



City of Rialto

Legislation Text

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For City Council and Rialto Utility Authority Meeting [June 26, 2018]

TO: Honorable Mayor and Council

APPROVAL: Robb R. Steel, Interim City Administrator

FROM: Thomas J. Crowley, P.E., Utilities Manager

Request City Council 1) Adopt Budget **Resolution No. 7366**; 2) Award a Construction Contract to the Pacific Hydrotech Corporation for the Construction of the Booster Pump Station for Serving Domestic and Fire Protection Water to the Renaissance East Shopping Center in the Amount of \$1,468,565, City Project No. 180402; 3) Authorize a Purchase Order with Willdan in the Amount of \$45,409 for Construction Management and Inspection Services for the Project; and 4) Approve the First Amendment to the Professional Services Agreement with Kimley Horn in the Amount of \$48,800 for Construction Engineering Services for the Project.

(ACTION)

BACKGROUND:

The Renaissance Specific Plan outlines the City of Rialto's plans to develop a shopping, dining, and entertainment district within the City on Ayala Drive, just south of the 210 Freeway. The area will feature two centers: the Renaissance Marketplace and Renaissance Plaza. The Renaissance Plaza development will result in a new 112,000 square foot center and will include a Cracker Barrel restaurant, Sonic drive through and a nationally recognized hotel.

On March 14, 2017, the City Council approved an Option to Purchase and Develop Site Agreement by and between the City of Rialto and Ayala@210LLC ("Developer") for a commercial development on an 8-acre site situated east of Ayala Avenue and north of Renaissance Parkway/Easton Avenue.

On February 13, 2018, the City Council awarded a Professional Services Agreement to Kimley-Horn and Associates, Incorporated in the amount of \$101,500 to design the Booster Pump Station.

On April 24, 2018, the City Council authorized the release of Request for Bids No. 18-094 for the Construction of the Booster Pump Station for Serving Domestic and Fire Protection Water to the Renaissance East Shopping Center.

ANALYSIS/DISCUSSION:

On May 17, 2018, the City released RFB No. 18-094 for the construction of the booster pump station to serve water to the Renaissance Plaza Shopping Center, City Project No. 180402, and published the Notice Inviting Bids in the San Bernardino County Sun Newspaper, posted notice on the City of Rialto website and provided construction documents to various plan rooms, including Planet Bids. On June 7, 2018, the City received five (5) bids, tabulated as follows in Table 1:

Company	Location	Bid Amount per Contractor Bid	Bid Amount Based on Unit Prices
Pacific Hydrotech Corp.	Perris, CA	\$1,520,231.00	\$1,468,565.00
Borden	Calimesa, Ca	\$1,557,444.00	\$1,557,444.00
MMC, Inc.	La Palma, CA	\$1,637,639.00	\$1,637,636.00
Pyramid Builders & Engineering	Hesperia, CA	\$1,662,241.00	\$1,667,241.00
Caliagua, Inc.	Yorba Linda, CA	\$2,019,337.00	\$1,932,358.00

Staff reviewed the bid prices submitted by Pacific Hydrotech and an immaterial defect was discovered. Per Section 10 Discrepancies In Bids - of the Instructions To Bidders... “In the event that there is more than one Bid Item in a Bid Schedule and the total indicated for the schedule does not agree with the sum of prices Bid on the individual items, the prices bid on the individual items shall govern and the total for the schedule shall be corrected accordingly, and the Contractor shall be bound by said correction, subject to the provisions of Section 5100 et seq. of the California Public Contract Code.” Staff contacted the company, which indicated they used an incorrect unit price on Item 8 for the “Equipment Foundation” but would honor its bid as submitted resulting in a revised bid total of \$1,468,565. The Bid Abstract is included as **Attachment 1** and the bid submitted by Pacific Hydrotech is included as **Attachment 2**.

