



# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE: AUGUST 9, 2021**

**SUBJECT: SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$270,000; AWARD OF BID NO. RPU-7779 FOR THE CONSTRUCTION OF THE MCKINLEY STREET GRADE SEPARATION WATER PIPELINE RELOCATION PROJECT WITH BIG BEN, INC., IN THE AMOUNT OF \$1,805,037.00 PLUS A 10% OR \$180,503.70 CHANGE ORDER AUTHORITY; APPROVE A PROFESSIONAL CONSULTANT SERVICES AGREEMENT FROM RFP-2091 FOR INSPECTION SERVICES WITH KOA CORPORATION, OF MONTEREY PARK, CALIFORNIA, IN A NOT-TO-EXCEED AMOUNT OF \$103,700.00 THROUGH MARCH 1, 2022; ADDITIONAL CAPITAL EXPENDITURE OF \$270,000 FOR A REVISED TOTAL CAPITAL EXPENDITURE FOR WORK ORDER NO. 2026278 IN THE AMOUNT OF \$2,360,000**

**ISSUES:**

Consider a recommendation to City Council for authorization of an additional supplemental appropriation in the amount of \$270,000; award Bid No. RPU-7779 to Big Ben, Inc. for the construction of the McKinley Street Grade Separation Water Pipeline Relocation Project in the amount of \$1,805,037.00 plus a 10% change order authority in the amount of \$180,503.70; approve a Professional Consultant Services Agreement from RFP-2091 For Inspection Services with KOA Corporation, of Monterey Park, California, in a not-to-exceed amount of \$103,700.00 through March 1, 2022; and approve the additional capital expenditure of \$270,000 for a revised total capital expenditure for Work Order No. 2026278 in the amount of \$2,360,000.

**RECOMMENDATIONS:**

That the Board of Public Utilities recommend that the City Council:

1. Authorize an additional increase in estimated revenue in the amount of \$270,000 to the Water Fund (520 Undesignated Reserve Fund) and appropriate expenditures in the same amount to the Corona McKinley Grade Separation Water Pipeline Relocation Project Account No. 6810180-440309, with at least five affirmative votes;
2. Award Bid No. RPU-7779 to Big Ben, Inc., of Irvine, California, in the amount of \$1,805,037.00 for the construction of the McKinley Street Grade Separation Water Pipeline Relocation Project;
3. Authorize staff to issue change orders to the Big Ben, Inc. Construction Contract in an amount not to exceed 10% of the original contract price, or \$180,503.70, for Bid No. RPU-7779;

4. Approve a Professional Consultant Services Agreement from RFP-2091 for Inspection Services with KOA Corporation, of Monterey Park, California, in a not-to-exceed amount of \$103,700.00 through March 1, 2022;
5. Approve an additional capital expenditure of \$270,000 for a revised total capital expenditure for Work Order No. 2026278 in the amount of \$2,360,000 which includes all design, construction, construction support, contract administration, inspection and construction change order authority costs for the McKinley Street Grade Separation Water Pipeline Relocation Project; and
6. Authorize the City Manager, or his designee, to execute any documents necessary to effectuate the project described herein, as well as the ability to make minor non-substantive changes in alignment with all purchasing policies.

### **BACKGROUND:**

The City of Corona (Corona) is constructing the McKinley Street Grade Separation Project (Project) which consists of a new four-lane overhead bridge at the Burlington Northern Santa Fe (BNSF) railroad tracks near the intersection of McKinley Street and Sampson Avenue where Corona adjoins the unincorporated area of Riverside County. The project extends from Magnolia Avenue north to State Route 91. The Grade Separation will relieve traffic congestion and provide a safer passage of vehicles, pedestrians, and bicyclists over passing trains. The project will impact existing water pipelines and related water appurtenances owned by the City of Riverside Public Utilities Department (RPU) within McKinley and Estelle Streets, which will need to be relocated by RPU.

On January 25, 2021, the Riverside Board of Public Utilities (Board) recommended that the Riverside City Council (Council) approve a Cooperative Agreement for Utility Relocation Improvements with the City of Corona whereby RPU would undertake the relocation of its conflicting water facilities within the Project area, and Corona would fully reimburse RPU for its expenses.

