

**CITY OF TEMECULA  
AGENDA REPORT**

**TO:** City Manager/City Council

**FROM:** Patrick Thomas, Director of Public Works/City Engineer

**DATE:** January 10, 2023

**SUBJECT:** Award a Construction Contract to Flatiron West, Inc. for the I-15 / French Valley Parkway Improvements – Phase II, PW16-01

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**PREPARED BY:** Amer Attar, Engineering Manager  
Avlin R. Odviar, Principal Civil Engineer

**RECOMMENDATION:** That the City Council:

1. Award a construction contract to Flatiron West, Inc., in the amount of \$71,521,192, for the I-15 / French Valley Parkway Improvements – Phase II, PW16-01; and
2. Authorize the City Manager to approve contract change orders up to 10% of the contract amount, \$7,152,119.20; and
3. Make a finding that the I-15 / French Valley Parkway Improvements project is exempt from Multiple Species Habitat Conservation Plan (MSHCP) fees.

**BACKGROUND:** On July 26, 2022, the City Council approved the plans and specifications and authorized the Department of Public Works to solicit construction bids for the I-15 / French Valley Parkway Improvements, PW16-01 (Project).

The Project improvements include construction of a two-lane northbound collector/distributor (C/D) system along I-15 from Winchester Road/I-15 interchange northbound on-ramps to just north of the I-15/I-215 Junction with connectors to I-15 and I-215. These improvements will alleviate congestion on the northbound I-15, especially during the evening rush hours.

The construction contract was publicly advertised between August 29, 2022 and October 6, 2022. Five (5) bids were received and publicly opened on Thursday, October 6, 2022. On October 14, 2022, the City received a letter with subject “Notice of Protest that Any Award of Bid Solicitation would be Illegal” from counsel representing MCM Construction, Inc. On October 25, 2022, the City Council rejected all bids and authorized the Department of Public Works to re-advertise the construction contract. The construction contract was then readvertised publicly between October

27, 2022 and December 1, 2022. Three (3) bids were received and publicly opened on Thursday, December 1, 2022.

The results were as follows:

<b>Rank</b>	<b>Bidder</b>	<b>Bid Amount</b>
1.	Flatiron West, Inc.	\$ 71,521,192.00
2.	MCM Construction, Inc.	\$ 73,980,864.95
3.	Griffith Company	\$ 79,282,525.30

All bids received were responsive. Flatiron West, Inc. of San Diego, California is the lowest responsible bidder. Flatiron West, Inc. has public contracting experience and has successfully completed similar public projects, including the Phase I of the I-15 / French Valley Parkway Improvements project.

The Engineer's Estimate of construction cost was \$73.5 Million. The construction contract allows for 450 working days (approximately 22 months) to construct the Project.

The Multiple Species Habitat Conservation Plan (MSHCP) is an element of the Riverside County Integrated Project (RCIP) to conserve open space, nature preserves and wildlife to be set aside in some areas. It is designed to protect over 150 species and conserve over 500,000 acres in Western Riverside County. The City of Temecula is a permittee to the MSHCP and as such is required to abide by the Regional Conservation Authority's (RCA) MSHCP Mitigation Fee Implementation Manual adopted by Resolution 2020-013 on December 7, 2020. The RCA is a joint regional authority formed by the County and the Cities to provide primary policy direction for implementation of the MSHCP.

Since July 1, 2008, the RCA has required that locally funded Capital Improvement Projects contribute applicable MSHCP fees within 90-days of construction contract award. Fees outside the public right of way are calculated on a cost per acre of disturbed area basis, while fees for typical right-of-way improvements projects are 5% of construction costs. The I-15 / French Valley Parkway Improvements – Phase II project is on the State Highway System and such projects are exempt from MSHCP fees.

**FISCAL IMPACT:** The I-15 / French Valley Parkway Improvements – Phase II project is included in the City's Capital Improvement Program Fiscal Years 2023-27. The sources of funds include INFRA Grant, SAFETEA-LU, Surface Transportation Improvement Program (STIP), TUMF (WRCOG), TUMF (CETAP/RCTC), and Measure S. There are sufficient funds in the project account to cover the contract amount of \$71,521,192.00 plus the 10% contingency amount of \$7,152,119.20 for a total encumbrance of \$78,673,311.20.

**ATTACHMENTS:**

1. Contract
2. Project CIP Budget Sheets