



# City Council Memorandum

*City of Arts & Innovation*

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**TO: HONORABLE MAYOR AND CITY COUNCIL                      DATE: JANUARY 14, 2025**

**FROM: PARKS, RECREATION AND COMMUNITY                      WARD: 3**  
**SERVICES DEPARTMENT**

**SUBJECT: AWARD BID NO. 8110 TO ZECO INC. OF SANTA ANA, CALIFORNIA FOR THE NICHOLS PARK PLAYGROUND, SHADE STRUCTURE, AND RESILIENT SURFACING INSTALLATION PROJECT IN THE AMOUNT OF \$213,500 AND AUTHORIZE 25% CHANGE ORDER AUTHORITY UP TO \$53,375 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$266,875**

**ISSUE:**

Award Bid No. 8110 to ZECO Inc. of Santa Ana, California, for the Nichols Park Playground, Shade Structure, and Resilient Surfacing Installation Project in the amount of \$213,500.00 and authorize a 25% change order authority up to \$53,375.00 for a total contract amount not-to-exceed \$266,875.

**RECOMMENDATIONS:**

That the City Council:

1. Award Bid No. 8110 to ZECO Inc. of Santa Ana, California, in the amount of \$213,500.00 for the Nichols Park Playground, Shade Structure, and Resilient Surfacing Installation Project;
2. Authorize 25% change order authority in an amount up to \$53,375 for project changes including, but not limited to, unforeseen conditions or necessary design changes, for a total contract amount not-to-exceed \$266,875;
3. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record all necessary supplemental appropriations and interfund transfers in the amount of \$245,525 from General Fund unexpended and unobligated ARPA funds to the Capital Outlay Fund, Nichols Park Project; and
4. Authorize the City Manager, or designee, to execute a Construction Agreement with ZECO Inc. of Santa Ana, California including making minor and non-substantive changes.

## **BACKGROUND:**

On November 9, 2021, the City Council approved the ARPA funding Expenditure Category Plan for the first allocation in the amount of \$36,767,594 following the Interim Final Rule guidelines. Additionally, the City Council directed staff to return with an itemized list for Parks infrastructure needs during the second allocation of funding for consideration. The Final Rule was issued on January 6, 2022, and became effective on April 1, 2022.

On February 7, 2023, the City Council approved the ARPA expenditure plan for the second allocation of grant funds in the amount of \$36,767,594 and reallocated \$1,600,000 from the first plan to the Park Maintenance Project funding. These approvals allocated \$10 million for Parks Deferred Maintenance Projects. The approval of the ARPA funding allows the City to make an initial investment towards addressing the City's deteriorating park infrastructure priority needs, including renovations of parking lots, the replacement of HVAC systems, flooring replacements and playground renovations equitably throughout all wards.

On June 21, 2023, the Parks and Recreation Commission received an update on the ARPA funding received and the planned projects.

On October 10, 2023, the City Council approved the \$2,534,063.54 purchase of playground equipment, including Nichols playground equipment and shade structure, through a Sourcewell cooperative purchasing agreement with Landscape Structures, Inc. This equipment has been delivered to the city and is ready to be installed. Community Development Block Grant funds in the amount of \$200,000 were used towards the purchase of the shade shelter.

On December 10, 2024, the City Council received an update on the ARPA expenditure plan and accepted staff's recommendations to safeguard unexpended funds, both obligated and unobligated. Council approved the allocation of all unexpended funds to Revenue Replacement – Provision of Government Services, supported by qualifying public safety expenditures, to allow the City to safely meet the obligation deadline for all unobligated funds, and report all ARPA funding as fully expended well in advance of the expenditure deadline. Leveraging public safety expenditures as qualifying costs, the savings generated by the ARPA coverage of those qualifying costs can be utilized for the obligated funds' previously approved purpose. Unobligated funds were transferred into the General Fund as an unappropriated revenue source pending the first quarter analysis of the City's financial performance for fiscal year (FY) 2024/25.

The Citywide Park Improvement Program included unobligated funds of approximately \$4.5 million which were reallocated to the Revenue Replacement – Provision of Government Services program and transferred to the General Fund as unappropriated revenue. The Nichols Park Project described in this report comprises a portion of those unobligated and unappropriated funds.

## **DISCUSSION:**

The PRCSD is committed to maintaining playgrounds at park sites to provide safe and healthy recreational opportunities for children. Playgrounds are highly valued in the City of Riverside and often serve as the heart of a public neighborhood park. Playgrounds improve quality of life for families. The existing playground in this project is over twenty years old, making it difficult to find spare parts for repairs and upgrades. This investment will revitalize the park and create a positive gathering space for new parents, grandparents, and children to build a strong and healthy community.

