



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL** **DATE: JULY 16, 2024**

**FROM: PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT** **WARD: 1**

**SUBJECT: AMERICAN RESCUE PLAN ACT – AWARD REQUEST FOR PROPOSAL 2349 TO ROBERT CLAPPER CONSTRUCTION SERVICES, INC. OF REDLANDS, CALIFORNIA FOR THE BORDWELL GYMNASIUM DESIGN-BUILD PROJECT IN THE AMOUNT OF \$7,815,330.00; AUTHORIZE 10% CHANGE ORDER AUTHORITY IN THE AMOUNT OF \$781,533.00 WITH AN ADDITIONAL \$316,492.61 FOR PLAN CHECK, PERMITS, INSPECTIONS AND ADMINISTRATION FEES. APPROVE A SUPPLEMENTAL APPROPRIATION AND INTERFUND TRANSFER OF \$600,000.00 FROM THE INFRASTRUCTURE RESERVE FUNDS TO THE BORDWELL PARK GYMNASIUM PROJECT FOR A CONTRACT AMOUNT NOT-TO-EXCEED \$8,913,355.61.**

## **ISSUE:**

Award Request For Proposal (RFP) 2349 to R. C. Construction Services, Inc, of Redlands, California for the Bordwell Gymnasium Design-Build project in the amount of \$7,815,330.00; authorize 10% change order authority in the amount of \$781,533.00 with an additional \$316,492.61 for plan check, permits, inspections and administration fees, for a contract amount not-to-exceed \$8,913,355.61; and authorize a supplemental appropriation and interfund transfer of \$600,000 from the Infrastructure Reserve Funds to the Bordwell Park Gymnasium project.

## **RECOMMENDATION:**

That the City Council:

1. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record a supplemental appropriation and interfund transfer in the amount of \$600,000 from the General Fund Infrastructure Reserves to the Capital Outlay Fund, Bordwell Park Gymnasium project revenue and expenditure accounts;
2. Award RFP 2349 to Robert Clapper Construction Services, Inc, of Redlands, California for the Bordwell Gymnasium Design-Build project in the amount of \$7,815,330;
3. Authorize 10% change order authority in the amount of \$781,533 and \$316,493 for plan check, permits, inspections and administration fees, for a contract amount not-to-exceed \$8,913,355.61; and
4. Authorize the City Manager, or designee, to execute the Design-Build Agreement with

Robert Clapper Construction Services, Inc., including making minor and non-substantive changes.

## **LEGISLATIVE HISTORY:**

On March 11, 2021, President Biden signed into law the American Rescue Plan Act to facilitate the recovery from the devastating economic and health effects of the COVID-19 pandemic. The American Rescue Plan Act established the Coronavirus State Fiscal Recovery Fund and Coronavirus Local Fiscal Recovery Fund, which provides a combined \$350 billion in assistance to eligible state, local, territorial, and Tribal governments to assist in the economic and health recovery by providing resources to address impacts resulting from the crisis.

## **BACKGROUND:**

On November 8, 2016, the City of Riverside voters approved Measure Z, a one-cent transaction and use tax to help pay for critical unfunded City programs and services, including repair and maintenance of City facilities, such as police and fire stations, recreation centers and libraries, as well as road and tree maintenance.

The American Rescue Plan Act (ARPA) established the Coronavirus Local Fiscal Recovery Fund to provide resources to support communities that are struggling with the impacts resulting from the COVID-19 pandemic. The US Department of the Treasury (Treasury) first released the Interim Final Rule providing eligibility guidance as well as regularly updated Frequently Asked Questions (FAQ). The Interim Final Rule provided initial guidance and served to help communities develop proposals for funding.

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 and increased the Bordwell Gymnasium allocation by \$3 million to a total of \$8 million. 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 the replacement of HVAC systems, renovations of parking lots, 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.

## **DISCUSSION:**

### **American Rescue Plan Act Expenditure Plan**

The American Rescue Plan Act established the Coronavirus State and Local Fiscal Recovery Funds (Fiscal Recovery Funds) to aid eligible state, local, territorial, and Tribal governments.

These funds may be used to respond to pandemic response needs including mitigation and prevention, support to communities and populations most impacted by the COVID-19 pandemic, and fill revenue shortfalls. The City of Riverside received Fiscal Recovery Funds in two installments for a total amount of \$73,535,189. The City received the first allocation for \$36,767,594 in June 2021 and the second allocation for \$36,767,594 in June 2022.

### Investing in our Community's Health and Well-being

Good health and well-being in a City is directly impacted by the health of a City's park system, and a healthy park system requires a reliable but moderated funding stream to replace deteriorating infrastructure. Parks enhance the quality of life because Parks Make Life Better.

