



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
September 21, 2021

TOPIC: Raitt and Myrtle Park Project

AGENDA TITLE

Approve an Appropriation Adjustment and Award a Construction Contract to CEM Construction in the Amount of \$2,776,406 for the Raitt and Myrtle Park Fiscal Year 2021-22 Project with an Estimated Project Delivery Cost of \$3,410,928 (Project Nos. 16-7566, 20-2730 & 22-6621) (Non-General Fund)

RECOMMENDED ACTION

1. Approve an amendment to the Fiscal Year 2021-22 Capital Improvement Program to include \$114,023.44 in construction funding from the Cannabis Public Benefit Funds, for the Raitt and Myrtle Park Project.
2. Approve an appropriation adjustment to recognize \$1,670,000 in Proposition 1 Integrated Regional Water Management (IRWM) grant funding from the State of California Department of Water Resources into the Public Works-Water Quality & Control, State Grant-Direct revenue account and appropriate the same amount into the Prop 1 IRWM Program, Improvements Other Than Building expenditure account.
3. Approve an amendment to the Fiscal Year 2021-22 Capital Improvement Program to include \$1,670,000 in construction funding from the Proposition 1 IRWM grant funds for the Raitt and Myrtle Park Project.
4. Authorize the City Manager to execute a Proposition 1 IRWM Grant Funding Agreement with the Santa Ana Watershed Project Authority (SAWPA) beginning September 21, 2021, and expiring three years after final payment, exercisable by the City Manager and City Attorney, for a total disbursement amount not to exceed \$1,670,000, subject to non-substantive changes approved by the City Manager and City Attorney.
5. Reject Bid Protest and award a construction contract to CEM Construction, the lowest responsible bidder, in accordance with the base bid in the amount of \$2,776,406, for construction of the Raitt and Myrtle Park FY 2021-22 Project, for the term beginning October 11, 2021, and ending upon project completion, and authorize the City

Manager to execute the contract subject to non-substantive changes approved by the City Manager and the City Attorney.

6. Approve the Project Cost Analysis for a total estimated construction delivery cost of \$3,410,928, which includes \$2,776,406 for the construction contract, \$277,640 for contract administration, inspection and testing, \$45,000 Grant Administration & Consultant Services, and a \$311,882 project contingency for unanticipated or unforeseen work.

DISCUSSION

This project includes construction of a new 1.18-acre park on two City-owned parcels at the northeast corner of Raitt Street and Myrtle Street. The park will feature: a skate park, play equipment, exercise area, drought-tolerant landscaping, bridges and walkways, drinking water fountains, site lighting, a public restroom, a 1,600 sq. ft. stormwater bioretention basin, a subsurface stormwater infiltration system (stormchamber), interpretive signage promoting watershed and water quality education, and off-site improvements.

This project is unique because the stormwater Best Management Practices (BMPs) on-site are designed to infiltrate stormwater runoff not only from the park itself, but also from the surrounding neighborhood. Stormwater infiltration is very beneficial to the environment, as it helps improve water quality, increase local water supplies, and reduce flooding.

The Parks, Recreation, and Community Services Agency was able to obtain grant funding for construction of this project from the Proposition 68 Statewide Parks Grant. This funding was recognized and appropriated to this project by the City Council on May 19, 2020.

The Public Works Agency was also able to obtain grant funding for this project from the Proposition 1 Integrated Regional Water Management (IRWM) grant program. The funds will be used for the construction of stormwater infiltration BMPs and other park features in the Raitt and Myrtle Park, as well as grant administration and consultant services. This grant program is administered by the State Department of Water Resources (DWR) and provides funding for multi-benefit projects that help address the future water needs of the State. The Santa Ana Watershed Project Authority (SAWPA) is a Joint Powers Authority composed of several water and wastewater agencies. SAWPA is the local grant administrator for the Santa Ana funding region and has entered into a Grant Agreement with DWR. The City is required to enter into a Grant Agreement with SAWPA for reporting and disbursement of the Proposition 1 IRWM funds (Exhibit 5).

Public Outreach and Contractor Participation

To provide an opportunity for local vendors to submit bids, the City notified 196 regional vendors via PlanetBids, many of which are Santa Ana based. Seventy-seven vendors

requested bidding documents, and 11 bids were received. There were no bids received from any Santa Ana contractors.

As legally required, a Notice Inviting Bids was advertised in the Orange County Register newspaper on June 23 and June 28, of 2021. The project was also advertised in PlanetBids from June 23, 2021, through July 21, 2021. Bids were received electronically via PlanetBids on July 21, 2021.

Bid Results Summary

RANK	BIDDER'S NAME	LOCATION	BASE BID
1	CEM Construction	Montebello	\$2,776,406.00
2	PUB Construction, Inc.	Diamond Bar	\$2,940,621.02
3	Environmental Construction, Inc.	Woodland Hills	\$3,063,709.92
4	Los Angeles Engineering, Inc.	Covina	\$3,336,000.00
5	PCN3, Inc.	Los Alamitos	\$3,345,710.60
6	C.S. Legacy Construction Inc.	Chino	\$3,413,308.28
7	EBS General Engineering Inc.	Corona	\$3,527,360.00
8	MVS Enterprises Inc.	Temecula	\$3,582,346.00
9	Access Pacific Inc.	Pasadena	\$3,937,285.14
10	RAL Investment Corporation	San Diego	\$4,040,299.10
11	Kazoni Construction	Costa Mesa	\$4,636,725.00

Of the 11 bids received, all were deemed responsive. CEM Construction submitted the lowest responsive base bid in the amount of \$2,776,406 (Exhibit 2). As specified in the bid documents, the lowest bid shall be determined on the basis of the Base Bid. Based on the bid analysis and a contractor's reference check, staff recommends awarding the construction contract to CEM Construction, in the amount of the base bid totaling \$2,776,406 (Exhibit 3).

