provide a variety of park facilities that meet the diverse needs and interest of the community.

Policy 2-27.1: Establish a Master Plan for Parks and Recreation that achieves a park ratio of 3.0 acres per 1,000 residents, evenly distributes park facilities throughout the community, and contains strategies for funding facilities and maintenance.

Policy 2-27.2: Plan for and designate adequate funding to maintain new and existing parks and facilities.

**LEGAL REVIEW:**

The City Attorney has reviewed and approved the staff report and Resolution.

**FINANCIAL IMPACT:**

Staff recommends that City Council appropriate \$5,600,000 in Park Development Impact Fund for the construction of the Joe Sampson Park Development Project.

**Table 2- Funding Summary- Joe Sampson Park**

Joe Sampson Park Development- Project No 150303	Current Budget	Requested Appropriation	Adjusted Budget	Actuals	% of Total Budget	Account No
01 DESIGN	\$429,551	\$ -	\$ 429,551	\$429,551	7%	300-500-8150-3001
04 ADMINISTRATION	\$ 20,000	\$ -	\$ 20,000	\$ 20,422	0%	300-500-8150-3001
05 CONSTRUCTION	\$ -	\$ 5,330,000	\$ 5,330,000	\$ -	88%	210-500-4750-3001
13 OVERHEAD ALLOCATION	\$ 10,000	\$ -	\$ 10,000	\$ -	0%	300-500-8150-3001
15 CONSTRUCTION SUPPORT		\$ 20,000	\$ 20,000	\$ -	0%	210-500-4750-3001
16 CONSTRUCTION MANAGEMENT	\$ -	\$ 250,000	\$ 250,000	\$ -	4%	210-500-4750-3001
<b>Total Uses of Funds</b>	<b>\$459,551</b>	<b>\$ 5,600,000</b>	<b>\$ 6,059,551</b>	<b>\$449,973</b>	<b>100%</b>	

The award of contract to KASA Construction, Inc.; in the amount of \$5,147,000 for construction of Joe Sampson Park; will be paid from the General Fund Capital Account No. 210-500-4750-3001-150303-05.

**LICENSING:**

A Business license application and payment of a Business License tax at the Professional Service

rate in the amount of \$5,745.43 will be paid by the contractor prior to issuance of the Notice to Proceed.

**RECOMMENDATION:**

Staff recommends that the City Council:

- 1) Adopt a Resolution
- 2) Award a Contract to KASA Construction, Inc., in the amount of \$5,147,000, for the Construction of Joe Sampson Park, City Project No. 150303;

**AGREEMENT  
(CONSTRUCTION CONTRACT)**

**THIS AGREEMENT** made this 12th day of September, 2017, by and between the City of Rialto, a municipal corporation, organized and existing in the County of San Bernardino, under and by virtue of the laws of the State of California, hereinafter designated as the City, and KASA Construction, Inc., a California corporation, hereinafter designated as the Contractor.

The City and the Contractor, in consideration of the mutual covenants hereinafter set forth, agree as follows:

**ARTICLE 1 -- THE WORK**

For and in consideration of the payments and agreements to be made and performed by City, Contractor agrees to furnish all materials and perform all work required to complete the Work as specified in the Contract Documents, and as generally indicated under the Bid Schedule(s) for the Project entitled:

**CONSTRUCTION OF JOE SAMPSON PARK  
CITY PROJECT NO. 150303**

The Work comprises furnishing all materials, equipment, tools, labor and incidentals as required by the Special Provisions and Contract Documents for the above stated project. The general items of work to be performed hereunder consists of constructing site improvements to accommodate the replacement of existing baseball field concessions and restroom buildings at Frisbie Park, to be located northerly of Easton Street, adjacent to the baseball fields, and replacement of the existing restroom-only building at Andresen Park, to be placed in the same approximate location as the existing building, and miscellaneous work items directly appurtenant to those two work sites.

**ARTICLE 2 -- COMMENCEMENT AND COMPLETION**

The Work to be performed under this Contract shall commence on the date specified in the Notice to Proceed by the City, and the Work shall be fully completed within the time specified in the Notice to Proceed.

The City and the Contractor recognize that time is of the essence of this Agreement, and that the City will suffer financial loss if the Work is not completed within the time specified in Article 2, herein, plus any extensions thereof allowed in accordance with applicable provisions of the Standard Specifications, as modified herein. They also recognize the delays, expense, and difficulties involved in proving in a legal proceeding the actual loss suffered by the City if the Work is not completed on time. Accordingly, instead of requiring any such proof, the City and the Contractor agree that as liquidated damages or delay (but not as a penalty), the Contractor shall pay the City the sum specified in Section 6-9 of the Special Provisions for each calendar day that expires after the time specified in Article 2, herein. In executing the Agreement, the Contractor acknowledges it has reviewed the provisions of the Standard Specifications, as modified herein, related to liquidated damages, and has made itself aware of the actual loss incurred by the City due to the inability to complete the Work within the time specified in the Notice to Proceed.

