



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL** **DATE: AUGUST 25, 2026**

**FROM: PUBLIC WORKS DEPARTMENT** **WARDS: 1 AND 2**

**SUBJECT: THIRD STREET GRADE SEPARATION AT BNSF RAILROAD – PROFESSIONAL CONSULTANT SERVICES AGREEMENT FROM RFP NO. 2518 WITH DCCM INFRASTRUCTURE, INC., OF RIVERSIDE, CALIFORNIA FOR CONSTRUCTION ENGINEERING AND ADMINISTRATIVE SERVICES, IN THE AMOUNT OF \$4,516,980.16., PLUS 10% CHANGE ORDER AUTHORITY IN THE AMOUNT OF \$451,698.02 FOR A TOTAL AGREEMENT AMOUNT OF \$4,968,678.18 FOR A THREE (3) TERM THROUGH DECEMBER 31, 2030; THIRD AMENDMENT TO THE PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH HDR ENGINEERING, INC., OF OMAHA, NEBRASKA, FOR CONSTRUCTION SUPPORT SERVICES, TO EXTEND THE TERM THROUGH DECEMBER 31, 2030, AND INCREASE THE CONTRACT TOTAL BY \$473,625 FOR A TOTAL CONTRACT AMOUNT OF \$3,282,267.56; APPROVE AMENDMENT NO. 4 TO TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM AGREEMENT WITH WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS TO INCREASE THE FUNDING AMOUNT BY \$4,285,561 FOR A TOTAL AMOUNT OF \$18,035,561 - SUPPLEMENTAL APPROPRIATION**

## **ISSUES:**

Consider approving a Professional Consultant Services Agreement from RFP No. 2518 for construction engineering and administrative services with DCCM Infrastructure Inc., of Riverside, California, in the amount of \$4,516,980.16 plus 10% change order authority in the amount of \$451,698.02 for a total agreement amount of \$4,968,678.18 for the three (3) term through December 31, 2030; the Third Amendment to Professional Consultant Services Agreement for construction support services with HDR Engineering, Inc., of Omaha, Nebraska, to extend the term through December 31, 2030, and increase the contract total by \$473,625 for a total contract amount of \$3,282,267.56; the Amendment No. 4 to the Transportation Uniform Mitigation Fee Program Agreement with Western Riverside Council of Governments to increase the funding by \$4,285,561 for a total amount of \$18,035,561; and authorize a supplemental appropriation of \$4,285,561 to the Transportation Uniform Mitigation Fee Program funds.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve Professional Consultant Services Agreement from RFP No. 2518 with DCCM Infrastructure, Inc. of Riverside, California, for Construction Engineering & Administrative Services for Third Street Grade Separation at BNSF Railroad for the term of three (3) years, in the amount of \$4,516,980.16;

2. Authorize a 10% change order authority for the DCCM Infrastructure, Inc. Professional Consultant Services Agreement, in the amount of \$451,698.02, to be used for unforeseen circumstances;
3. Approve the Third Amendment to the Professional Consultant Services Agreement with HDR Engineering, Inc., of Omaha, Nebraska, for construction support services, to extend the term through December 31, 2030, and increase the contract total by \$473,625 for a total contract amount of \$3,282,267.56;
4. Approve Amendment No. 4 to the Transportation Uniform Mitigation Fee Program Agreement with Western Riverside Council of Governments to increase the funding amount by \$4,285,561 for a total amount of \$18,035,561;
5. Authorize the City Manager, or designee, to execute the above agreements, including making minor and non-substantive changes; and
6. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record an increase in revenues and an equal amount of expenditures in the amount of \$4,285,561 in TUMF Fund, Third Street Grade Separation Project revenue and expenditure funds.

## **BACKGROUND:**

On May 19, 2026, The City Council (1) authorized acceptance of \$15 million in Federal Railroad Administration Rail Crossing Elimination Program grant funds, \$22 million in state Transit and Intercity Rail Capital Program (TIRCP) grant funds, and \$3 million in federal Community Project Funding/Congressionally Directed Spending (CPFCDS) CA999 Earmark funds; (2) authorized the City Manager, or designee, to digitally execute all necessary grant documents via the GrantSolutions.gov portal; (3) adopted a Resolution agreeing to comply with all conditions, statutes, regulations and guidelines for state funded transit projects, and authorized the City Manager, or designee, to execute the Master Agreement, all award agreements, Program Supplements, and any amendments thereto with the California Department of Transportation; and (4) authorized the Chief Financial Officer, or designee, to record an increase in revenues in the amount of \$40 million and appropriate expenditures in the same amount in the Capital Outlay-Grants Fund, for various capital projects as outlined in the fiscal impact section of the report.

