



Report to City Council

TO: Mayor and City Council

FROM: Melissa Walker, Public Works Director/City Engineer

AGENDA DATE: December 17, 2024

TITLE: **AUTHORIZATION TO AWARD A CONSTRUCTION CONTRACT FOR THE MORENO VALLEY CITY HALL ANNEX NUMBER 1, WATER METER/SERVICE CONNECTION (REPORT OF: PUBLIC WORKS)**

TITLE SUMMARY: Authorization to Award a Construction Contract to CEM Construction Corporation for the Moreno Valley City Hall Annex Number 1, Water Meter/Service Connection, Project Number 803 0065 Located at 14331 Frederick Street

Recommendation(s)

That the City Council:

1. Award a construction contract to CEM Construction Corporation for the Moreno Valley City Hall Annex Number 1, Water Meter/Service Connection Project Number 803 0065 Located at 14331 Frederick Street; and
2. Authorize the City Manager to execute a contract with CEM Construction Corporation in the amount of \$340,975.00 funded by Facility Construction (Fund 3000); and
3. Authorize the issuance of a Purchase Order to CEM Construction Corporation for the amount of \$392,121.00 (\$340,975.00 bid amount plus a 15% contingency) when the contract has been signed by all parties; and
4. Authorize the Public Works Director/City Engineer to execute any subsequent change orders to the contract with CEM Construction Corporation up to the budget as previously approved by City Council, subject to the approval of the City Attorney.
5. Authorize a budget adjustment as set forth in the fiscal impact section of this report.

SUMMARY

This report recommends approval of a construction contract to CEM Construction Corporation for the City Hall Building, Annex #1, Water Meter/Service Installation Connection, Project No. 803 0065. The project will install a water supply manifold for two water meters (domestic and landscaping) to service the City Hall Annex 1 building to allow the City to directly manage the City's water service account at the building and to additionally protect the city's assets. The project is funded by the Facility Construction Fund (Fund 3000).

DISCUSSION

The City of Moreno Valley is the sole owner of the City Hall Annex 1 building, located at 14331 Frederick Street. Previously, this building was part of a business complex that included multiple buildings. All four buildings of the complex currently share a single water meter, and the business complex owner invoices the City for its share of the water use.

To streamline the billing process and enable the City to manage its water expenses directly, the Project will install two separate water meters: one for the City Hall Annex 1 building and one for the landscape areas in front of and adjacent to the Annex. Additional project improvements include the installation of backflow preventer valves, the re-piping of the water supply from the new meters to the existing building and irrigation control valves, and necessary trench restoration work.

The Planning Division of the 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 design of this project was completed in-house by Engineering staff and advertised for construction bids on October 7, 2024. Formal bidding procedures were followed in conformance with the Public Contract Code. Staff received only one (1) bid from CEM Construction Corporation via the electronic bid management system, OpenGov.com, on October 28, 2024.

Staff has reviewed the bid by CEM Construction Corporation and finds it to be a responsive and responsible bidder in possession of a valid license and bid bond. No outstanding issues were identified through review of the references submitted by CEM Construction Corporation in their bid.

Staff recommends the award of the contract and issuance of a purchase order to CEM Construction Corporation in the amount of \$392,121.00 which includes a 15% Contingency. The contingency amount (\$51,146.00) is recommended to account for any latent or unforeseen circumstances encountered during construction. Unforeseen conditions may include unsuitable soil or hazardous waste which need to be properly processed and removed.

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 for the timely construction of much needed water meter as included in this Annex #1 Water Meter/Service Installation Connection project. *Staff recommends this alternative.*

2. Do not approve and authorize the recommended actions as presented in this staff report. This alternative will result in the complex owner continuing to manage the water bill payments and invoicing the City for their portion of Annex #1. *Staff does not recommend this alternative as it will delay the construction of needed water meter and may result in higher future costs.*

FISCAL IMPACT

This project is fully funded by the Facility Construction Fund (Fund 3000) and Capital Projects Reimbursement Fund (3008). Additional funding from City Hall Developmental Impact Fee Fund (Fund 2909) will be for construction costs.

Description	Fund	GL Account No.	Type (Rev/Exp)	FY 24/25 Budget	Proposed Adjustments	FY 24/25 Amended Budget
DIF	2909	2909-99-95-92909-903000	Exp	\$0	\$113,025	\$113,025
Capital Project	3000	3000-99-99-93000-802909	Rev	\$0	\$113,025	\$113,025
Capital Project	3000	3000-70-77-80003-720199 Proj. No. 803 0065-3000-99	Exp	\$105,694	\$113,025	\$218,719

AVAILABLE BUDGET

Capital Projects Reimbursements
 (Account 3008-70-77-80003-720199) (Project No. 803 0065-3008-99) \$203,975
 Facility Construction
 (Account 3000-70-77-80003-720199) (Project No. 803 0065-3000-99) \$105,037
 Facility Construction (Additional Funding from City Hall DIF)
 (Account 3000-70-77-80003-720199) (Project No. 803 0065-3000-99) \$113,025
 Total Budget \$422,037

ESTIMATED PROJECT COSTS:

Construction (including 15% contingency) \$392,121
 Construction Material Testing and Geotechnical Services \$10,000
 Project Administration and General Inspection \$19,916
 Total Cost..... \$422,037

ANTICIPATED PROJECT SCHEDULE:

Construction Period.....Winter – Spring 2025

NOTIFICATION

Prior to construction, affected business owners, utilities, adjacent property owners, law enforcement, fire department, churches, public transportation, and other emergency service responders in the area will be notified in a timely manner of the proposed construction and roadway closures.

PREPARATION OF STAFF REPORT

Prepared By:
Ricky Carrillo
Capital Projects Associate Engineer

Department Head Approval:
Melissa Walker, P.E.
Public Works Director/City Engineer

Concurred By:
Harold Zamora, P.E.
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Concurred By:
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CITY COUNCIL GOALS

Community Image, Neighborhood Pride and Cleanliness: Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

Public Safety: Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

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

Objective 4.2: Develop and maintain a comprehensive Infrastructure Plan to invest in and deliver City infrastructure.

Objective 4.3: Address deferred maintenance of City infrastructure assets.

ATTACHMENTS

Project Location Map

Agreement with CEM Construction Corporation

Report Approval Details

Document Title:	STAFFREPORT_PW_CP_ANNEX_1_WATER_METER_INSTALLATIO N.docx
Attachments:	- Attachment A - Location Map.pdf - Agreement_Proj. No. 803 0065.pdf
Final Approval Date:	Dec 10, 2024

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

Melissa Walker

Sean Kelleher

Natalia Lopez

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Patty Rodriguez