### **ARTICLE 3 – CONTRACT PRICE**

The City shall pay the Contractor for the completion of the Work, in accordance with the Contract Documents, in current funds the Contract Price(s) named in the Contractor's Bid Proposal and Bid Schedule(s), and any duly authorized Construction Contract Change Orders approved by the City. The amount of the initial contract award in accordance with the Contractor's Bid Proposal is **Five Million One Hundred Forty-Seven Thousand Dollars and No Cents (\$5,147,000.00)**.

Contractor agrees to receive and accept the prices set forth herein, as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the Work during its progress or prior to its acceptance including those for well and faithfully completing the Work and the whole thereof in the manner and time specified in the Contract Documents; and, also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the Work, suspension or discontinuance of the Work, and all other unknowns or risks of any description connected with the Work.

### **ARTICLE 4 – THE CONTRACT DOCUMENTS**

The Contract Documents consist of the Notice Inviting Bids, Instructions to Bidders, the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations, the accepted Bid and Bid Schedule(s), List of Subcontractors, Non-Discrimination Certification, Non-Collusion Affidavit, Bidder's General Information, Bid Security or Bid Bond, this Agreement, Worker's Compensation Certificate, Performance Bond, Payment Bond, Standard Specifications, Special Provisions, the Drawings, and all Construction Contract Change Orders and Work Change Directives which may be delivered or issued after the Effective Date of the Agreement and are not attached hereto.

### **ARTICLE 5 – MUTUAL OBLIGATIONS**

For and in consideration of the payments and agreements to be made and performed by the City, the Contractor agrees to furnish all materials and perform all work required for the above stated project, and to fulfill all other obligations as set forth in the aforesaid Contract Documents.

City hereby agrees to employ, and does hereby employ, Contractor to provide the materials, complete the Work, and fulfill the obligations according to the terms and conditions herein contained and referred to, for the Contract Price herein identified, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in the Contract Documents.

Contractor specifically acknowledges and agrees to be bound by the Wage Rates and Labor Code requirements specified in the Contract Documents, and shall pay the general prevailing rate of per diem wages as determined by the Director of the Department of Industrial Relations of the State of California.

## **ARTICLE 6 -- PAYMENT PROCEDURES**

The Contractor shall submit Applications for Payment in accordance with the Standard Specifications as amended by the Special Provisions. Applications for Payment will be processed by the City Engineer as provided in the Contract Documents.

## **ARTICLE 7 -- NOTICES**

Whenever any provision of the Contract Documents requires the giving of a written Notice, it shall be deemed to have been validly given if delivered in person to the individual or to a member of the firm or to an officer of the corporation for whom it is intended, or if delivered at or sent by registered or certified mail, postage prepaid, to the last business address known to the giver of the Notice.

## **ARTICLE 8 -- INDEMNIFICATION**

The Contractor agrees to indemnify and hold harmless the City, and all of its officers and agents from any claims, demands, or causes of action, including related expenses, attorney's fees, and costs, based on, arising out of, or in any way related to the Work undertaken by the Contractor hereunder.

## **ARTICLE 9 -- NON-DISCRIMINATION**

The Contractor represents and agrees that it does not and will not discriminate against any subcontractor, consultant, employee, or applicant for employment because of race, religion, color, sex, or national origin in any matter including without limitation employment upgrading, demotion, transfers, recruitment, recruitment advertising, layoff, termination, rates of pay, or other forms of compensation and selection for training, including apprenticeship.

## **ARTICLE 10 -- MISCELLANEOUS**

Terms used in this Agreement which are defined in the Standard Specifications and the Special Provisions will have the meanings indicated in said Standard Specifications and the Special Provisions. No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically, but without limitation, monies that may become due and monies that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

The City and the Contractor each binds itself, its partners, successors, assigns, and legal representatives, to the other party hereto, its partners, successors, assigns, and legal representatives, in respect of all covenants, agreements, and obligations contained in the Contract Documents.

**IN WITNESS WHEREOF**, the City and the Contractor have caused this Agreement to be executed the day and year first above written.

