

**CITY OF TEMECULA  
AGENDA REPORT**

**TO:** City Manager/City Council

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

**DATE:** September 27, 2022

**SUBJECT:** Award a Construction Contract to Act 1 Construction, Inc. for Community Recreation Center Renovations – Phase 1, PW19-07

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**PREPARED BY:** Avlin R. Odviar, Principal Civil Engineer  
William Becerra, Associate Engineer II

**RECOMMENDATION:** That the City Council:

1. Award a Construction Contract to Act 1 Construction, Inc. in the amount of \$3,568,395, for Community Recreation Center Renovations – Phase 1, PW19-07; and
2. Authorize the City Manager to approve construction contract change orders up to 10% of the contract amount, \$356,839.50; and
3. Make a finding that Community Recreation Center Renovations – Phase 1, PW19-07 is exempt from Multiple Species Habitat Conservation Plan (MSHCP) fees.

**BACKGROUND:** The Community Recreation Center (CRC) Renovations is an infrastructure project for the rehabilitation, improvement, and reconfiguration of the CRC. Phase 1 comprises the bulk of rehabilitation work by replacing, repairing, or updating portions of the building's mechanical, electrical, and plumbing systems, foundation, roof, and accessibility, as needed. This Phase will address all items identified in the ADA Transition Plan throughout the building interior and exterior. Subsequent phases of work will include expansion and renovation of existing office space, recreational rooms, and storage space.

On July 12, 2022, City Council approved the plans and specifications, and authorized the Department of Public Works to solicit construction bids for Community Recreation Center Renovations – Phase 1, PW19-07.

The construction contract was publicly advertised for bids between August 10, 2022, and September 1, 2022, on the City's online bidding service, PlanetBids. Five (5) bids were received and publicly opened on September 1, 2022.

The results are as follows:

Rank	Bidder	Amount
1.	Act 1 Construction, Inc.	\$3,568,395.00
	Bogh Engineering, Inc.	Non-Responsive
	Horizon Construction Co. Int'l, Inc.	Non-Responsive
	Spec Construction Co., Inc.	Non-Responsive
	LDCo., Inc.	Non-Responsive

Bids received from four (4) contractors were found to be non-responsive. Staff has deemed the bids submitted by Bogh Engineering, Inc., and LDCo., Inc. as non-responsive because the contractors are self-performing less than 50% of the contract work. The construction contract, specifically Section 3-2 Self Performance of the Standard Specifications for Public Works Construction, requires that the contractor self-perform at least 50% of the contract work. Additionally, LDCo., Inc. did not provide a signed Addendum No. 1 with their bid. Spec Construction Co., Inc. provided a bid containing an incomplete Subcontractor's List, resulting in staff being unable to verify the percentage of work being self-performed by the contractor, and is therefore non-responsive. The bid submitted by Horizon Construction Company International, Inc. has been deemed as non-responsive because they did not provide bid prices for three (3) bid items. In the construction contract, Instruction to Bidders, 2. Proposal, Item a., states that "Any bid item left blank in the **Electronic** Schedule of Prices in PlanetBids will deem the entire bid unresponsive and the bid will be disqualified."

Staff has completed its analysis of the submitted bids and found that Act 1 Construction, Inc. of Norco, California to be the lowest responsive and responsible bidder. Act 1 Construction, Inc. has public contracting experience and has successfully completed similar projects for various public agencies in Southern California.

The Engineer's Estimate for the project was \$3,400,000.00. The project specifications allow for 100 working days (approximately 5 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) 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. Maintenance only projects, such as this project, are exempt from MSHCP fees.

**FISCAL IMPACT:** The Community Recreation Center Renovations – Phase 1, PW19-07 is identified in the City’s Capital Improvement Program (CIP) budget for Fiscal Years 2023-27, and is funded with Developer Contribution, DIF-Park & Rec Improvements, DIF-Quimby, and Measure S. Adequate funds are available in the project accounts to cover the construction contract amount of \$3,568,395.00, plus the 10% contingency of \$356,839.50, for a total encumbrance of \$3,925,234.50. A portion of these appropriations was intended to cover the projected construction cost of Phase 2. To move forward with Phase 2 construction in the future, additional funds will be needed.

**ATTACHMENTS:**

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