A Bid Protest was submitted to the City by the third lowest bidder, Environmental Construction, Inc., who challenged the responsiveness of the apparent low bidder. Ultimately, Public Works staff found the minor irregularities in the CEM Construction bid to be immaterial. Staff recommends waiving the protest and awarding the contract to CEM Construction.

Project Delivery

To deliver a complete project, in addition to the construction contract, the estimated total project delivery cost includes construction administration, inspection, and testing, along with an allowance for contingencies to account for unexpected or unforeseen conditions. Construction administration and inspection includes: construction management, implementation of the City's Community Workforce Agreement requirements, inspection of the Contractor's work to ensure contract compliance, workmanship, and quality, and materials testing. As indicated in the Cost Analysis (Exhibit 4) and as summarized in the table below, the estimated total construction delivery cost of the project is \$3,410,928.

Project Item	Total
Construction Contract	\$2,776,406
Construction Administration, Inspection, Testing	\$277,640
Contingencies	\$311,882
Prop 1 Grant Administration & Consultant Services	\$45,000
TOTAL CONSTRUCTION DELIVERY COST	\$3,410,928

ENVIRONMENTAL IMPACT

In accordance with the California Environmental Quality Act, the recommended actions are exempt from further review. A Mitigated/Negative Declaration was prepared and was filed for the project.

FISCAL IMPACT

As indicated in the Cost Analysis, the estimated total construction delivery cost of the project is \$3,410,928, which includes the construction contract, contract administration, inspection, testing, project contingency, grant administration, and consultant services. Project No. 16-7566 is the number assigned to the Project Plans and Specifications and the Notice Inviting Bids. Project No 20-2730 is the number assigned to the PRCSA grant and Cannabis Public Benefit funding for tracking of all expenditures to deliver the construction of this project. A portion of the funding for this project in the amount of \$1,626,904.56 was appropriated in the Fiscal Year 2020-21 Parks, Recreation, and Community Services Agency Capital budget. As part of the Citywide budget carry-forward process, the Parks, Recreation, and Community Services Agency submitted to the Finance Department a request for these funds to be carried forward into Fiscal Year 2021-22. This carry-forward request was compiled with requests from other departments and is being presented for City Council approval on this same agenda under a separate agenda item.

Additionally, The City secured a Proposition 1 IRWM grant in the amount of \$1,670,000 to deliver the construction of this project. Project No. 22-6621 is the number assigned to the Public Works Agency grant funding for tracking of all expenditures. Staff is requesting Council approval of an appropriation adjustment to recognize the Proposition 1 Integrated Regional Water Management (IRWM) grant funding of \$1,670,000 from the State of California Department of Water Resources into the Public Works-Water Quality & Control,

State Grant-Direct revenue account (No. 16417002-52025) and appropriate the same amount into the Prop 1 IRWM Program, Improvements Other Than Building expenditure account (No. 16417643-66220). With the approval of the amendment to the Fiscal Year 21-22 Capital Improvement Program, the remaining funding for this project will be available in the amount of \$114,023.44 from FY 2021-22 funds of the Cannabis Public Benefit Fund from the Splash Pads Project. All funds will be budgeted and available for expenditure in Fiscal Year 2021-22. Any remaining balances not expended at the end of the fiscal year will be carried forward into FY 2022-23 for expenditure.

The following table summarizes the funds budgeted and available for expenditure to deliver construction of this project.

Fiscal Year	Accounting Unit - Account No. (Project No.)	Fund Description	Accounting Unit, Account No. Description	Amount
2021-22	16113264-66220 (20-2730)	PRCSA Capital Grants	2018 Parks Bond Act- SPD&CR, Improvements Other Than Building	\$1,626,904.56
2021-22	16417643-66220 (22-6621)	Public Works- Water Quality & Control	Prop 1 IRWM Program, Improvements Other Than Building	\$1,670,000.00
2021-22	01213020-66220 (20-2730)	Cannabis Public Benefit Funds	PRCSA-Youth Services, Improvements Other Than Building	\$114,023.44
Total				\$3,410,928.00

EXHIBIT(S)

1. Location Map
2. Bid Proposal
3. Construction Contract
4. Cost Analysis
5. Proposition 1 IRWM Grant Agreement – Link: https://www.santa-ana.org/sites/default/files/pw/documents/IRWM_Grant_Agmt_Exh5_Raitt_and_Myrtle_Park_Prop_1.pdf
6. FY 2021-22 Capital Improvement Program Sheet

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency and Lisa Rudloff, Executed Director – Parks, Recreation & Community Services Agency

Approved By: Kristine Ridge, City Manager