**CITY OF RIALTO, CALIFORNIA**

**APPROVED BY THE CITY COUNCIL:**

By \_\_\_\_\_  
Deborah Robertson  
Mayor

Date \_\_\_\_\_

**ATTEST:**

By \_\_\_\_\_  
Barbara A. McGee  
City Clerk

**APPROVED AS TO FORM:**

By \_\_\_\_\_  
Fred Galante, Esq.  
City Attorney



## CONTRACTOR

By \_\_\_\_\_ KASA Construction, Inc., a California corporation  
Firm/Company Name

By: \_\_\_\_\_  
Signature (notarized)

By: \_\_\_\_\_  
Signature (notarized)

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

(This Agreement must be signed in the above space by one of the following: Chairman of the Board, President or any Vice President).

(This Agreement must be signed in the above space by one of the following: Secretary, Chief Financial Officer or any Assistant Treasurer)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

State of \_\_\_\_\_

State of \_\_\_\_\_

County of \_\_\_\_\_ ss

County of \_\_\_\_\_ ss

On \_\_\_\_\_  
before me, \_\_\_\_\_  
personally appeared \_\_\_\_\_

On \_\_\_\_\_  
before me, \_\_\_\_\_  
personally appeared \_\_\_\_\_

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

WITNESS my hand and official seal.

Notary  
Signature:

Notary  
Signature:

Notary Seal:

Notary Seal:

On Behalf of the City of Rialto



## REFERENCE CHECK

FIRM SUBMITTING BID: KASA

PROJECT FIRM IS SUBMITTING ON:

Construction of Joe Sampson Park Project, Project No. 150303

	Reference #1	Reference #2	Reference #3
	City of Costa Mesa Harbor Bike Trail Improvements 77 Fair Dr. Claire	City of Westminster Hoover Str Ped Bike Trail Improvs 8200 Westminster Blvd	City of Mission Viejo Margerite Prkwy median island 200 Civic Center Mission Viejo
Contact Person	Mark Marcacci (714) 754-5248	Jake Ngo (714) 548-3459	Jerry Hill (949) 455-2589
What was your involvement on the job ?	Project Manager	Project Manager	Project Manager
Overall Performance/Quality/Delivery ? (1-10)	10	9	9
Was the job completed on time ?	y	y	y
Was the job completed within budget ?	y	y	y
Were they looking for change orders on the job ?	n	n	n
Maintenance of the Job Site/Traffic & Pedestrian control ?	Great	Good	Great
How was their communication ?	Great	Great	Good
Are you willing to work with this contractor in the future ?	y	y	y

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIALTO, CALIFORNIA, AMENDING ITS 2017-2018 FISCAL BUDGET FOR THE JOE SAMPSON PARK DEVELOPMENT PROJECTS FOR \$5,600,000.**

**WHEREAS**, the budget for fiscal year 2017-2018 of the City of Rialto has been adopted by this Council in its original form, and said budget will need to be amended at times to fulfill the goals of the City; and

**WHEREAS**, the City departments may not exceed their appropriations by character of expense,

**WHEREAS**, the City Administrator may transfer appropriations, between departments and within their respective funds, as long as those appropriations do not exceed their fund total unless approved by Council.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RIALTO DOES  
HEREBY FIND, DETERMINE, AND RESOLVE AS FOLLOWS:**

**Section 1:** Approve an appropriation in the Park Development Impact Fund Account No. 210-500-4760-3001-150303-05 for \$5,330,000, 210-500-4760-3001-150303-15 for \$20,000, 210-500-4760-3001-150303-16 for \$250,000 for the Joe Sampson Park Development Project.

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**PASSED APPROVED AND ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Deborah Robertson, Mayor

**ATTEST:**

\_\_\_\_\_  
BARBARA McGEE, City Clerk

**APPROVED AS TO FORM:**

\_\_\_\_\_  
FRED GALANTE, City Attorney

1 **STATE OF CALIFORNIA** )  
2 **COUNTY OF SAN BERNARDINO** ) ss  
3 **CITY OF RIALTO** )

4 I, Barbara McGee, City Clerk of the City of Rialto, do hereby certify that the foregoing  
5 Resolution No. \_\_\_\_ was duly passed and adopted at a regular meeting of the City Council of the City of  
6 Rialto held on the \_\_\_\_ day of \_\_\_\_\_, 2017.

7 Upon motion of Council Member \_\_\_\_\_, seconded by Council Member \_\_\_\_\_,  
8 the foregoing Resolution No. \_\_\_\_ was duly passed and adopted.

9 Vote on the motion:

10 AYES:

11 NOES:

12 ABSENT:

13  
14 IN WITNESS WHEREOF, I have hereunto set my hand and the Official Seal of the City of  
15 Rialto this \_\_\_\_ day of \_\_\_\_\_, 2017.

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17 \_\_\_\_\_  
18 BARBARA McGEE, CITY CLERK  
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