



**CITY OF SALINAS
COUNCIL STAFF REPORT**

DATE: JUNE 20, 2023

DEPARTMENT: COMMUNITY DEVELOPMENT

FROM: LISA BRINTON, DIRECTOR

THROUGH ROD POWELL, ASSISTANT DIRECTOR - ACTING

BY: LUIS OCHOA, SR. COMMUNITY DEVELOPMENT ANALYST
CRISTINA GONZALEZ, COMMUNITY DEVELOPMENT ANALYST

TITLE: NATIVIDAD CREEK PARK RESTROOM REHABILITATION
PROJECT (CIP 9346) BID ACCEPTANCE, PROJECT AWARD, AND
AGREEMENT WITH HA CONSTRUCTION

RECOMMENDED MOTION:

A motion to approve a Resolution to:

1. accept the bid from HA Construction for the Natividad Creek Park Restroom Rehabilitation Project as being the lowest and best bid; and
2. award the Natividad Creek Park Restroom Rehabilitation Project to HA Construction and authorize the execution of an Agreement Between the City of Salinas and HA Construction in an amount not to exceed \$181,200 and inclusive of the \$151,000 bid amount and an approved 20% contingency of \$30,200; and
3. approve an increase of up to \$181,200 to the Natividad Creek Park Restroom Rehabilitation Project - CIP 9346 (Project) appropriation(s); and
4. approve a transfer of up to \$181,200 from the Community Development Fund to the CIP Fund (CIP 9346); and
5. authorize the City Manager or designee to execute the Agreement Between the City of Salinas and HA Construction and any necessary revisions, amendments and/or change orders applicable to the Natividad Creek Park Restroom Rehabilitation Project as needed.

EXECUTIVE SUMMARY:

The City of Salinas (City), through its U.S. Department of Housing and Urban Development (HUD) FY 2019-2020 Annual Action Plan (AAP), previously allocated a portion of its annual Community Development Block Grant (CDBG) entitlement funds to support the much-needed Natividad Creek Park Restroom Rehabilitation Project - CIP 9346 (Project). Following two rounds of solicitation of

Project proposals, staff are recommending the selection of HA Construction as the awarded general contractor for the Project through the execution of an Agreement Between the City of Salinas and HA Construction (Agreement) in an amount not to exceed \$181,200 and inclusive of total proposed construction costs as submitted in the bid proposal (\$151,000) and an additional amount equal to 20% of those costs (\$30,200) to support potential construction contingencies.

BACKGROUND:

Through the robust engagement involved in the development of the Alisal Vibrancy Plan, City residents identified the need to rehabilitate the restroom facility at Natividad Creek Park. In response to this identified necessity, the City's Library and Community Services Department (LCS) conducted an in-depth assessment of the facility's current condition and need for rehabilitation. Following the identification of an initial scope of work, the Community Development Department (CDD) and LCS collaborated to explore and secure an appropriate allocation of the City's HUD CDBG entitlement allocation through its FY 2019-20 Annual Action Plan (AAP). Proposed rehabilitation work on the Project will include both interior and exterior improvements as well as necessary ADA upgrades to include the addition of two new ADA compliant parking spaces.

On December 17, 2023, following delays related to the prioritization of Covid-19 projects, the City published an initial Request for Proposals (RFP) for the Project with a submission deadline of January 17, 2023. From this, a total of three (3) proposals were received of which two (2) were disqualified for failure to provide all required bid materials and one (1) was rejected by Council action on April 4, 2023, due to a proposed bid amount 48% higher than the construction cost estimate provided by the Project Engineer.

On April 7, 2023, the City issued a second Project RFP with a submission deadline of May 9, 2023. Consequently, no bids were received.

Following a thorough review of federal regulations and additional consultation with the City Attorney, staff was advised that adequate due diligence and adherence to established policies and procedures had been performed and that an option allowing for the direct solicitation of Project proposals could be pursued.

DISCUSSION:

On May 23, 2023, Housing and Community Development Division staff initiated contact with two previous RFP respondents, HA Construction and Stellar BG Inc., to inquire about their interest to resubmit an updated bid proposal. Each were given two weeks to provide an updated bid for the Project by June 6, 2023. From this process, a single bid proposal in the amount of \$151,000 was received from HA Construction. With this in mind, staff are recommending that Council award the Project to HA Construction and authorize the execution of an Agreement in a total amount not to exceed \$181,200 representing the proposal's amount of \$151,000 and an additional 20% of the proposed Project cost, \$30,200, as a contingency to support and resolve unforeseen costs related to inflation, the delay of materials, and anticipated updates to the prevailing wages determination. In total, the proposed Agreement will include an amount not to exceed \$181,200 and a targeted completion date of December 31, 2023.

CEQA CONSIDERATION:

Categorical Exemptions. The City of Salinas determined that the project is exempt from the California Environmental Quality Act (CEQA) Guidelines Section 15301 Existing Facilities, Class I (a)(c)(d)(g) as the Project proposes rehabilitation of an existing public restroom facility. The Notice of Exemption was completed and filed with the County of Monterey on April 6, 2021.

STRATEGIC PLAN INITIATIVE:

The proposed Project supports the City of Salinas Strategic Plan 2022-2025 Goals and Strategies of *Infrastructure and Environmental Sustainability*, *Public Safety*, and *Youth and Seniors* through its intention to provide quality public facilities accessible to all residents.

DEPARTMENT COORDINATION:

This Project continues to involve significant inter-departmental coordination inclusive of the Community Development, Library and Community Services, Finance, and Public Works departments as well as the City Attorney. CDD staff maintain direct oversight of the Project's construction and completion through an assigned Project Management consultant.

FISCAL AND SUSTAINABILITY IMPACT:

The proposed Agreement's full scope of work will be funded by an available appropriation from the Community Development fund.

ATTACHMENTS:

Resolution
Agreement Between the City of Salinas and HA Construction - Draft