City of Arts & Innovation

City Council Memorandum

TO: **HONORABLE MAYOR AND CITY COUNCIL** **DATE: MARCH 11, 2025**

FROM: **PUBLIC UTILITIES DEPARTMENT** **WARD: 2**

SUBJECT: **REQUEST FOR PROPOSAL NO. 2383 DESIGN BUILD SERVICES WITH CORNERSTONE CONSTRUCTION COMPANY FOR LA COLINA SUBSTATION NEW GATE AND DRIVEWAY PROJECT IN THE AMOUNT OF $228,000; WORK ORDER NO. 2410502 FOR A TOTAL EXPENDITURE OF $327,000**

ISSUES:

Approve a Design Build Services Agreement with Cornerstone Construction Company, of Victorville, California, for the La Colina Substation New Gate and Driveway Project, for a term of 1 year from date specified in the Notice to Proceed once issued by City, in the amount of $228,000; authorizing a 15% change order authority in the amount of $34,000 and approve Work Order No. 2410502 for a total capital expenditure of $327,000.

RECOMMENDATIONS:

That the City Council:

1. Approve a Design Build Services Agreement for La Colina Substation New Gate and Driveway with Cornerstone Construction Company, of Victorville, California, for a term of 1 year from date specified in the Notice to Proceed once issued by City, in a not-to-exceed amount of $228,000;

2. Authorize a 15%, or $34,000 change order authority for the contract with Cornerstone Construction Company, of Victorville, California for Request for Proposal No. 2383 La Colina Substation New Gate and Driveway Project; and

3. Authorize the City Manager, or designee, to execute any documents necessary to effectuate the procurement described herein, as well as the ability to make minor non-substantive changes in alignment with all purchasing policies.

BOARD RECOMMENDATION:

On February 24, 2025, the Board of Public Utilities (Board) approved unanimously, the recommendation that the City Council approve a Design Build Services Agreement for Request for Proposal No. 2383 for La Colina Substation New Gate and Driveway Project with Cornerstone Construction Company, with the requested change order authority.

BACKGROUND:

La Colina Substation, first commissioned in 1965, is one of the oldest substations in the Riverside Public Utilities (RPU) electrical system. In early 2020, a driveway approach was constructed at the curb near the south-west corner of the wall with the intention of installing an additional entry point in the future to facilitate access to equipment on the west side of the substation. An additional entry point is essential to support the upcoming La Colina Substation Improvement Project. Completing this access point will ensure safe and efficient access for construction crews and equipment, enabling the successful and timely execution of the planned upgrades.

DISCUSSION:

The addition of a gate and driveway at La Colina Court is a crucial improvement for facilitating the replacement of aging transformers T1 and T2 under the upcoming project and future maintenance activities in the southwest corner of the substation. Currently, there is no feasible access to the southwest area of the station, which complicates the removal and replacement of these critical transformers. The installation of this gate and driveway will provide the necessary entry point for the equipment and personnel required to efficiently carry out the transformer replacements.

The new entry will streamline access, reduce delays, and improve the overall efficiency of replacing transformers T1 and T2. By addressing these access challenges, the project will minimize the risk of prolonged downtime, enhancing the reliability and safety of station operations.

Existing conditions outside and inside La Colina substation

Proposed New Gate at La Colina Substation

The contractor will handle the engineering design, construction, and supply of materials for the project. RPU's engineering staff will oversee the project by responding to RFIs, ensuring the accuracy of as-built drawings, and confirming that designs meet the project's criteria. They will also review vendor calculations and drawings, verify that tasks follow the project schedule, and address design clarifications. RPU field personnel will provide daily site access and conduct inspections to ensure compliance with standards and specifications. RPU Operations will support these efforts by managing site access, inspections, and the integration of gate control and supervision with the SCADA system.

The contractor's scope includes electrical, civil, and structural design for the La Colina Substation New Gate and Driveway Project. This includes removing existing landscaping and a segment of the wall, installing a driveway, card reader, rolling motorized metal gate, and conduits. The contractor will also prepare as-built documentation. The initial term of the agreement is one year from the date specified in the Notice to Proceed. The Notice to Proceed will be divided into phases, with the first covering design and the second covering construction.

