



## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Melissa Walker, Public Works Director/City Engineer

**AGENDA DATE:** October 15, 2024

**TITLE:** AUTHORIZATION TO AWARD A CONSTRUCTION CONTRACT TO ARCHICO DESIGN BUILD, INC. FOR THE MORENO VALLEY SENIOR CENTER EXPANSION PROJECT (REPORT OF: PUBLIC WORKS)

**TITLE SUMMARY:** Authorization to Award a Construction Contract to Archico Design Build, Inc. for the Moreno Valley Senior Center Expansion, Project Number 803 0057

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### Recommendation(s)

That the City Council:

1. Authorize the award of a contract to Archico Design Build, Inc. for the construction of Moreno Valley Senior Center Expansion Project; and
2. Authorize the City Manager to execute a contract with Archico Design Build, Inc., in the amount of \$4,990,000 funded by the Facility Construction Fund (Fund 3000); and
3. Authorize the issuance of a Purchase Order to Archico Design Build, Inc. for the amount of \$5,738,500 (\$4,990,000 bid amount plus 15% contingency) once the contract has been signed by all parties; and
4. Authorize the Public Works Director/City Engineer to execute any subsequent related change orders to the contract with Archico Design Build, Inc., up to the budget as previously approved by the Council, subject to the approval of the City Attorney; and
5. Authorize a budget adjustment and interfund loan as set forth in the fiscal impact section of this report.

**SUMMARY**

This report recommends approval of a contract with Archico Design Build, Inc. for the construction of the Moreno Valley Senior Center Expansion, Project No. 803 0057. This project will expand the existing Senior Center by adding approximately 4,000 square feet of new building space on the south side of the existing building, approximately where an existing open patio is located, and add a new patio cover over an existing patio at the northwest corner. The new expansion will be used to provide Moreno Valley seniors with additional programs, classes, events, and social activities.

This report also recommends that the City Council approve the interfund loan for \$1,611,217.

**DISCUSSION**

The Moreno Valley Senior Center has been a vital hub for our City’s seniors for over 30 years. The facility is situated on a 2.2-acre City-owned parcel at 25075 Fir Avenue, just east of Perris Boulevard and on the south side of Fir Avenue. The Senior Center offers a variety of programs and services for Moreno Valley seniors, including classes, crafts, exercise, billiards, dancing, cards, bingo, low-cost lunches, and more. However, due to significant growth in the City’s senior population, the existing Senior Center is undersized and unable to meet the increasing demand for its services. The US Census Bureau estimates the City’s senior population to be around 9.4% or roughly 20,000 seniors. Expanding the Moreno Valley Senior Center will provide additional space to offer even more programs, classes, events, and social activities.

The Planning Division of Community Development Department has determined that this project is exempt from the California Environmental Quality Act (CEQA) Section 15301c and Section 5.1.2 of the City’s Rules and Procedures for the Implementation of CEQA.

The project was advertised for construction bids on August 1, 2024, and formal bidding procedures have been followed in conformance with Public Contract Code. Bids were received via the electronic bid management system, OpenGov.com, on August 29, 2024, and three (3) bids were received as follows:

<u>CONTRACTORS</u>	<u>Verified Bid Amounts</u>
1. Caliba, Inc. ....	\$4,836,000.00
2. Archico Design Build, Inc. ....	\$4,990,000.00
3. Keystone Builders, Inc.....	\$5,411,000.00

The lowest responsible bidder was determined by comparing the cumulative total for all bid items as stipulated in the Bidding Documents. The apparent lowest bidder, Caliba, Inc., was determined to be non-responsive for not meeting the requirements of the Contract Documents because their submitted Subcontractor List was missing pertinent information required under the Public Contract Code. Caliba, Inc. was notified of this issue and decided to withdraw their bid following the bid opening.

Staff has reviewed the bid by Archico Design Build, Inc. and found it to be the lowest

responsible bidder in possession of a valid license and bid bond. No outstanding issues were identified through the review of the references submitted by Archico Design Build, Inc. in their bid.

Staff recommends the award of the contract and issuance of a purchase order to Archico Design Build, Inc. in the amount of \$5,738,500, which includes a 15% contingency. The contingency amount (\$748,500) is recommended to account for any latent or unforeseen circumstances encountered during construction. Unforeseen conditions may include new connections to existing components or utilities.

