



REPORT TO CITY COUNCIL

To: Honorable Mayor and Members of the City Council

From: Jason Simpson, City Manager

Prepared by: Shannon Buckley, Assistant City Manager

Date: March 11, 2025

Subject: Public Works Construction Agreement with SAS Construction for the Concrete and Framing, Bid Set 'B', on the New City Senior Housing Project (CIP Project No. Z20026)

Recommendation

Approve and authorize the City Manager to execute a Public Works Construction Agreement with SAS Construction in an amount not to exceed \$3,225,000.00 for the concrete and framing, bid set 'B', on the new City Senior Housing Project in such final form as approved by the City Attorney and authorize the City Manager to execute change orders not exceeding a 10% contingency of \$322,500.00 for uncertainties and adjustments.

Background

The City has secured construction funding (\$5,000,000) from the Permanent Local Housing Allocation Program. The Permanent Local Housing Allocation (PLHA) Program offers several significant benefits aimed at addressing housing challenges and supporting local communities. These benefits include the following:

- Increase the supply of housing for households at or below 60% of area median income
- Increase assistance to affordable owner-occupied workforce housing
- Assist people experiencing or at risk of homelessness
- Facilitate housing affordability, particularly for lower- and moderate-income households
- Promote projects and programs to meet the local government's unmet share of regional housing needs allocation
- Ensure geographic equity in the distribution of the funds

Moving forward, the City staff prepared construction-ready housing documents in anticipation of special funding opportunities. This proactive approach ensured that the City would be well-

positioned to quickly take advantage of any financial support available for housing projects, thereby accelerating the development process and addressing the critical need for affordable housing within the community.

Therefore, once the funding was secured construction bid documents were immediately ready for project advertisement and bidding in accordance with the requirements set forth in the California Public Contract Code. On December 10, 2024, the City posted on PlanetBids the notice inviting bids for the City Senior Housing project, concrete footings and foundation (CIP PROJECT No. Z20026). On Wednesday, January 1, 2025, a site visit, and job walk was conducted at the project site. All questions and responses to the notice inviting bids were posted in PlanetBids.

Two bids were received on or before the deadline of 2:00 p.m. on Wednesday, January 29, 2025. The bids were reviewed in Planetbids, examined, and declared in City Senior Housing. The bid results were posted in Planetbids shortly after staff's review. Following the examination of the bids the low bidder, SAS Construction, was reviewed and interviewed by staff and determined complete.

Discussion

The companies listed below submitted a bid response and also, attended the mandatory job site visit. Staff has verified the references and work product of the low bidder and the contractor was briefed on the enter scope of work and performed a thorough site visit to better assess the work requirements. Listed below are the submitted proposals for the City Senior Housing concrete footings and foundation scope of work, bid set 'B':

Company	Address	Amount
SAS Construction	301 West Dyer Road Unit D Santa Ana CA 92707	\$3,225,000.00
Bedrock Group Inc.	2222 Foothill Boulevard Suite E531 La Canada, California 91011	\$3,994,000.78

The concrete footings and foundation work will begin immediately following the execution of the public works construction agreement. In this construction agreement, the key elements will include the following items:

- Mobilization & Demobilization Including Construction Schedules
(Not To Exceed 3% of Total Bid)
- Labor, Material and Performance Bonds
- Concrete, Footing, Grade Beams & Slab
- Spoils Removal
- Backfill and Compact
- Steel Rebar
- Framing With Structural Elements

Safety Netting / Railing
Roof Decking
Elevator & All Stair

During the construction of the concrete and framing work the additional construction elements will be completed simultaneously. The time frame for the concrete and framing work is 90 working days.

As a final matter, following the opening of the bids, the second lowest bidder notified the City of its belief that the low bid contained a material mistake. Upon review of the low bid, City staff determined that the alleged “mistake” was not a mistake and, even if it were a mistake, was not sufficiently material that the low bidder would have a basis to withdraw its bid. The City confirmed with the low bidder that it did not seek to withdraw its bid. Moreover, the City is authorized to waive mistakes within a bid in its discretion and has determined to do so here.

Fiscal Impact

Funding costs are included in the Fiscal Year 24/25 – 28/29 Capital Improvement Plan (CIP) budget, CIP Project No. Z20026. The County of Riverside is providing \$5,000,000 from the Permanent Local Housing Allocation (PLHA) Program.

Attachments

Attachment 1- Agreement
Attachment 2 - Proposal