



City of Rialto

Legislation Text

File #: 18-753, Version: 1

For City Council Meeting [August 14, 2018]

TO: Honorable Mayor and City Council

APPROVAL: Ahmad R. Ansari, Interim City Administrator

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

Request City Council to 1) Adopt **Resolution No. 7383**; 2) Award a Construction Contract in the amount of \$3,646,800.00 to Pacific Hydrotech Corporation for the Construction of Fire Station 205 - Phase 1, City Project No. 170203; 3) Authorize Issuance of a Purchase Order with 'Wallace & Associates in the Amount of \$232,710 for Construction Management and Inspection Services for the Project; and 4) Authorize Amendment #2 to Engineering Resources of Southern California in the amount of \$24,060, for a Total Cumulative Amount of \$88,650, for Regulatory Permit Processing Related to the Storm Drain Connection to Rialto Channel, and to Provide Construction Phase Engineering Support Services.

(ACTION)

BACKGROUND:

On August 23, 2016, the Mayor and City Council directed staff to begin the planning process for the construction of an additional Fire Station located in the area of 1485 S. Willow Ave. The proposed project includes constructing a temporary facility to expedite improvements in the delivery of emergency services in the area, and a longer-term solution that would include a permanent Fire Station. Once the permanent Fire Station is completed, the temporary facilities will be repurposed as training and storage facilities. This will replace the current training facility at Fire Station 203, which is expected to be removed to accommodate future commercial and/or residential development.

ANALYSIS/DISCUSSION:

On September 27, 2016, Council awarded a Professional Services Agreement to STK Architecture Inc., for Site Design and Planning Services related to the proposed Fire Station 205 in the amount of \$49,990. On March 28, 2017, Council awarded a First Amendment to the Professional Services Agreement with STK Architecture Inc., in the amount of \$36,520. On January 23, 2018, Council awarded a Second Amendment to the Professional Services Agreement with STK Architecture Inc., in the amount of \$12,900 for the Design of Temporary Living Quarters at Fire Station 205.

On June 21, 2018, the City released RFB No. 18-045 for construction of Fire Station 205 - Phase 1, City Project No. 170203, and published the Notice Inviting Bids in the San Bernardino County Sun; the City of Rialto website and various plan rooms, including Planet Bids. On July 23, 2018, the City received eleven (11) bids, tabulated as follows in Table 1:

Table 1 - Bid Summary

Company	Location	Bid Amount
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Pacific Hydrotech Corp	Perris	\$3,646,800
RC Graves Construction	Rialto, CA	\$3,708,000
RAL Investment	San Diego, CA	\$3,846,842
AMG	Santa Clarita, CA	\$4,069,000
PCN3 Inc.	Los Alamitos, CA	\$4,087,000
Horizon Construction	Orange, CA	\$4,314,700
Kem Corp.	Ontario, CA	\$4,575,000
R.I.C Construction	Hesperia, CA	\$4,834,259
Morillo Construction, Inc.	Pasadena, CA	\$4,869,000
Saifco Construction	Westlake Village, CA	\$5,085,000
ACT 1 Construction	Norco, CA	\$5,148,900

Following the bid opening; the second lowest bidder, RC Construction Services, Inc., submitted a bid protest letter dated August 1, 2018, included as **Attachment 1**. The bid protest letter asserted that Pacific Hydrotech Corporation was non-responsive for two reasons:

1. Contractor did not provide the full address of sub-contractors; and
2. Contractor did not provide the Public Works Contractor Registration Number in the bid document.

A bid may be responsive even if there is a discrepancy in the bid, as long as the discrepancy is inconsequential, that is, the discrepancy must not:

- (1) affect the amount of the bid;
- (2) give a bidder an advantage over others (e.g., give a bidder an opportunity to avoid its obligation to perform by withdrawing its bid without forfeiting its bid security (*i.e.*, for a mistake under [Public Contract Code §5103 <http://online.ceb.com/CalCodes/code.asp?code=PCC§ion=5103>](http://online.ceb.com/CalCodes/code.asp?code=PCC§ion=5103));
- (3) be a potential vehicle for favoritism;
- (4) influence potential bidders to refrain from bidding; or
- (5) affect the ability to make bid comparisons.

City staff and the City Attorney reviewed the bid in relation to item 1 of the protest letter and, found that Pacific Hydrotech provided the location of the business, by identifying the City in which each sub-contractor resides. In relation to item 2 of the protest letter, staff confirmed all sub-contractors are properly registered with Division of Industrial Relations with a valid Public Works Contractor Registration Number as required by Public Contract Code §4104. **See Attachment 2**. Staff recommends waiving the minor irregularities, because there was no actual competitive advantage to the apparent low bidder.

The City of Rialto received the lowest responsive bid from Pacific Hydrotech Corporation of Perris, CA. Staff reviewed the bid, references, and contractor's licenses, and found Pacific Hydrotech Corporation to be properly licensed and qualified. Contractor's licenses and reference checks are included as **Attachment 2**. On this basis, staff recommends that Council accept the bid received from Pacific Hydrotech Corporation as the lowest responsive bid. The construction Contract for

Pacific Hydrotech Corporation is included as **Attachment 3**.

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 Architect's estimate for the project was \$5,800,000 and the lowest responsive bid was \$3,646,800. The Contractor submitted the 'Disclosure required by Persons or Entities Contracting with the City of Rialto' form with the Bid, the form is included as **Attachment 8**. The contractor has 150 working days to complete the project.

