



City of Rialto

Legislation Text

File #: CC-19-610, **Version:** 1

For City Council Meeting [June 11, 2019]

TO: Honorable Mayor and City Council

APPROVAL: Sean Grayson, Interim City Administrator

FROM: Robb Steel, Assistant CA/Development Services Director

Request City Council to Waive Formal Bidding Procedures required under Rialto Municipal Code Section 2.48 and Award a Construction Contract to Dakeno, Inc. for the Demolition of Two Structures (House and Garage) on the property located at 141 S. Palm Avenue for a cost of \$8,000.

BACKGROUND:

On May 10, 2016, the City Council approved a purchase and sale agreement with the Hawkins Family Trust for the property at 141 South Palm Avenue. The property consisted of a 1,068 square foot structure on a 7,000 square foot lot. On June 7, 2016, the City closed escrow and promptly secured the property. The City Council adopted a Budget Resolution No. 6953 appropriating \$145,000 for the property purchase and \$25,000 for demolition costs, all from the General Facilities Development Impact Fee Account #270-500-2147-3001.

ANALYSIS/DISCUSSION:

The Property is located directly across Palm Avenue from City Hall adjacent to several vacant lots the City acquired for development of a new civic center. Staff considered options for rehabilitation of the property and re-occupancy as an interim public facility but the estimated cost of \$100,000 rendered such options impractical (see **Exhibit A**)

The City recently abated the asbestos and lead as a precursor to eventual demolition in accordance with the original Council authorization. The cost of abatement was \$3,241 performed by Inland Contractors. City staff also had the utilities to the site disconnected.

Because of the small project scope, staff solicited informal bids for the demolition work in accordance with processes typically used for emergency abatements. The City received three bids: Dakeno Inc. for \$8,000, Brickley Environmental for \$10,400, and Becko, Inc. for \$20,550 (all three proposals are attached hereto as **Exhibit B**). Dakeno Inc. was the lowest responsible bidder. The City grants Dakeno the salvage rights to all materials.

Rialto Municipal Code Section 2.48.370 authorizes the waiver of bidding requirements when "[t]he city council determines that competitive bidding is not in the best interest of the city. The city council, by a four-fifths (4/5) vote, shall make a written finding that the purchase is more economically and efficiently effected through the use of an alternate procedure." In light of the relatively low cost of the demolition work, requiring formalized bids would not be cost efficient.

ENVIRONMENTAL IMPACT:

Pursuant to Section 15378 of the California Environmental Quality Act. A 'Project' means the whole of an action, 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. A project does not include organizational or

administrative activities of governments that will not result in direct or indirect physical changes in the environment.

GENERAL PLAN CONSISTENCY:

The City of Rialto has identified several goals and objectives within the City's recently adopted General Plan through which the City looks to improve the community. The proposed action to dedicate the right-of-way is consistent with the following goals and objectives contained in the General Plan:

LEGAL REVIEW:

The City Attorney reviewed and approved this staff report.

FINANCIAL IMPACT:

Operating Budget Impact

The City will incur nominal maintenance costs during the holding period pending future development of the site.

Capital Improvement Budget Impact

The total cost of demolition is estimated at \$11,241 -- \$3,241 for the asbestos/lead abatement and \$8,000 for the demolition contract. Funds are available and budgeted in Account 270-500-2147-3001 for these costs.

Licensing

Prior to execution of the Construction Contract, the vendor shall submit a business license application and pay a Business License tax of \$79, as well as Administration and State fees.

RECOMMENDATION:

Request City Council to Waive Formal Bidding Procedures required under Rialto Municipal Code Section 2.48 and Award a Construction Contract to Dakeno, Inc. for the Demolition of Two Structures (House and Garage) on the property located at 141 S. Palm Avenue for a cost of \$8,000.