

CITY OF HIGHLAND SPECIAL MEETING OF THE CITY COUNCIL AGENDA

SPECIAL MEETING

May 19, 2022
3:00 p.m.
City Hall
Donahue Council Chambers
27215 Base Line
Highland, California

CITY COUNCIL MEMBERS

LARRY McCALLON, MAYOR
PENNY LILBURN, MAYOR PRO TEM
JESSE CHAVEZ, COUNCIL MEMBER
ANAELI SOLANO, COUNCIL MEMBER
JOHN P. TIMMER, COUNCIL MEMBER

STAFF

Joseph A. Hughes - City Manager
Chuck Dantuono - Director of Administrative Services/City Treasurer
Betty Hughes - City Clerk
Lawrence Mainez - Community Development Director
Carlos Zamano - Public Works Director/City Engineer
Maricela Marroquin - City Attorney

MISSION STATEMENT

Highland is dedicated to the betterment of the individual, the family, the neighborhood and the community. The City Council and the staff of Highland are dedicated to providing the quality of public facilities and services that its citizens are willing to fund and will do so as efficiently as possible.

Visit the City's website at: www.cityofhighland.org

CITY OF HIGHLAND | 27215 BASE LINE | HIGHLAND, CALIFORNIA 92346 | (909) 864-6861 ☎; (909) 862-3180 📠

The City of Highland complies with the Americans with Disabilities Act of 1990. If you require special assistance to attend or participate in this meeting, please call the City Clerk's Department at (909) 864-6861, ext. 226, at least 72 hours prior to the meeting.

Pursuant to Government Code Section 54957.5, any disclosable public records related to an open session item on a regular meeting agenda and distributed by the City of Highland to all or a majority of the City Council less than 72 hours prior to that meeting are available for public inspection at City Hall, 27215 Base Line, Highland, CA 92346, during normal business hours.

Submission of Public Comments for ITEMS ON THIS AGENDA ONLY: For those wishing to make public comments by email, please submit your comments by email to be read aloud at the meeting. Email comments must be submitted by 2:00 p.m. on May 19, 2022, to the City Clerk at publiccomment@cityofhighland.org. If you are submitting a public comment pertaining to an item on the May 19, 2022 agenda, please identify the agenda item number in the subject line. Members of the public will be permitted to make public comments in person.

CALL AND NOTICE OF A SPECIAL MEETING OF THE HIGHLAND CITY COUNCIL

Donahue Council Chambers – City Hall
27215 Base Line, Highland, California

May 19, 2022 – 3:00 p.m.

NOTICE IS HEREBY GIVEN that a special meeting of the Highland City Council is hereby called to be held on May 19, 2022, at 3:00 p.m. in the City Council Chambers of City Hall located at 27215 Base Line, Highland, California. Said special meeting shall be for the purpose of conducting business in accordance with the attached Agenda.

AGENDA

CALL TO ORDER

ROLL CALL

PUBLIC COMMENT (LIMITED TO ITEMS ON THIS AGENDA ONLY)

To address the City Council, please complete a speaker form located at the entrance and give it to the City Clerk prior to the beginning of the meeting. Your name will be called when it is your turn to speak. Those wishing to speak on an item ON THE AGENDA will be heard at this time. State Law prohibits the City Council from taking action on any item not on the agenda. Individual speakers are limited to three minutes each.

Comments received via email by May 19, 2022, 2:00 p.m., will be read into the record, provided that the reading shall not exceed three (3) minutes. Email comments submitted by a speaker that also appears in person to address the same matter will not be read into the record.