At its February 8, 2023, Commission meeting, RCTC approved the release of a Regional Arterials Call for Projects. The Public Works Department applied for \$12,000,000 in funding for the construction phase of the Third Street Grade Separation Project. On June 14, 2023, the RCTC Commission approved the Third Street Grade Separation Project for \$12,000,000 in MARA funding, for the construction phase of the Project.

Whereupon, a title having been read and further reading waived, Resolution No. 24377 of the City Council of the City of Riverside, California, authorizing the execution of a Master Agreement and Program supplements for state-funded transit projects was presented and adopted.

## **DISCUSSION:**

The Third Street Grade Separation project (Project) will construct a railroad underpass at Third Street and the BNSF railroad tracks. Third Street will be lowered between Vine Street and Park Avenue, and a bridge will be constructed to convey rail traffic. The project will require the

realignment of Commerce Street, construction of slopes, retaining walls, a storm water pump station, and relocation of wet and dry utilities.

Because of the complexity of the construction, the Public Works Department solicited proposals from qualified consultants to provide construction engineering and administrative services. The selection process is detailed later in the report in the *Purchasing Overview* section. Under the proposed agreement, DCCM will provide a Resident Engineer, Structures Representative, Office Engineer and Inspectors to manage and inspect the various elements of the Project's construction as well as provide surveying services on a time and material basis for a fee not-to-exceed \$4,516,980.16.

The Public Works Department is also seeking approval of the Third Amendment with HDR Engineering for additional engineering services during construction on an on-call basis. HDR Engineering completed the final design of the Project and is the Engineer of Record. Under the terms of the proposed amendment, HDR Engineering will review shop drawings, respond to contractor generated Requests for Information, review temporary shoring plan submittals, review Material/Test results and other submittals, prepare exhibits and any immediate plan revisions requested by the City necessary to further aid the contractor's construction activities on a time and material basis for an amount not-to-exceed \$473,625.

The approval of Amendment No. 4 to the TUMF Program Agreement with WRCOG will increase the total funding for this Project by \$4,285,561, bringing the total amount to \$18,035,561. This funding is needed to cover the shortfall in funding for engineering and right-of-way phases of the Project.

Project design and right-of-way acquisition phases are complete. Currently, the Project is in the process of being prepared to be advertised for bids. Construction of the Project is anticipated to start in January 2027 and last 2 years.

### Purchasing Overview

#### RFP No. 2518

On January 8, 2026, the City's Purchasing Division (Purchasing) issued Request for Proposals (RFP) No. 2518 on PlanetBids seeking prospective proposers to provide Construction Engineering and Administrative Services for Third Street Grade Separation at BNSF Railroad.

The solicitation notification is summarized in the table below:

| Action                             | Number of Vendors |
|------------------------------------|-------------------|
| External Vendors Notified          | 0                 |
| City of Riverside Vendors Notified | 1337              |
| Vendors who downloaded the RFP     | 104               |
| Proposals received                 | 6                 |

A total of 9 questions were received from prospective proposers, and 5 addenda were posted. RFP No. 2518 closed on February 19, 2026, with a total of 6 responses. All responses were found to be responsive and responsible.

Under the guidance of Purchasing, 3 City staff from Public Works evaluated the proposals for 2 rounds, which resulted in DCCM Infrastructure, Inc. ranking No. 1. The evaluation criteria, total points and rankings for each evaluation round are summarized in the tables below.

**Round 1 – Evaluation Criteria**

| <b>Evaluation Criteria</b>                                                | <b>Total Points</b> |
|---------------------------------------------------------------------------|---------------------|
| Qualifications of Key Personnel                                           | 15%                 |
| Experience                                                                | 15%                 |
| Realistic and Accelerated Construction Scheduling with Defined Milestones | 15%                 |
| Past Performance                                                          | 15%                 |
| Understanding of Scope of Services                                        | 25%                 |
| Professional References                                                   | 15%                 |

**Round 1 – Evaluation Results**

| <b>Vendor</b>                                   | <b>Location</b> | <b>Evaluation Scores</b> | <b>Rank</b> |
|-------------------------------------------------|-----------------|--------------------------|-------------|
| Syrusa Engineering, Inc.                        | Brea, CA        | 879.33                   | 1           |
| DCCM Infrastructure, Inc.                       | Riverside, CA   | 861.67                   | 2           |
| Psomas                                          | Riverside, CA   | 859.50                   | 3           |
| Z&K Consultants, Inc.                           | Riverside, CA   | 713.33                   | 4           |
| Toltz King Duvall Anderson and Associates, Inc. | Saint Paul, CA  | 463.33                   | 5           |
| E2 Consulting Engineers, Inc.                   | Los Angeles, CA | 196.67                   | 6           |

The top 3 proposers were within a competitive point range and were invited to move forward to Interviews (Round 2 Evaluation).

