



CITY OF MENIFEE

SUBJECT: Bid Award and Agreement with Hillcrest Contracting Inc. for Construction Services for Menifee Road Resurfacing Project

MEETING DATE: November 16, 2022

TO: Mayor and City Council

PREPARED BY: Kevin Bohne, Associate 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 Hillcrest Contracting Inc. to perform construction services for the Menifee Road Resurfacing Project, Capital Improvement Project (CIP) No. CIP 22-06, in the amount of \$1,690,663; and
2. Adopt two budget amendment resolutions (BARs) carrying forward CIP 22-06 Menifee Road Resurfacing Project Budget from Fiscal Year (FY) 2021/2022 into the FY 2022/2023 Budget and one BAR appropriating \$80,000 from Gas Tax Fund balance into the project fund (Fund 200).

DISCUSSION

The Menifee Road Resurfacing Project (“Project”) consists of resurfacing Menifee Road between Holland Road and Diamond Road (Fire Station 76 Entrance) north of Newport Road. The method of resurfacing would consist of header grind with an asphalt overlay. The Project would also construct a raised median from Newport Road north to Diamond Road, add 2 miles of striped bike lane, and retrofit 12 ADA ramps.

Staff administered a competitive bid process and the Project was legally advertised in accordance with the California Public Contract Code. An electronic bid opening was held on October 11, 2022, and a total of seven bids were received as summarized in Table 1 on the following page. Additionally, the Engineer’s Estimate was updated subsequent to the project budget establishment.

Table 1- Bid Result Summary

Firm Name	Total Bid Amount	Lowest Responsible Bidder
Engineers Estimate	\$1,874,945.00	
Hillcrest Contracting, Inc	\$1,690,663.00	X
All American Asphalt	\$1,759,969.00	
R.J. Noble Company	\$1,792,901.00	
L C Paving & Sealing, Inc.	\$1,841,054.88	
Onyx Paving Company, Inc.	\$2,027,680.00	
Vance Corporation	\$2,006,741.00	
Hardy & Harper, Inc.	\$2,174,000.00	

Upon receipt of the bids, staff reviewed the lowest bidder at the time of the bid opening and determined that Hillcrest Contracting, Inc. met the requirements for recommendation as the lowest responsive and responsible bidder.

At this time, the total cost of the construction contract for the project is \$1,690,663. Construction management and inspection would be provided by City staff. The costs do not include materials testing or labor compliance as separate requests for proposals and agreements for these services are pending.

Existing project budgets are available in the amount of \$1,635,098.29. Based on the lowest bid for construction, and additional anticipated costs for labor compliance and materials testing, additional funding would be required to fully support the Project. Staff has identified available, unappropriated, fund balance in the amount of \$80,000 from the Gas Tax Fund No. 200. Approval of the proposed BARs would carry existing project budgets forward into FY 2022/2023 and appropriate additional funding towards the Project in the amount of \$80,000. This would completely fund the construction contract and the pending agreements for labor compliance and materials testing, as stated above.

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

Construction Start: December 7, 2022
 Construction End: March 1, 2022
 City Council Acceptance: April 7, 2023

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

Environmental Impact

The proposed use has been determined to be Categorical Exempt (“Existing Facilities”) under the California Environmental Quality Act (CEQA) and CEQA Guidelines, Section 15301. Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency’s determination. Class 1 includes the following example of a project that would be exempt under this section: (c) [minor alterations to] Existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities (this includes road grading for the purpose of public safety). The project is for the

resurfacing of an existing paved road and upgrades to accessible ramps as described above. All improvements are within existing city right-of-way. The proposed improvements are a negligible expansion of the existing use. The improvements described above are considered minor alterations to existing streets or similar facilities. The Project is exempt per Section 15301.

The proposed Project is also exempt under the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA (Section 15061(b)(3)). There is no possibility that the activity in question will have a significant effect on the environment because the proposed project is occurring in an area that is already heavily disturbed and is not environmentally sensitive. The Notice of Exemption for the Project was recorded with the County of Riverside on September 7, 2022.

STRATEGIC PLAN OBJECTIVE

Safe and Attractive Community

FISCAL IMPACT

The construction contract for the Project is \$1,690,663.00. The available existing funding for this Project is \$1,635,098.29 as summarized in Table 2 below. Funding to support the remaining construction cost in the amount of \$80,000.00 has been identified from available fund balance in the Gas Tax Fund 200 as summarized in Table 3 below.

Table 2- Existing Project Funding

Fund	Project	Account Number	Available Budget	Anticipated Cost
Quality of Life	Menifee Road	105-4555-58122	\$135,098.29	\$135,098.29
RMRA (SB1)	Menifee Road	201-4555-58122	\$1,500,000.00	\$1,500,000.00
Unfunded	Menifee Road			\$80,000.00
Total			\$1,635,098.29	\$1,715,098.29

Table 3- Identified Project Funding

Fund	Project	Account Number		Available Budget	Amount Requested
		From	To		
200	Gas Tax	Fund Balance	200-4555-58122	\$80,000	\$80,000
Total					\$80,000

ATTACHMENTS

1. Agreement
2. Project Location Map

3. BAR – Fund 105
4. BAR – Fund 200
5. BAR – Fund 201