



# City of Rialto

## Legislation Text

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For City Council Meeting [December 10, 2019]

TO: Honorable Mayor and City Council

APPROVAL: Rod Foster, City Administrator

FROM: Savat Khamphou, P.E., Public Works Director/City Engineer

Request City Council to 1) Award a Construction Contract in the amount of \$866,549.79 to RS Construction & Development, Inc., for Construction of the Community Center Rehab, Building 200, Gym Restrooms, City Project No. CB1804; Basketball Court Improvements, City Project No. CB1901; and Bud Bender Park Sideline Fencing, City Project No. CB1902; 2) Authorize Issuance of Purchase Order with the On-Call PPM Group, Inc. in the Amount of \$139,975 for On-Call Construction Management, Inspection and Materials Testing Services, 3) Delegate Authority to the City Administrator for Project Contingencies in the not-to-exceed amount of \$40,000, 4) Request City Council to direct staff to provide funding options for Alternate Bid 1 for Rialto Community Center Building 300 in the amount of \$360,000 and bring options back to City Council for an award recommendation.

**(ACTION)**

**BACKGROUND:**

The City of Rialto currently operates the Rialto Community Center and Bud Bender Park. At the meeting on June 11, 2019 City Council authorized Community Development Block Grant funds for the rehabilitation of Buildings 200, the rehabilitation of basketball court and construction of bleachers, and baseball field netting at Bud Bender Park. The Americans with Disabilities Act (ADA) and the California Building Code require an accessible path of travel to the buildings from parking areas and the public right-of-way. Compliance with these standards were met through a previous CIP project at the Rialto Community Center and therefore, requirements have been satisfied and are no longer required as part of this project.

Initially, the Bud Bender Field Netting project CB1902 was put out to bid, with no bids received. Staff made the decision to combine three projects CB1804, CB1901 and CB1902 into one bid for an economy of scale and to attract more bidders.

**ANALYSIS/DISCUSSION:**

On November 12, 2019 the City released Request for Bid (RFB) 20-047 for the construction of the Rialto Community Center Rehabilitation, Building 200, Gym Restrooms, located at 214 N. Palm Avenue, City Project No. CB1804, Basketball Court Improvements located at Rialto Community Center, City Project No. CB1901, Bud Bender Park Sideline Fencing, City Project No. CB1902. The City published the Notice Inviting Bids in the San Bernardino County Sun, on the City of Rialto Website and PlanetBids. On December 3, 2019, the City received one (1) bid as shown in Table 1 below.

**Table 1**

<b>COMPANY</b>	<b>LOCATION</b>	<b>BID AMOUNT</b>
RS Construction & Development Inc.	Upland, CA	\$866,549.79

The City of Rialto received the only responsive bid from RS Construction & Development, Inc. Staff reviewed the bid, references and contractor's licenses, and found RS Construction & Development, Inc., as the lowest responsive bid. Contractor's licenses and reference check is included as Attachment 1. The construction contract for RS Construction & Development, Inc. is included as Attachment 2. 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 \$890,000 - \$950,000. The lowest responsive bid was \$866,549.79. 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 5. The contractor has 90 working days to complete the project. The notice of award is anticipated to be issued by the end of January 2020, which makes the anticipated Completion for June 2020.

The Architects' experience with contingency for similar facilities in southern California is 5% to 10%. Therefore, staff is requesting a contingency of \$40,000 for the project.

### **Construction Management:**

On June 11, 2019, the City Council approved a shortlist of "On-Call" consultants for construction management, inspection and material testing services with six (6) firms. Identified below are the top six (6) firms (in alphabetical order):

- Berg & Associates, Inc. (Submitted proposal)
- PPM Group, Inc. (Submitted proposal)
- TKE Engineering, Inc. (Did not submit proposal)
- Transtech Engineering Inc. (Submitted proposal)
- Willdan Engineering (Submitted proposal)
- Wallace and Associates (Did not submit proposal)

Subsequently, staff requested and received proposals for construction management and inspection for the project from four (4) of the firms listed above. The Principal Engineer and the Project Manager evaluated the proposals based on assigned staff qualifications, and hours delegated for each position based on 90 working days. City staff recommends PPM Group Inc. to provide construction management and inspection services and material testing in the amount of \$139,975. PPM Group, Inc. Proposal and Fees are included as Attachments 3.

The hours allocated for the field inspector is based upon an eight (8) hour working day schedule to accomplish the typical daily tasks:

- Daily construction inspection
- Conduct weekly construction meetings

- Project Progress reporting
- Utility Coordination
- Environmental Monitoring
- Material Testing coordination
- Labor Compliance
- Daily Construction reports

Based on the 90 working days to construct the project, the Senior Engineer and the Deputy Construction Manager will each provide support to accomplish the typical daily tasks:

- Reviewing baseline schedule
- Provide support to the field inspector in verifying quantities and process progress payments
- Quality assurance
- Issue non-compliance documents for correction of deficiencies
- Plan ahead to prevent problems and resolve issues to keep the project on schedule
- Project Management

As noted, based on staff review, PPM Group, Inc. is the most qualified.