Project and Fiscal Breakdown

Work Type	Performed By:	Amount ($)
Project Management and Engineering	RPU Engineering	$25,000
Procurement, Installation, Testing, and Commissioning	Contractor	$228,000
Site Access and Inspection	RPU Operations Group	$40,000
Contract Contingency		$34,000
Work Order Total:		**$327,000**
Anticipated Start Date:		**March 2025**
Anticipated Duration:		**March 2026**

Solicitation Process and Bidder Selection:

The City's Purchasing Division released RFP 2383 on the City's online bidding system, Planet Bids on September 18, 2024, seeking prospective companies to provide Design Build Services for La Colina Substation New gate and Driveway Project. As a crucial step for potential bidders to understand the project scope, a virtual mandatory pre-proposal meeting was conducted on October 8, 2024, with 4 prospective bidders in attendance. The RFP notification is summarized in the following table.

RFP 2383 Bidding Notification Summary Table

Action	Number of Vendors
Vendors Notified	483
Vendors Who Downloaded the RFP (includes manufactures and sub-contractors)	37
Questions and Answers Received	3
Addenda Submitted	3
Proposals Received	2

On November 4, 2024, RFP 2383 closed with a total of 2 responses. The Purchasing Division's

review found the 2 vendors to be responsive and responsible, and three City staff members evaluated the proposals. After careful evaluations of the proposals, Purchasing staff recommended awarding Cornerstone Construction Company, as they are the highest rated proposer and offered the best value to the City. The total points and rankings are summarized in the table below.

Evaluation Results Tables

Selection Criteria	Max Score	Cornerstone Construction Company	Metrocell Construction Inc,
Qualifications	350	**303**	268
Approach and Methodology	100	**43**	37
Professional References	100	**90**	78
Experience	200	**180**	143
Cost	250	**236**	250
Total Score	750	**852**	777
Rank		**1**	2

Design Consultant	City Location	Proposal Amount	Rank
Cornerstone Construction Company	**Victorville, CA**	**$228,000**	**1**
Metrocell Construction Inc,	Ontario, CA	$215,000	2

Purchasing Resolution 24101, Section 508 states, "Contract 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…"

The Purchasing Manager concurs that the recommended actions are in compliance with Purchasing Resolution No. 24101, Section 508(c).

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** – The installation of a gate and driveway at La Colina Substation is a responsible and necessary improvement to enhance access for maintenance, including the replacement of transformers T1 and T2. This proactive measure ensures that critical work can be done efficiently, minimizing disruptions to the community. By facilitating timely and safe access for maintenance crews, the project demonstrates a commitment to improving operational reliability and safety, which builds trust with the community by ensuring that

essential services are maintained without unnecessary delays.

2. **Equity** – The addition of the gate and driveway provides necessary access for maintenance and construction, including transformer replacements in the substation. This improvement ensures all areas of the station can be maintained and updated, benefiting the entire community by enabling efficient operations and equal access to essential services.

3. **Fiscal Responsibility** – Installing the gate and driveway improves access for replacing transformers T1 and T2, reducing delays and maintenance costs. This project enhances operational efficiency, minimizes service disruptions, and ensures the best value for the community through cost-effective planning and execution.

4. **Innovation** – The gate and driveway are necessary steps before replacing transformers and conducting maintenance. This solution improves access, allowing the station to operate more efficiently and minimize disruptions during critical operations.

5. **Sustainability & Resiliency** – The gate and driveway provide essential access for future maintenance and transformer replacements, ensuring the station operates efficiently and can withstand future challenges. This improvement supports long-term sustainability and reliable service to the community.

FISCAL IMPACT:

The fiscal impact is $327,000. Sufficient funds are available in Electric Fund, Substation Upgrade Capital Account No. 6130100-470616 for Fiscal Year 2024/25.

Prepared by:	Daniel Honeyfield, Utilities Assistant General Manager/Energy Delivery
Approved by:	David A. Garcia, Utilities General Manager
Certified as to availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Rafael Guzman, Assistant City Manager
Approved as to form:	Jack Liu, Interim City Attorney

Attachments:
1. Project Site Map
2. Bid Award Recommendation
3. Presentation