CITY COUNCIL LEGISLATIVE

1. Budget Adjustment for Bid No. 2022-02, "3rd Street/5th Street Corridor Improvement Project" (Project str18001)

RECOMMENDATION: That the City Council:

- 1) Postpone construction of the Sycamore Storm Drain, Project sdr06002 to reallocate \$900,000 of RDA 2007 funds to the 3rd Street/5th Street Corridor Improvement Project";
- 2) Allocate \$145,025 of General Capital Financing (MOE) for FY 2022-23 to the "3rd Street/5th Street Corridor Improvement Project"; and
- 3) Authorize City staff to submit an amendment to the EDA Grant Agreement to revise the total estimated cost and commitment by all co-recipients to cover additional costs.

ADJOURN

I, Betty Hughes, City Clerk, certify I caused to be posted this Agenda on or before May 16, 2022, by 3:00 p.m., on our website at www.cityofhighland.org and in the following designated areas:

Highland Branch Library
7863 Central Avenue

Fire Station No. 1
26974 Base Line

City Hall
27215 Base Line

Date: May 16, 2022



Betty Hughes, MMC
City Clerk



STAFF REPORT

TO THE CITY COUNCIL

DATE: May 19, 2022

FROM: Joseph Hughes, City Manager

PREPARED BY: Carlos Zamano, Public Works Director/City Engineer *CZ*

SUBJECT: Budget Adjustment for Bid No. 2022-02, "3rd Street/5th Street Corridor Improvement Project" (Project str18001)

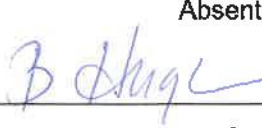
RECOMMENDATION: It is recommended that the City Council:

1. Postpone construction of the Sycamore Storm Drain, Project sdr06002 to reallocate \$900,000 of RDA 2007 funds to the "3rd Street/5th Street Corridor Improvement Project";
2. Allocate \$145,025 of General Capital Financing (MOE) for FY 2022-23 to the "3rd Street/5th Street Corridor Improvement Project"; and
3. Authorize City staff to submit an amendment to the EDA grant agreement to revise the total estimated cost and commitment by all co-recipients to cover additional costs.

FISCAL IMPACT: The project construction cost will be funded as follows:

Federal Economic Development Administration (EDA) Grant	\$4,070,323.44 (43%)
State Local Partnership Program SB-1 Grant	1,700,000.00 (18%)
San Manuel Band of Mission Indians	1,208,538.52 (13%)
Inland Valley Development Agency	1,208,538.52 (13%)
City of Highland (RDA 2007 and FY 2022-23 MOE)	1,208,538.52 (13%)
Total	\$9,395,939.00 (100%)

The Sycamore Storm Drain project includes replacement of existing drainage open channel with a new underground storm drain along the north side of Sycamore Drive east of Streater Drive. This project will also construct trail improvements over the new storm drain to provide connectivity to the trail at the southwest corner of Church Street and Lemon Street. The estimated RDA 2007 funds available from this project is \$900,000.

Approved _____	Motion _____	Second _____	Agenda Item No. <u>1</u>
Denied _____	Ayes _____		
Continued _____	Noes _____		File No. _____
Tabled _____	Abstain _____		
	Absent _____		
 City Clerk		 City Manager	

Design of the Sycamore Storm Drain project has been completed. This makes this project shovel ready and well suited for grant funding. Staff will actively pursue grant fund opportunities to complete construction of this project.

The adopted 2021-2023 budget does specify a capital improvement project that will utilize FY 2022-23 MOE funds. MOE funds in the amount of \$145,025 are available for use by the 3rd Street/5th Street Corridor Improvement Project.

The estimated construction cost of the 3rd Street/5th Street Corridor Improvement Project was \$7,658,400 which is \$1,737,539 lower than the lowest bid from Granite. The RDA 2007 funds from the Sycamore Storm Drain and FY 2022-23 MOE funds are needed to cover the shortfall due to the higher construction costs of the 3rd Street/5th Street Corridor Improvement Project.