This project was fully funded in FY 23/24 & 24/25 Capital Improvement Plan (CIP). Due to the current inflationary period, construction bids for this project came in higher than estimated. An allocation from the Facilities Replacement Reserve Fund (7330) will cover the amount needed for project management, construction engineering, and construction. A transfer of Facilities Replacement Reserve Fund (7330) to Facility Construction Fund (3000) will occur in the amount of \$1,611,217.

Approval of the recommended actions would support Objective 4 of the Momentum MoVal Strategic Plan: “Manage and maximize Moreno Valley’s public infrastructure to ensure an excellent quality of life, develop and implement innovative, cost-effective infrastructure maintenance programs, public facilities management strategies, and capital improvement programming and project delivery”.

**ALTERNATIVES**

1. Approve and authorize the recommended actions as presented in this staff report. This alternative will provide the construction of the Moreno Valley Senior Center Expansion and will provide necessary space to offer expanded services to the senior citizens of Moreno Valley. *Staff recommends this alternative.*
2. Do not approve and authorize the recommended actions as presented in this staff report. This alternative will result in delaying the timely construction of the project. The Moreno Valley Senior Center will continue to lack sufficient space needed to accommodate the growing senior citizen population and to offer expanded services to the senior citizens of Moreno Valley. *Staff does not recommend this alternative.*

**FISCAL IMPACT**

The total cost for the Senior Center Expansion Project is estimated at \$6,028,500. Due to the current inflationary period, construction bids for this project came in higher than estimated. The total project will increase by \$1,611,217 to cover additional costs. A transfer of Facility Replacement Reserve Fund (7330) to Facility Construction Fund (3000) will occur in the amount of \$1,611,217. There is no impact to the General Fund.

Category	Fund	GL Account and Project Number	Type	FY24/25 Budget	FY 24/25 Proposed Adjustment	FY24/25 Adjusted Budget
CIP	7330 Facilities Replacement Reserve	7330-99-99-97330-903000	Exp	\$2,985,000	\$1,611,217	\$4,596,217

CIP	3000 Facility Construction	3000-99-99-93000-807330	Rev	\$2,985,000	\$1,611,217	\$4,596,217
CIP	3000 Facility Construction	3000-70-40-80003-720199 803 0057-3000-99	Exp	\$4,417,783	\$1,611,217	\$6,029,000

**ESTIMATED PROJECT-RELATED COSTS:**

Construction (includes 15% contingency) .....	\$5,738,500
Material Testing and Geotechnical Engineering .....	\$90,000
Construction Inspection.....	\$150,000
City Staff Project Management.....	\$20,000
CWA Administration .....	\$30,000
<b>Total.....</b>	<b>\$6,028,500</b>

**ANTICIPATED PROJECT SCHEDULE**

Construction Period ..... October 2024 - July 2025

**NOTIFICATION**

Publication of the agenda.

Prior to construction starting, all utilities and adjacent property owners in the area as well as law enforcement, fire department and other emergency services responders will be notified of the construction.

**PREPARATION OF STAFF REPORT**

Prepared By:  
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Senior Engineer

Department Head Approval:  
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Public Works Director/City Engineer

Concurred By:  
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Concurred By:  
Quang Nguyen, P.E.  
Capital Projects Principal Engineer

**CITY COUNCIL GOALS**

Public Facilities and Capital Projects: Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

**CITY COUNCIL STRATEGIC PRIORITIES**

1. Economic Development
2. Public Safety
3. Library
4. Infrastructure
5. Beautification, Community Engagement, and Quality of Life
6. Youth Programs

**ATTACHMENTS**

**Project Location Map**

**Agreement with Archico Design Build, Inc.**

## Report Approval Details

Document Title:	STAFFREPORT_24-0579_PW_CP_SENIOR_CENTER_EXPANSION.docx
Attachments:	- Location Map.pdf - Agreement and Bonds.pdf
Final Approval Date:	Oct 8, 2024

This report and all of its attachments were approved and signed as outlined below:

Melissa Walker

Sean Kelleher

Natalia Lopez

Launa Jimenez

Brian Mohan

Mike Lee

Patty Rodriguez