As reported by the National Recreation Park Association, "The coronavirus disease 2019 (COVID-19) pandemic has shed an even bigger light on the essential role of local parks and recreation. In response to the COVID-19 pandemic, park and recreation professionals swiftly mobilized to keep parks, trails and green spaces open to support physical and mental health, while delivering vital services and programs to support the community. Park and recreation professionals are on the frontlines of the COVID-19 pandemic — and will continue to be in the months and years to come."

The Parks, Recreation and Community Services Department (PRCSD) is responsible for programming, planning, development, operation, and maintenance of the City's public recreational resources, including 60 park properties, almost 3,000 acres of park land and approximately 350,000 square feet of building facilities. The City invested over \$100 million in renovating and building new park facilities in the Riverside Renaissance (2007-2012). Now, over a decade later, there is a wave of increased maintenance costs as a result of park infrastructure being used beyond its intended lifecycle. Fortunately, the City Council voiced their concern, support, and commitment last year by approving funding in the ARPA Expenditure Plan and future allocations through Measure Z to address the park deferred maintenance needs.

#### 1. ARPA Funding:

- a. *The First ARPA Expenditure Plan* allocated an initial \$5,000,000 for the Bordwell Gymnasium Project, and \$1,800,000 for Tim Strack (formerly El Dorado) Park Improvements. Both projects are located in underserved communities. Additionally, City Council directed staff to return with an itemized list for Park's infrastructure needs during the second allocation of funding for consideration; and,
- b. *The Second ARPA Expenditure Plan* allocated an additional \$3 million for the Bordwell Gymnasium Project and \$10 million for Park Deferred Maintenance Projects. These priority park projects focused on addressing safety concerns, compliance, and improving public health. This is an initial critical investment in restoring park infrastructure, with an initial cost estimate exceeding \$12 million. This priority deferred maintenance items include playground replacement, playground surfacing replacements, HVAC replacement, parking lot renovations, and flooring renovations that are distributed equitably throughout all wards.

Investing in our City's park infrastructure is an investment in our future and will play a key role of creating and maintaining resilient recreational resources and a health community.

### Bordwell Park Gymnasium

Bordwell Park is in the City of Riverside's Eastside neighborhood, one of the City's oldest and

largest residential neighborhoods. The park lacks indoor sports and recreation space and needs a gymnasium to host organized team sports, drop-in play, and a variety of other expanded recreation programming for all generations. The park is home to an active community center with senior programming, children’s after school programs and city-wide special events like Snow Play Day where snow is brought to the park in for kids who otherwise may not have a chance to play in snow. The gymnasium will allow for expansion of programs and facilities to provide low or no-cost recreation opportunities and team sports to encourage healthy and active lifestyles, strengthen community bonds, and provide a better quality of life for the surrounding residents. The gym will provide activities and opportunities for children and all residents to engage in productive and meaningful activities that would help divert at-risk youth and young adults from engaging in risky and unhealthy activities. The park serves disadvantaged and severely disadvantaged communities within a half-mile service area and is immediately adjacent to Emerson Elementary School, making the park a prime location for a gym.

On January 5, 2024, the Purchasing Division posted RFP No. 2349 on the City’s website for the Bordwell Park Gymnasium Design-Build project. The City notified one thousand six hundred fifty-three (1,653) vendors and had one hundred and ten (110) Prospective Bidders listed, fifty-two (52) of which were classified as potential Prime bidders.

On March 8, 2024, four proposals were received, three of which were responsive. All three responsive proposals were evaluated including interviews with each design-build team. The Parks, Recreation, and Community Services Department (PRCSD) recommends that a design-build services agreement in the amount of \$7,815,330.00 be awarded to R. C. Construction Services, Inc. for the Bordwell Gymnasium Project including:

- Design and engineering services
- Construction
- Import of fill dirt

Proposers	City	Ranking
Robert Clapper Construction Services Inc.	Redlands, CA	1
Facility Builders & Erectors	Anaheim, CA	2
Houalla Enterprises, Ltd.	Newport Beach, CA	3
*Toneman Development Corporation	Lancaster, CA	

\*Vendor deemed unresponsive due to failing to provide a valid bid bond.