The City Council subsequently approved the Cooperative Agreement on February 9, 2021 and the City Manager executed the Cooperative Agreement on February 22, 2021. Since the Cooperative Agreement stipulates that Corona will reimburse RPU 100% of its total costs, including any costs over and above the estimated amount specified in the Cooperative Agreement, an amendment to the Cooperative Agreement is not needed should RPU's actual costs exceed the amount specified in the Cooperative Agreement.

### **DISCUSSION:**

The work will generally entail the construction of approximately 2,390 LF of 12-inch ductile iron (DI) pipe, 1,000 LF of 8-inch DI pipe, 14 water services, and 3 fire hydrants, along with all necessary fittings, appurtenances and related incidental work. Trench resurfacing is included in accordance with the standards set forth by Corona and the County of Riverside, respectively for work within their jurisdictions.

Staff has coordinated with Corona and County of Riverside regarding the allowable working hours, and the work will generally occur during daytime hours. Certain on-site work within private properties will occur during night-time to minimize inconveniences to the businesses within those

areas.

Staff is in the process of hiring a vendor to provide Geotechnical and Materials Testing services for this project. A budgetary amount for such services has been included in this work order request.

Staff has coordinated with the Office of Communications Division of the City Manager's Office to develop a project informational website and a project notification letter that will be mailed out to customers within the vicinity of the project, upon approval of the project. Staff will continue to provide project updates and reach out directly to affected customers throughout the project duration.

#### Construction Contract (RPU-7779)

Bid No. RPU-7779 was posted on the City's Online Bid System on April 21, 2021, a pre-bid conference was held on April 29, 2021, and bids were opened on June 23, 2021. Eleven (11) construction contractors submitted bids.

Staff evaluated the bids, and the Purchasing Manager deemed Big Ben, Inc. to be the lowest responsive and responsible bidder.

The bids for Bid No. RPU-7779 are summarized in the table below:

<b>Rank</b>	<b>Vendors</b>	<b>City Location</b>	<b>Bid Total</b>
<b>1.</b>	<b>Big Ben Inc.</b>	<b>Irvine, CA</b>	<b>\$1,805,037.00</b>
2.	Ferreira Coastal Construction Company	Rancho Cucamonga, CA	\$1,882,985.00
3.	Griffith Company	Brea, CA	\$1,970,113.00
4.	G. Hurtado Construction Inc.	Riverside, CA	\$2,080,766.00
5.	Kana Pipeline, Inc.	Riverside, CA	\$2,147,164.00
6.	Becker Pipeline Company	Riverside, CA	\$2,198,297.00
7.	TE Roberts, Inc.	Orange, CA	\$2,379,319.00
8.	C.P. Construction Co., Inc.	Ontario, CA	\$2,382,190.00
9.	Kirtley Construction, Inc.	San Bernardino, CA	\$2,481,719.00
10.	Colich & Sons L.P.	Gardena, CA	\$2,679,180.00
11.	Dominguez General Engineering, Inc.	Pomona, CA	\$2,832,135.00

*Engineer's Construction Cost Estimate: \$2,100,000*

#### Inspection Services Consultant Contract (RFP-2091)

The inspection services for this project will be performed by a consultant due to limited availability of internal staff resources.

A Request for Proposals (RFP) RFP-2091 for Inspection Services for the McKinley Street Grade Separation Pipeline Relocation Project was posted on the City's Online Bid System on April 8, 2021. Staff received eight proposals by the due date of May 3, 2021.

The vendors who submitted proposals for RFP-2091 are summarized in the table below:

Rank	Vendors	City Location	Proposal Amount	Negotiated Fee
1.	KOA Corporation	Monterey Park, CA	\$108,200.00	\$103,700.00
2.	Z&K Consultants, Inc.	Corona, CA	\$118,680.00	N/A
3.	MWH Constructors, Inc.	Pasadena, CA	\$131,485.00	N/A
4.	Albert A. Webb Associates	Riverside, CA	\$115,100.00	N/A
5.	Merrell Johnson Engineering	Apple Valley, CA	\$104,720.00	N/A
6.	Dudek	Encinitas, CA	\$114,800.00	N/A
7.	Interwest Consulting Group, Inc.	Irvine, CA	\$125,100.00	N/A
N/A	Protech Inspection (non-responsive)	Palm Desert, CA	\$102,700.00	N/A

In collaboration with the City's Purchasing Division, the selection committee, consisting of key staff members of the RPU Water Division, ranked the proposals on the basis of the criterion described in the RFP, and KOA Corporation of Monterey Park, California ranked the highest.