Since this is a joint project with San Manuel Band of Mission Indians (San Manuel) and Inland Valley Development Agency (IVDA), both partners are also seeking approvals from their respective Committee and Board to provide additional funding to cover the additional construction costs. On May 11, 2022, IVDA's Board approved additional funding necessary to cover the construction costs for the 3rd Street/5th Street Corridor Improvement Project. San Manuel is anticipated to obtain approval from their committee prior to May 31, 2022. It should be noted that despite the higher construction costs, the EDA and SB-1 grants are still paying more than 50% of the total project costs.

Consideration was not given by San Manuel, IVDA and City staff to reject all bids, reduce the scope of work and re-advertise to bring construction costs back to within budget for the following reasons:

1. EDA and SB-1 grants require specific benefits that must be achieved by the project. There is no opportunity to scale down the project and comply with both grant requirements.
2. Delay of construction would jeopardize the EDA and SB-1 grant funds.

PUBLIC NOTICE: The Notice Inviting Bids was advertised on two newspapers and a number of trade papers.

BACKGROUND: Complete construction of the 3rd Street/5th Street Corridor Improvement Project is an HP+ priority item in the 2021/2022 Work Program. This Project will construct curbs and gutters, sidewalks, storm drain, traffic signal, street lights and pavement improvements along 3rd Street, 5th Street, Palm Avenue and Central Avenue. Improvements also include extending 3rd Street to 5th Street at the Church Avenue intersection. (See attached project location map.)

Three (3) bids were received and opened on April 7, 2022. Following are the bid results:

<u>Bidder</u>	<u>Total Bid</u>
Granite Construction Company	\$9,395,939.00
Griffith Company	\$9,422,570.08
All American Asphalt	\$9,517,909.00

The Engineer's estimate for this project is \$7,658,400. The low bid was received from Granite of Indio in the amount of \$9,395,939.00.

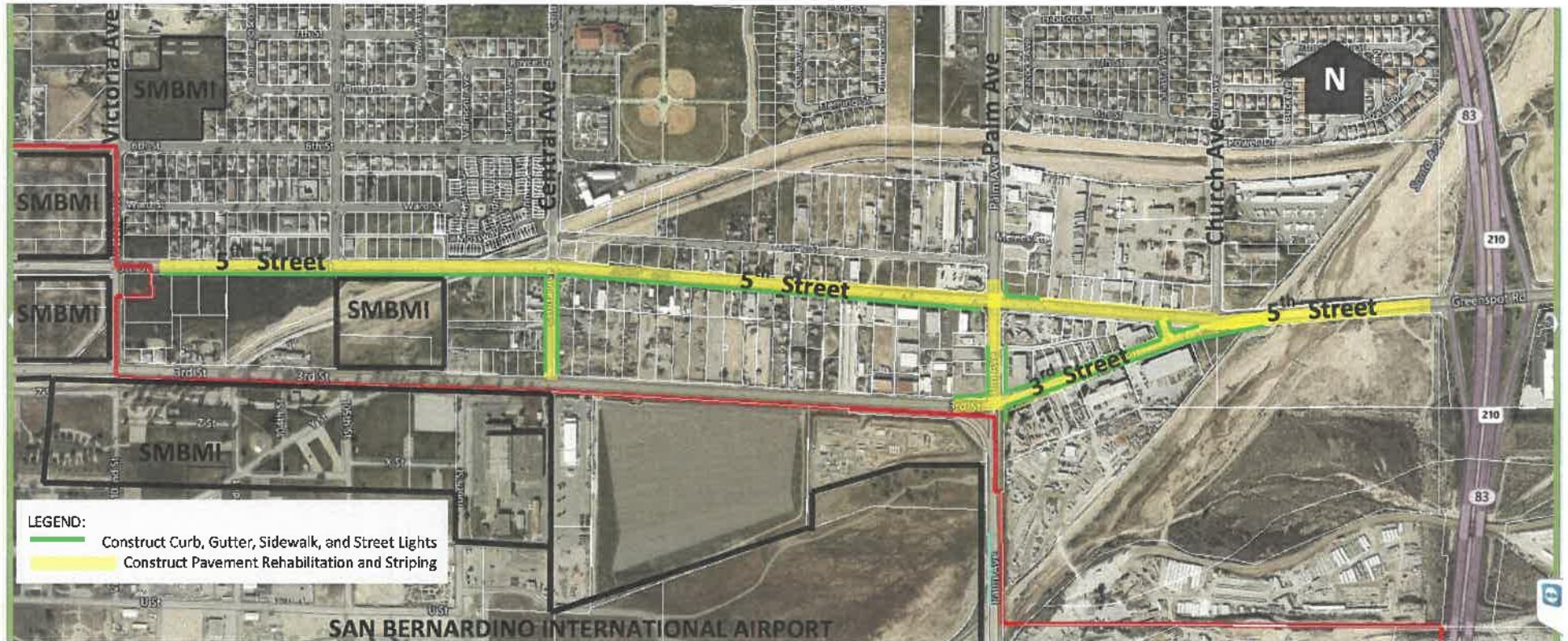
Based on staff's review of the bids, the following comments are provided to help explain the high cost of the bids being \$1.7 million over the engineer's estimate:

1. There is an undocumented slope adjacent to Palm Avenue at 3rd Street that will be reconstructed. A retaining wall also needs to be reconstructed within Robertson's Ready Mix. These improvements are necessary to construct a northbound dedicated right-turn lane at the intersection of Palm Avenue and 3rd Street. The challenges with the slope and retaining are going to cost nearly a quarter of a million over the engineer's estimate.
2. Three traffic signals require major modifications at 5th Street/Palm Avenue, 5th Street/Church Avenue and 3rd Street/Palm Avenue. Traffic signal material is a long lead item. Higher cost of steel has resulted in these items being a quarter of a million over the engineer's estimate.
3. Due to heavy truck traffic, this project is constructing jointed concrete pavement on Palm Avenue between 3rd Street and 5th Street including the intersections. Additionally, this project is constructing curbs, gutters, sidewalks, and driveways. Concrete is more expensive and has become difficult to get. The concrete items combined are close to a million over the engineer's estimate.
4. Finally, there are several miscellaneous bid items with lower quantities that were noticeably higher than the engineer's estimate.

Staff recommends budget adjustments to the 2007 RDA and FY 2022-23 MOE to fully fund construction of this high priority project; and submit an amendment to the EDA grant agreement. Pending approval of the amendment with EDA, which is anticipated to take up to 3 months, staff will then return to City Council to recommend bid award to Granite Construction Company (Granite). Granite provided a letter to the City stating they will hold their bid price through September 30, 2022.

Attachments: Location Map

M:\PUBWRK\str18001 - 3rd St-5th St Corridor Improvements\Construction\3rd and 5th Street Additional Cost Stf Rpt 05-19-22.doc



5th Street - Victoria Avenue to Palm Avenue includes striping reconfiguration, south side pavement widening, curb, gutter, sidewalk and street lights (1.0 miles) - Palm Avenue to Church Avenue includes right turn lane to northbound Palm Ave, pavement rehabilitation and striping (0.25 miles) - Church Avenue to SR-210 includes pavement rehabilitation, raised center median and striping reconfiguration (0.25 miles)	Central Avenue 3rd Street to 5th Street includes pavement rehabilitation, pavement widening, curbs, gutters, sidewalks and street lights (0.13 miles)
3rd Street - Palm Avenue/3rd Street intersection reconfiguration/realignment - Palm Avenue to 5th Street includes pavement rehabilitation, pavement widening, curb, gutter sidewalks, bike lane, striping and street lights (0.40 miles) 3rd Street/5th Street intersection improvements	Palm Avenue 3rd Street to 5th Street includes pavement rehabilitation, addition of turn pockets (0.13 miles)

LOCATION MAP

EXHIBIT "A"