The Purchasing Resolution No 24101 section 508 (c) states that “Contracts procured through Formal Procurement shall be awarded by the Awarding Entity to the Lowest Responsive Bidder, except that: 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 Resolution No 24101 section 903 states that “Grant Purchases. When the Procurement for Design-Build Services are to be procured through the use of Federal or State grant funding, procurement shall be done in accordance with the procedures herein. If the receipt of grant funding is conditioned upon requirements and procedures more strict than as set forth herein, the procedures necessary for the receipt of the grant funding shall be followed. Certain federally funded Procurements are subject to sections 200.317 through 200.327 of Title 2 of the Code of Federal Regulations (CFR). Federally funded Procurements shall follow the applicable CFR provisions, except where this Resolution provides for a stricter procedure, then the provisions of this Resolution shall apply. The Using Agency is responsible for compliance with all

aspects of grant requirements and shall inform the Manager of any and all grant requirements which affect the expenditure of grant funds and the procurement of Design-Build Services with grant funds.”

The Purchasing Manager concurs that the recommendation is in compliance with Purchasing Resolution No. 24101 section 508(c) and section 903.

### **STRATEGIC PLAN ALIGNMENT:**

The repairs and replacement of playground rubber surfacing contributes to **Strategic Priority 1 – Arts, Culture and Recreation**, which aims to provide diverse community experiences and personal enrichment opportunities for people of all ages.

This purchase supports **Goal 1.3**, Improve parks, recreational amenities, open space, and trail development, and fulfill critical lifecycle and facility maintenance needs.

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

1. **Community Trust** – Project funded with the City’s ARPA funds were selected based on community need. The proposed projects were presented to the community as noted earlier in this report. Also, during the community outreach for the City’s 2020 Comprehensive Parks, Recreation, and Community Services Master Plan, more indoor gymnasiums was expressed as a need.
2. **Equity** – With the increasing costs of recreational activities, gymnasiums provide access to recreational opportunities to all and there is low to no cost for use. Also, the project is located within a disadvantaged community.
3. **Fiscal Responsibility** – 93% of the project costs will be funded with ARPA grant funds, minimizing impacts to the general fund.
4. **Innovation** – The gym will make use of current materials and technologies for energy efficiency and to conserve natural resources. Additionally, the designers will be integrating comments from staff and the community regarding lessons learned from our past park gymnasium projects to build a gym that functions well and serves the needs of the community.
5. **Sustainability & Resiliency** – The gym will make use of current materials and technologies for energy efficiency and to conserve natural resources.

### **FISCAL IMPACT:**

The total fiscal impact of this action is \$8,913,355.61 which includes a 10% construction contingency and other costs associated with the project that is listed in Table 1 below.

Sufficient funding is not available in the Bordwell Park Gymnasium project account to pay for construction award and associated costs such as plan check, permits, inspections, and administration. Upon Council approval, a supplemental appropriation and interfund transfer of \$600,000 from the General Fund Infrastructure Reserves to the Capital Outlay Fund, Bordwell Park Gym Project will be recorded as indicated in Table 2 below. In addition, a budget transfer

of \$400,000 of previously allocated ARPA funds from the City-wide Park Improvements Fairmount Fencing project account to the Bordwell Park Gym project will be recorded as indicated in Table 2.

**Table 1. Project Costs**

Construction Contract Award	\$7,815,330.00
Construction Contingency (10%)	\$781,533.00
Plan check, permits, inspections, administration	\$316,492.61
<b>TOTAL</b>	<b>\$8,913,355.61</b>

**Table 2. Project Funding**

<b>Fund</b>	<b>Project</b>	<b>Account</b>	<b>Amount</b>
<i>Transfers</i>			
General Fund	Infrastructure Reserve	0000101-299206	(\$600,000.00)
General Fund	Infrastructure Reserve – Transfer Out	7223600-990401	\$600,000.00
Grants & Restricted Programs	Citywide Park Improvements - Fairmount Fence	9279500-440120	(\$400,000.00)
<i>Revenue</i>			
Capital Outlay	Bordwell Park Gym – Transfer In	9276910-985101	\$600,000.00
<i>Expenditures</i>			
Grants & Restricted Programs	Bordwell Park Gym (ARPA)	9276900-440120	\$7,913,355.61
	Bordwell Park Gym (ARPA)	9276900-440120	*\$400,000.00
Capital Outlay	Bordwell Park Gym	9276910-440301	*\$600,000.00
<b>Total</b>			<b>\$8,913,355.61</b>

**\* Denotes Budget Adjustment/Transfer In**

Additional maintenance costs will result from the implementation of this project. The annual on-going maintenance costs are estimated to be \$20,000. These additional maintenance funds will be requested in future budgets to ensure that the project is maintained to meet City standards.

Prepared by:	Alisa Sramala, Principal 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:	Phaedra A. Norton, City Attorney

**Attachments:**

1. Award Recommendation
2. Agreement