Additionally, staff negotiated the scope and fee with Wallace & Associates consulting, Inc. for construction management and inspection and testing services for the proposed project. Wallace & Associates consulting, Inc. will provide these services under the existing on-call construction management/program management contract. The number of working days associated with the construction management and inspection and testing services for the proposed project is specified at 150 working days. The proposal reflecting the negotiated scope and fee is included as **Attachment 4**. The cost of the Construction Management/Inspection services amounts to approximately 6.4% of the estimated total project cost and is below the expected cost range per industry standards for these services.

Staff negotiated the scope and fee with Engineering Resources of Southern California (ERSC) for Regulatory Permit Processing related to the storm drain connection to the Rialto Channel and for post-design, construction phase engineering support services for the project. ERSC provided the civil engineering design services for the project. ERSC is most qualified to provide the services included in **Attachment 5** as they are the engineer of record for the project.

ENVIRONMENTAL IMPACT:

The City prepared an Initial Study and Mitigated Negative Declaration (IS/MND) for the Fire Station 205 project. The City circulated the Initial Study for public review and comment for a 20-day period, and the City received one comment letter. The Development Review Committee reviewed the Fire Station 205 project and approved a Mitigated Negative Declaration on December 6, 2017. On December 11, 2017, the City filed a Notice of Determination (NOD) with the County Clerk. Copies of the IS/MND and NOD are included as **Attachments 6& 7**.

GENERAL PLAN CONSISTENCY:

Approval of this action complies with the following City of Rialto Guiding Principle:

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 3-6: Require that all developed areas within Rialto are adequately served with essential public services and infrastructure.

Policy 3-6.1: Coordinate all development proposals with other affected public entities to ensure the provision of adequate public facilities and infrastructure services.

Policy 3-6.3: require an increasing level of public safety infrastructure and service capability ties to population increase and increasing service demand.

Goal 5-3: Increase the City's fire protection capabilities, and implement fire prevention regulations and standards that minimize potential fire hazards and fire losses.

Policy 5-3.1: Provide for fire personnel, equipment, and fire stations to have adequate and appropriate resources to meet the needs and serve all areas of Rialto.

Policy 5-3.6: Establish a fire station south of I-10, and improve fire coverage capabilities of this area.

LEGAL REVIEW:

The City Attorney has reviewed and approved the staff report.

FINANCIAL IMPACT:

Operating Budget Impact:

An engine and ambulance will be relocated from Fire Station 201 to temporary Fire Station 205 Phase 1. The engine and ambulance are currently staffed and budgeted. Based on the annual Operation and Maintenance costs for fire stations 201 through 204 the average station cost is \$5.1 million per year. The monthly cost is \$430,000.

Capital Improvement Budget Impact:

Fire Station 205 Project No. 170203 PHASE I					
SOURCES OF FUNDS	Fund No.	Original Budget	FY2018 Appropriation	Amended Budget	Expended to Date
Fire Development Impact Fee Fund	217	\$700.00	\$4,119.00	\$4,819.00	\$382.00
					\$ -
TOTAL SOURCES OF FUNDS		\$700.00	\$4,119.00	\$4,819.00	\$382.00
USES OF FUNDS	Account No.	Original Budget			Expended to Date
DESIGN	217-500-5176-30	\$370.00		\$ 370.00	\$ 343.90
ADMINISTRATION DESIGN	217-500-5176-30	\$ 45.00		\$ 45.00	\$ 26.50
OVERHEAD ALLOCATION	217-500-5176-30	\$ 15.00		\$ 15.00	\$ 7.00
CONSTRUCTION SUPPLIES	217-500-5176-30	\$ -	\$ 50.00	\$ 50.00	\$ -
CONSTRUCTION MANAGEMENT	217-500-5176-30	\$270.00		\$ 270.00	\$ -
CONSTRUCTION: FIRE STATION	217-500-5176-30	\$ -	\$ 4,069.00	\$ 4,069.00	\$ 4.50
					\$ -
TOTAL USES OF FUNDS		\$700.00	\$4,119.00	\$4,819.00	\$382.00

The following table details the budget for the Fire Station 205:

Table 1- Budget Detail

Staff recommends that City Council appropriate \$4,119,000 in Fire Development Impact Fund for the

construction of Fire Station 205 - Phase 1. See Resolution **Attachment 8**. With the adoption of the resolution, sufficient budget will be available in Fire Development Impact Fund Account No. 217-500-5176-3001-170203-05 in the amount of \$3,646,800, for the award of the construction contract to Pacific Hydrotech Corporation, and in Account No. 217-500-5176-3001-170203-16 in the amount of \$232,710 for Construction Management and Inspection Services with Wallace & Associates consulting, Inc. and in the amount of \$24,060 for regulatory permit processing and post-design construction phase engineering services by ERSC.

Licensing:

A Business License tax at the Professional Service rate in the amount of \$3,604.00 will be paid by Pacific Hydrotech Corporation prior to execution of the Professional Service Agreement/Construction Contract, the Business License tax for Pacific Hydrotech contract will be paid out of the project account.

RECOMMENDATION:

Staff recommends that the City Council:

- Adopt a Resolution;
- Award a Construction Contract in the amount of \$3,646,800.00 to Pacific Hydrotech Corporation for the Construction of Fire Station 205 phase 1, City Project No. 170203;
- Authorize a Purchase Order with Wallace & Associates consulting, Inc. in the amount of \$232,710 for Construction Management and Inspection and testing Services for the Project.
- Authorize Amendment #2 to ERSC's Professional Services Agreement in the amount of \$24,060 for a total amount of \$88,650, for Regulatory Permit Processing related to the storm drain connection to the Rialto Channel, and for post-design construction phase engineering services for the project.