Staff reviewed the bid references and contractor’s licenses and found Pacific Hydrotech to be properly licensed and qualified. Contractor’s licenses and reference checks are included as **Attachment 3**. On this basis, staff recommends that Council accept the bid received from Pacific Hydrotech as the lowest responsive bid. The Construction Contract for Pacific Hydrotech is included as **Attachment 4**.

Chapter 2.47 of the Rialto Municipal Code includes provisions for 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 to this project. The Engineer’s estimate for the project was \$1,130,000 and did not include the \$200,000 for temporary pumps and power; however, the bids received did include provisions for the temporary pumps and power. The Contractor submitted the ‘Disclosures Required by Persons or Entities Contracting with the City of Rialto’ from with the Bid, the form is included as **Attachment 8**. The contractor has 90 working days to complete the project.

Additionally, staff negotiated the scope and fee with Willdan for construction management and inspection services for the proposed project. Willdan provides these services under the existing on-call construction management/program management contract. The number of working days associated with the construction management and inspection services for the proposed project is specified at 90 working days. The Willdan proposal reflecting the negotiated scope and fee of \$45,409 is included as **Attachment 5**. The cost of the Construction Management/Inspection services amounts to approximately 2.9% of the total project cost.

Also, staff negotiated the scope and fee with Kimley-Horn for construction engineering services for the proposed project. The City entered into a Professional Services Agreement for the design of the pump station in the amount of \$101,500 on February 13, 2018. The proposed First Amendment and proposal from Kimley-Horn reflecting the negotiated scope and fee of \$48,800 is included as **Attachment 6**. The cost of the construction engineering services amount to approximately 3.12% of

the total project cost.

In conclusion, the Project was presented to the Utility Commission on June 19, 2018, which recommended Council award the contract and approve the related actions.

ENVIRONMENTAL IMPACT:

This project is a Class 3 exemption pursuant to CEQA Section 15302 New Construction or Conversion of Small Structures. Class 3 consists of construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure. The numbers of structures described in this section are the maximum allowable on any legal parcel. Examples of this exemption include, but are not limited to: (d) Water main, sewage, electrical, gas, and other utility extensions, including street improvements, of reasonable length to serve such construction. Staff has prepared a Notice of Exemption for the project pursuant to CEQA; a copy is included as **Attachment 7**.

GENERAL PLAN CONSISTENCY:

This action is consistent with Guiding Principle 3A in the General Plan:

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.

Approval of this action also complies with the City of Rialto General Plan Goal and Policies:

Goal 3-8: Promote affordable and quality water service capable of adequately meeting normal and emergency water demands to all areas in Rialto.

Policy 3-8.4: Advocate regular evaluation of the entire water supply and distribution system to ensure its continued adequacy, reliability, and safety.

Policy 3-8.5: Upgrade outdated and undersized water service facilities to prevent unnecessary system failures in the City's water system.

LEGAL REVIEW:

The City Attorney has reviewed and approved the staff report and construction contract.

FINANCIAL IMPACT:

Operating Budget Impact

The annual operation and maintenance cost is estimated at \$30,000 a year. Combined with the cost of water and depreciation the total annual expense is approximately \$115,000. Combining the revenue from the base service charge per meter and the consumption charges, the project payback period is 5 years. The Utility Authority will absorb the operating costs within the Concession Agreement.

Capital Improvement Budget Impact

Staff recommends Council appropriate funds in the amount of \$1,562,774 for this project in the Water Fund No. 670-500-7953-3001-180402-01.

RECOMMENDATION:

Staff recommends the City Council:

- Award a Construction Contract Pacific Hydrotech for the Construction of the Booster Pump Station for Serving Domestic and Fire Protection Water to the Renaissance East Shopping Center in the Amount of \$1,468,565, City Project No. 180402.
- Authorize a Purchase Order with Willdan in the Amount of \$45,409 for Construction Management and Inspection Services for the Project.
- Approve the First Amendment to the Professional Services Agreement with Kimley-Horn and Associates in the amount of \$48,800 for Construction Engineering services for the Project.
- Adopt a Budget Resolution appropriating \$1,562,774 for the Project.