**Round 2 – Evaluation Criteria**

| <b>Evaluation Criteria</b>                     | <b>Total Points</b> |
|------------------------------------------------|---------------------|
| Technical Approach                             | 40%                 |
| Methodology                                    | 30%                 |
| Compliance with Regulations and Safety Metrics | 30%                 |

**Round 2 – Evaluation Results**

| <b>Vendor</b>                    | <b>Location</b>      | <b>Evaluation Scores</b> | <b>Rank</b> |
|----------------------------------|----------------------|--------------------------|-------------|
| <b>DCCM Infrastructure, Inc.</b> | <b>Riverside, CA</b> | <b>916.67</b>            | <b>1</b>    |
| Syrusa Engineering, Inc.         | Brea, CA             | 890.33                   | 2           |
| Psomas                           | Riverside, CA        | 862.00                   | 3           |

Following the evaluation, DCCM Infrastructure, Inc., was selected as the most qualified company to perform the requirements of the RFP. DCCM Infrastructure, Inc. entered into negotiations with the City and reduced their pricing without changing scope, from \$5,995,625.37 to \$4,516,980.16, resulting in \$1,478,645.21 savings.

This action is pursuant to Purchasing Resolution 24101, Section 508 which states, “Contracts procured through Formal Procurement shall be awarded by the Awarding Entity to the Lowest Responsive and Responsible Bidder, except that...(c) Contracts procured through Formal Procurement for Services or Professional Services, where a Request for Proposals or Request for Qualifications was used to solicit Bids, shall be awarded by the Awarding Entity in accordance with the evaluation criteria set forth in the Request for Proposals or Request for Qualifications...”

**HDR Engineering, Inc. – Third Amendment**

The original agreement was approved by City Council in accordance with Purchasing Resolution

24101, Section 508 which states, ...(c) Contracts procured through Formal Procurement for Services or Professional Services, where a Request for Proposals or Request for Qualifications was used to solicit Bids, shall be awarded by the Awarding Entity in accordance with the evaluation criteria set forth in the Request for Proposals or Request for Qualifications...”

This Third amendment is pursuant to Purchasing Resolution 24101, Section 1104 “Change Orders”, which states: “Modification to a Purchase Order shall be made only by Change Order. Subject to the availability of funds, Change Orders may be utilized for purposes of... (2) modifying unit prices (5) modifying contract completion time or the term of a Contract... b) Any Change Order which causes the contract price to exceed the authorization in section 203 hereof, if the Contract and/or Purchase Order was not previously approved by the Awarding Entity... (d) A Contract amendment which extends the term of the agreement beyond one year of the original expiration date.”

The Purchasing Manager concurs that the recommended actions are compliant with Purchasing Resolution 24101.

### **FISCAL IMPACT:**

The total fiscal impact of the contract award and amendment is \$4,990,605.16. The fiscal impact from the funding award amount is an increase of revenues and expenditures of \$4,285,561. Project funding and expenditures are summarized in the following tables. There are sufficient funds available in both the MARA Grant account and TUMF account Table 1. Upon Council approval, the increased funding will be recorded as shown in Table 2 below.

**Table 1.** DCCM and HDR Professional Consultant Agreements

| <b>Fund</b>  | <b>Description</b>                                | <b>Account</b> | <b>Amount</b>         |
|--------------|---------------------------------------------------|----------------|-----------------------|
| Measure A    | DCCM – Professional Consultant Services Agreement | 9990130-440309 | \$4,516,980.16        |
| TUMF         | HDR – Third Amendment                             | 9990119-440315 | \$473,625.00          |
| <b>Total</b> |                                                   |                | <b>\$4,990,605.16</b> |

**Table 2.** TUMF Supplemental Appropriation

| <b>Fund</b> | <b>Project</b>                | <b>Account</b>      | <b>Amount</b> |
|-------------|-------------------------------|---------------------|---------------|
|             |                               | <i>Revenue</i>      |               |
| TUMF        | Third Street Grade Separation | 9990119-339100      | \$4,285,561   |
|             |                               | <i>Expenditures</i> |               |
| TUMF        | Third Street Grade Separation | 9990119-440315      | \$4,285,561   |

|                                           |                                       |
|-------------------------------------------|---------------------------------------|
| Prepared by:                              | Swetaben Patel, Principal Engineer    |
| Approved by:                              | Nathan Mustafa, Public Works Director |
| Certified as to<br>availability of funds: | Julie Nemes, Finance Director         |
| Approved by:                              | Kris Martinez, Assistant City Manager |
| Approved as to form:                      | James Johnson, City Attorney          |

**Attachments:**

1. RFP 2518 Award Recommendation
2. DCCM Agreement
3. HDR Amendment
4. WRCOG Amendment
5. Presentation