



CITY OF MENIFEE

SUBJECT: Bid Award and Agreement with Ferreira Coastal Construction Company for Construction Services for the Holland Road Water, Sewer and Recycled Water Utility Project

MEETING DATE: October 19, 2022

TO: Mayor and City Council

PREPARED BY: Carlos Geronimo, Principal Engineer

REVIEWED BY: Nick Fidler, Public Works Director

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Award bid and authorize the City Manager to execute an owner-contractor agreement with Ferreira Coastal Construction Company to perform construction services for the Holland Road Water, Sewer, and Recycled Water Utility Capital Improvement Project No. CIP 13-03, in the amount of \$719,174; and
2. Adopt the budget amendment resolutions carrying forward CIP 13-03 Holland Road Overpass (Holland Road Water, Sewer Utilities Project) budget from fiscal year 2021/2022 into the fiscal year 2022/2023 budget and in the amount of \$815,000, including authorizing transfer of \$500,000 in revenue and expenditures from the Grant Fund (Fund 301) to the Capital Projects Fund (320).

DISCUSSION

The Holland Road / I-215 Overcrossing Project ("Project") is a proposed four-lane bridge and road that would connect the City's east and west sides of I/215 from Hanover Lane to Haun Road.

Due to changes in grade and elevation required to accommodate the extension of Holland Road Bridge over the I-215, existing properties and businesses located on the south side of Holland Road and west of the I-215 would no longer have a direct connection to Holland Road. To provide access to these properties, a sub-project/additional component, Holland Road Water, Sewer, and Recycled Water Utility Project ("Utilities Project") was added to the original Project in 2021. The Utilities Project would relocate existing water facilities and construct new recycled water and sewer infrastructure that is not currently present in this area. This area's proximity to the I-215 freeway makes it a highly desirable prospective area for economic development opportunities. New facilities would be developed in such a way that future utility connections in the area could be performed by developers without disturbing or excavating newly constructed facilities. The

addition of recycled water and sewer utilities would provide readily available infrastructure, promote commercial growth to this area and bring much needed jobs to the city.

At the March 2, 2022, fiscal year 2021/2022 mid-year budget review meeting, City Council approved the appropriation of \$500,000 from the \$13 million American Rescue Plan Act (ARPA) funding to support the Utilities Project. The City received ARPA funding directly from the federal government as fiscal support to mitigate the impacts, including economic, of Covid-19.

The City has also negotiated an agreement with Eastern Municipal Water District (EMWD) to recuperate some of the costs incurred by the City for the Utilities Project in the form of a "Frontage Reimbursement" whereby future fees paid by developers to connect to the new recycled water and sewer facilities would be transferred to the City. The Frontage Reimbursement agreement has an expiration date of ten years after the utility facilities constructed are approved and accepted by EMWD.

Staff administered a competitive bid process for the Utilities Project and on September 6, 2022, the Utilities Project was legally advertised for construction in accordance with the California Public Contract Code. An electronic bid opening was held on September 22, 2022, and a total of four bids were received as summarized in Table 1 below.

Table 1- Bid Result Summary

Firm Name	Total Bid Amount	Lowest Responsible Bidder
<i>Engineer's Estimate</i>	<i>\$630,000.00</i>	
Ferreira Coastal Construction Company	\$719,174.00	X
Downing Construction, Inc.	\$759,119.00	
Borden Excavating, Inc.	\$959,959.00	
Gentry General Engineering, Inc.	\$1,591,610.00	

Staff reviewed the lowest bidder at the time of the bid opening and determined that Ferreira Coastal Construction Company met the requirements for recommendation as the lowest responsive and responsible bidder.

The anticipated construction cost for the Utilities Project is \$815,000, which includes construction and other costs typically associated with a construction project.

If approved by the City Council, the tentative project schedule would be as follows:

Construction Start: November 2022
Construction End: March 2024
City Council Acceptance June 2024

*The timeline above assumes no delays due to weather or unforeseen conditions.

Environmental Impact

The project is subject to the mitigation measures per the Holland Road/I-215 Overcrossing Initial Study with Mitigated Negative Declaration Report (IS/MND) (SCH No. 2016041073). The City

approved this project IS/MND on August 3, 2016, and has made the following determinations regarding this project:

1. The proposed project will not have a significant effect on the environment.
2. A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures were made a condition of the approval of the project.
4. A Mitigation Reporting or Monitoring Plan was adopted for this project.
5. A Statement of Overriding Considerations was not adopted for the project.
6. Findings were not made pursuant to the provisions of CEQA.

A Notice of Determination was filed with the County of Riverside and recorded on August 16, 2016, for this project.

STRATEGIC PLAN OBJECTIVE

Accessible and Interconnected Community

FISCAL IMPACT

The total anticipated construction cost for the Utilities Project is estimated at \$815,000. Funding in the total amount of \$815,000 and is available from existing project funding through fiscal year 2021/2022 budgets as shown in Table 2 below.

Table 2- Existing Project Funding

Fund	Project	Account Number	Available Budget*	Amount Requested
Capital Projects	Holland Road Water, Recycled Water, and Sewer Utilities Project	320-4555-58021**	\$815,000	\$815,000
Total			\$815,000	\$815,000

*Available budget is specific to the Utility Project.

** Includes \$500,000 transferred from Fund 301 (Grant Fund) as approved during FY21/22 mid-year budget review.

Approval of the two recommended budget adjustment resolutions (BAR) would carry forward the fiscal year 2021/2022 project budget, ahead of the scheduled CIP carryover process, into the fiscal year 2022/23 budget, in the amount of \$815,000, including \$500,000 in revenue and expenditures to be transferred from Fund 301 (Grant Fund) to Fund 320 (Capital Projects Fund).

Upon approval, \$500,000 will be transferred from revenue account no. 301-3742 (American Rescue Plan) to account no. 320-3900 (Capital Projects – Operating Transfer In) and \$500,000 would be transferred from expenditure account no. 301-4221-52216 (American Rescue Plan) to 320-4555-58021 (Holland Road Water, Recycled Water and Sewer Utilities Project).

ATTACHMENTS

1. Project Location Map
2. Agreement
3. Fund 301 – Budget Amendment Resolution
4. Fund 320 – Budget Amendment Resolution