

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

FROM: Ron Moreno, Director of Public Works/City Engineer

DATE: August 13, 2024

SUBJECT: Award Construction Contract to Ace Capital Engineering for the Sixth Street Improvements, PW22-16

PREPARED BY: Amer Attar, Engineering Manager
Emalee Sena, Assistant Engineer I

RECOMMENDATION: That the City Council:

1. Approve the transfer of \$120,000 of Measure S funds from the Sidewalks - Third Street Project, PW23-02 to the Sixth Street Improvements Project [Formerly, “Sidewalks - Old Town Improvements - South Side of Sixth Street (Old Town Front Street to Mercedes Street)”], PW22-16; and
2. Award a construction contract to Ace Capital Engineering in the amount of \$665,523.17 for the Sixth Street Improvements [Formerly, “Sidewalks - Old Town Improvements - South Side of Sixth Street (Old Town Front Street to Mercedes Street)”], PW22-16; and
3. Authorize the City Manager to approve construction contract change orders not to exceed the contingency amount of \$66,552.32, which is equal to 10% of the contract amount; and
4. Make a finding that the Sixth Street Improvements [Formerly, “Sidewalks - Old Town Improvements - South Side of Sixth Street (Old Town Front Street to Mercedes Street)”], PW22-16 is exempt from Multiple Species Habitat Conservation Plan fees.

BACKGROUND: On April 23, 2024, the City Council approved the project plans and specifications and authorized the Department of Public Works to solicit construction bids for the Sidewalks - Old Town Improvements - South Side of Sixth Street, PW22-16.

The Sixth Street Improvements will construct new sidewalk along the south side of Sixth Street, rolled curb and gutter, street lighting, landscaping, and irrigation. The project also includes installation of ADA ramp bulb outs on the west side of Sixth Street and Mercedes intersection. Staff will also take the opportunity of this construction project to upgrade the ADA ramps on the west side of the intersection of Mercedes Street and Fifth Street by adding the bulb outs. The project improvements are designed in accordance with the Old Town Specific Plan

The construction contract was publicly advertised between July 2, 2024, and July 24, 2024. On Wednesday, July 24, 2024, seven (7) bids were electronically received, opened, and the results were publicly posted on the City’s online bidding service, PlanetBids.

The results were as follows:

	Contractor	Bid Amount
1.	Ace Capital Engineering	\$665,523.17
2.	Aster Construction Services Inc.	\$677,892.29
3.	Gentry General Engineering Inc.	\$691,236.45
4.	All American Building Services	\$719,997.00
5.	EBS General Engineering, Inc.	\$747,237.00
6.	CT&T Concrete Paving Inc.	\$974,780.03
	Vet Corps Contracting, Inc.	Non-responsive

The Subcontractors List submitted by Vet Corps Contracting, Inc. shows subcontracting as 90% of its total bid. This does not meet the requirements of the contract documents, specifically the 2021 Greenbook Standard Specifications for Public Works Construction, Section 3-2 Self Performance, which states in part, “The Contractor shall perform, with its own organization, Contract work amounting to at least 50 percent of the Contract Price...” Their bid has been deemed non-responsive.

Of the remaining bids, staff found Ace Capital Engineering of Lake Forest, California to be the lowest responsive bidder. Ace Capital Engineering has successfully completed similar projects for various public agencies.

The Engineer’s estimate for the project was \$551,000. The specifications allow for eighty (80) working days (approximately four months) to complete the work.

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) Fee Remittance and Collection Policy adopted by Resolution 07-04 on September 10, 2007. The RCA is a joint regional authority formed by the County and the Cities to provide primary policy direction for implementation of the MSHCP.

Beginning July 1, 2008, the RCA started requiring 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 five percent of construction costs. This project

involves construction of street improvements on previously disturbed areas, both within the existing public right of way. Such projects are exempt from MSHCP fees.

FISCAL IMPACT: The Sixth Street Improvements [Formerly, “Sidewalks - Old Town Improvements - South Side of Sixth Street (Old Town Front Street to Mercedes Street)”] is included in the City’s Capital Improvement Program (CIP) Fiscal Years 2025-2029 and is funded with a Community Reinvestment Program Grant and Measure S. With approval to transfer \$120,000 in Measure S funds, there will be sufficient funds in the project account to cover the contract amount of \$665,523.17 plus the 10% contingency of \$66,552.32 for a total encumbrance of \$732,075.49.

ATTACHMENTS:

1. Contract
2. Project Description
3. Project Location Map