The project/fiscal breakdown is as follows:

Project and Fiscal Breakdown		
Work Type:	Performed By:	Amount:
Design and Survey	Internal Staff	\$100,759.30
Construction	Big Ben, Inc.	\$1,805,037.00
Construction Support, System Connections and Service Tie-overs	Internal Staff	\$85,000.00
Engineering Support and Construction Management	Internal Staff	\$60,000.00
Inspection	KOA Corporation	\$103,700.00
Geotechnical and Materials Testing	Vendor to be Determined (Informal Procurement)	\$25,000.00
Construction Contingencies	N/A	\$180,503.70
<b>Work Order Total:</b>		<b>\$2,360,000</b>
Reimbursements:	Total Project Cost by City of Corona	
<b>Anticipated Start Date:</b>	<b>September 2021</b>	
<b>Anticipated Duration:</b>	<b>4 Months</b>	

The table above identifies the parties that have performed and are expected to perform various portions of the project. For brevity, certain contracts with vendors valued at less than \$10,000 have not been itemized in the table. Should there be a need to seek additional services using the formal procurement process, such items in excess of \$50,000 will be brought before the Riverside Board of Public Utilities for consideration and action.

The Purchasing Manager concurs that the recommended actions follow Purchasing Resolution No. 23256.

### **STRATEGIC PLAN ALIGNMENT:**

This item contributes to Strategic Priority No. 6 Infrastructure, Mobility and Connectivity and Goal No. 6.2 – Maintain, protect, and improve assets and infrastructure within the City’s built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – This project is a small part of a much larger project that underwent a significant public outreach campaign, which included numerous public meetings and extensive collaboration with the key stakeholders to receive public input and build community trust.
2. **Equity** – RPU endeavors to provide safe and reliable water service to all its customers. Since RPU’s water system is an interconnected network, investments made to individual parts of the system improve the reliability of the overall system, thereby providing an equitable benefit to all customers.
3. **Fiscal Responsibility** – RPU financial resources will not be used to fund this project since it will be funded entirely by the City of Corona. However, the lowest price for the construction services was ensured through a competitive bidding process.
4. **Innovation** – A collaborative and innovative approach was used to relocate the conflicting water facilities in such a way to minimize potential disruptions to the community in the future.
5. **Sustainability & Resiliency** – The construction materials specified for this project are considered best practices in the industry and are expected to last well into the future. The ductile iron pipe to be used for this project is sourced from recycled materials.

### **FISCAL IMPACT:**

The original fiscal impact was estimated at \$2,090,000. However, based on the final design and bids received, the new estimated cost is \$2,360,000, an increase of \$270,000. Funding for the increase to this project is currently not budgeted. Therefore, an additional supplemental appropriation of \$270,000 in the Water Fund (520 Undesignated Reserves) and an increase in estimated revenue of \$270,000 in the Water Fund to reflect the reimbursement is required.

Under the terms of the Cooperative Agreement, Corona shall pay the estimated costs to RPU in immediately available funds within 30 days of the execution of the Cooperative Agreement. Upon completion of the relocation improvements, RPU will prepare a written accounting of the final cost for the relocation improvements. To the extent that the final cost exceeds the estimated cost, Corona shall pay RPU the difference; to the extent that the final cost is less than the estimated cost, RPU shall refund Corona the difference.

Prepared by: Oscar A. Khoury, Engineering Manager  
Approved by: Todd M. Corbin, Utilities General Manager  
Approved by: Al Zelinka, FAICP, City Manager  
Approved as to form: Phaedra A. Norton, City Attorney

Certifies availability  
of funds: Edward Enriquez, Chief Financial Officer/City Treasurer

Attachments:

1. Project Site Map
2. Award Recommendation (RPU-7779)
3. Award Recommendation (RFP-2091)
4. Professional Services Agreement (KOA Corporation)
5. Presentation