On August 28, 2024, the Purchasing Division posted Bid No. 8110 on the City’s website for the Playground Installations Project. The city notified 1,558 vendors, in addition to an advertisement that was posted in the Press Enterprise informing the public of the procurement. The bid had seventy-three (73) Prospective Bidders listed, 38 of them being listed as prospective Prime bidders. No pre-bid meeting was held as locations are easily accessible to the public during reasonable and adequate hours.

On September 18, 2024, eleven (11) bids were received. Eight (8) of which were deemed responsive. Per the attached Bid Award Recommendation, the responsible bidder is ZECO Inc. of Santa Ana, California. Staff’s review of this bidder’s references has elicited no negative information. Further, the State Contractor’s Licensing Board records indicate that this bidder’s license is current, active, and in good standing.

Bidders	Amount	Ranking
Estate Design and Construction	\$188,800.00	Non-Responsive*
ZECO Inc.	\$213,500.00	1
Pacific Tide Construction	\$222,867.20	2
R E Schultz Construction Inc.	\$252,740.00	3
Western State Builders Inc.	\$260,750.00	Non-Responsive*
KYA Services, LLC	\$262,000.00	4
Jergensen Concrete Inc.	\$338,500.00	5
California Landscape & Design Inc.	\$368,500.00	6
RAMSA Construction Inc.	\$397,700.00	7
Zuma Construction Groupe Inc.	\$444,777.00	8
VM Construction Firm Inc.	\$449,900.00	Non-Responsive*

\*Contractors were deemed non-responsive due to not listing sub-contractors at the time of the bid submission, not submitting a response to clarification and submitting an invalid bid bond.

The Parks, Recreation and Community Services Department (PRCSD), therefore, recommends that a construction contract in the amount of \$213,500.00 be awarded to ZECO Inc., for the Project including:

- Base Bid Item I-A: Playground Installation (\$88,500)
- Base Bid Item I-B: Shade Structure Installation (\$24,000)
- Base Bid Item I-C: Resilient Surfacing Installation (\$101,000)

The Purchasing Resolution No. 24101 Section 508 states that “Contracts procured through Formal Procurement shall be awarded by the Awarding Entity to the Lowest Responsive and Responsible Bidder.”

The Purchasing Manager concurs that the recommendation to award Bid No. 8110 to ZECO Inc. is in compliance with Purchasing Resolution No. 24101 Section 508.

**STRATEGIC PLAN ALIGNMENT:**

The work contributes to the “Arts, Culture and Recreation” priority of the Envision Riverside 2025 Strategic Plan, which aims to provide diverse community experiences and personal enrichment opportunities for people of all ages.

The work contributes to goals 1.3, to improve parks, recreational amenities, open space, and trail development, and fulfill critical lifecycle and facility maintenance needs, and goal 1.4, to prioritize safety at parks, trails, arts, cultural and recreational facilities.

1. **Community Trust** – In the spring of 2023, the City conducted a community survey, advertised through the City website, social media, and site signs, to get input on the look and functionality of the ARPA playground renovations.
2. **Equity** – Project outcomes will benefit the entire community by providing supporting infrastructure for safe and fun recreation opportunities for all residents. The projects are geographically spread throughout the City.
3. **Fiscal Responsibility** – The competitive procurement of services for these projects are in accordance with Purchasing Resolution No.24101 Section 508.
4. **Innovation** – Riverside is committed to responding to the community’s on-going and changing needs and preparing for the future through fulfillment of projects extending the usable life of facilities and infrastructure.
5. **Sustainability & Resiliency** – This project extends the usable life and longevity of existing infrastructure, ensuring facilities are available for future use.

**FISCAL IMPACT:**

The total fiscal impact for this action is \$277,550 which includes the contract award of \$213,500 with a 25% construction contingency in the amount of \$53,375 for a total contract amount not to exceed \$266,875. The total project cost of \$277,550 includes other costs associated with the project that are listed in Table 1 below.

The Citywide Park Improvement Program included unobligated funds of approximately \$4.5 million, which were reallocated to the Revenue Replacement – Provision of Government Services program and transferred to the General Fund as unappropriated revenue. The Nichols Park Project described in this report comprises a portion of those unobligated and unappropriated funds. Notwithstanding the results of the first quarter analysis, staff recommend awarding Bid 8110 and appropriating the amount of unobligated ARPA funds originally allocated to the project, totaling \$245,525. Should the department require contingency funding in excess of this appropriation amount (not to exceed \$32,025), they would be required to find the additional funding within their adopted budget.

**Table 1. Project Costs:**

Construction Contract Award	\$213,500
Construction Contingency (25%)	\$53,375
Permits, testing, inspections, administration (5%)	\$10,675
<b>Total</b>	<b>\$277,550</b>

Prepared by: Ali Borujerdi, Park Project Manager  
 Approved by: Pamela M. Galera, Parks, Recreation and Community Services Director  
 Certified as to

availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer

Approved by: Kris Martinez, Assistant City Manager

Approved as to form: Jack Liu, Interim City Attorney

Attachments:

1. Bid Award Recommendation
2. Presentation