### **Alternate Bid 1 - Building 300**

Staff included Alternate Bid 1 for the rehabilitation of building 300 in RFB 20-047 with intention of recommending award of Alternative Bid 1 if there were sufficient funds available. However, the budget shortfall is estimated to be \$360,000 if Alternate Bid 1 was included in the award. Therefore, staff will seek alternative funding options for Alternate Bid 1 for Rialto Community Center Building 300 and bring options back to City Council for award recommendation.

### **ENVIRONMENTAL IMPACT:**

Section 21084 of the California Public Resources Code requires Guidelines for Implementation of the California Environmental Quality Act (CEQA). The Guidelines are required to include a list of classes of projects which have been determined not to have a significant effect on the environment and which are exempt from the provisions of CEQA. In response to that mandate, the Secretary for Resources identified classes of projects that do not have a significant effect on the environment, and are declared to be categorically exempt from the requirement for the preparation of environmental documents. In accordance with Section 15301 "Existing Facilities," Class 1 projects consist of the minor alteration of existing public structures, therefore, Rialto Community Center Rehabilitation, Building 200, Gym Restrooms, located at 214 N. Palm Avenue, City Project No. CB1804, Basketball Court Improvements located at Rialto Community Center, City Project No. CB1901, Bud Bender Park Sideline Fencing, City Project No. CB1902, are considered categorically exempt from CEQA. Staff has prepared and filed a Notice of Exemption for the project, included as Attachment 4.

### **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 3-11:** Provide community facilities that adequately support established programs, can accommodate future needs, and are accessible to all members of the community.

**Goal 3-11.1:** Allocate resources for the maintenance and operations of City facilities; explore alternative funding options for maintenance and operational costs of new facilities.

**LEGAL REVIEW:**

The City Attorney has reviewed and supports this staff report construction contract.

**FINANCIAL IMPACT:**

Operating Budget Impact:

There is no financial impact to the operating budget associated with the approval of this item

Capital Improvement Budget Impact:

Sufficient funds are budgeted and available to cover the cost of construction for the proposed Community Center Rehab, Building 200, Gym Restrooms, Basketball Court Improvements Bud Bender Park Sideline Fencing.

The construction of Rialto Community Center Rehabilitation, Building 200, Gym Restrooms, located at 214 N. Palm Avenue, City Project No. CB1804 in the amount of \$533,463.00 will be charged to U.S. Department of Housing & Urban Development Fund Account No. 234-500-1856-3001-CB1804-22.

The construction of Basketball Court Improvements located at Rialto Community Center, City Project No. CB1901. in the amount of \$154,322 will be charged to U.S. Department of Housing & Urban Development Fund Account No. 234-500-1856-3001-CB1901-05.

The construction of Bud Bender Park Sideline Fencing, City Project No. CB1902 in the amount of \$178,764.79 will be charged to U.S. Department of Housing & Urban Development Fund Account No. 234-500-1856-3001-CB1902-05.

Construction Management, Inspection and Material Testing Services for the projects will be charged to following U.S. Department of Housing & Urban Development Fund:

- Account No. 234-500-1856-3001-CB1804-16 for the Rialto Community Center Rehabilitation in the amount of \$139,975.

Licensing:

Prior to execution of the Construction Contract, the vendor RS Construction & Development Inc. shall submit a business license application and pay a Business License tax at the rate of \$978.40, in addition to administration and state fees.

Prior to execution of the PPM Group, Inc. Professional Service Agreement Amendment, the vendor shall submit a business license application and pay a Business License tax at the rate of \$265.40 in

addition to administration and state fees.

**RECOMMENDATION:**

Staff recommends that the City Council:

- Award a Construction Contract in the amount of \$866,549.79 to RS Construction & Development, Inc., for the Construction of Community Center Rehab, Building 200, Gym Restrooms, City Project No. CB1804; Basketball Court Improvements, City Project No. CB1901; and Bud Bender Park Sideline Fencing, City Project No. CB1902; Issue Purchase Order with PPM Group, Inc. in the Amount of \$139,975 for Construction Management, Inspection and Material Testing Services;
- Delegate authority to the City Administrator for project contingencies in the not-to-exceed amount of \$40,000;
- Request City Council to direct staff to provide funding options for Alternate Bid 1 for Rialto Community Center Building 300 in the amount of \$360,000 and bring options back to City Council for an award recommendation.