REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS SITTING AS THE GOVERNING BODY OF THE FOLLOWING: SAN BERNARDINO COUNTY BOARD GOVERNED COUNTY SERVICE AREAS AND RECORD OF ACTION

December 3, 2024

<u>FROM</u> NOEL CASTILLO, Director, Department of Public Works – Special Districts BEAHTA R. DAVIS, Director, Regional Parks Department

<u>SUBJECT</u>

Construction Contract for the Camp Switzerland Lift Station Project

RECOMMENDATION(S)

- 1. Acting as the governing body of San Bernardino County:
 - a. Authorize a budget increase of \$220,341 to the approved Camp Switzerland Lift Station Capital Improvement Program Project, increasing the budget from \$1,782,309 to \$2,002,650.
 - b. Authorize the Auditor-Controller/Treasurer/Tax Collector to post budget adjustments, as detailed in the Financial Impact section, for the Camp Switzerland Lift Station Project (Four votes required).
 - c. Approve Addendum No. 1, issued August 22, 2024, Addendum No. 2, issued August 30, 2024, Addendum No. 3, issued September 5, 2024, Addendum No. 4, issued September 9, 2024, and Addendum No. 5, issued September 10, 2024, to the bid documents for the Camp Switzerland Lift Station Project.
 - d. Award construction **Contract No. 24-1214** to Pyramid Building & Engineering, Inc., in the amount of \$2,483,545 for the Camp Switzerland Lift Station Project.
 - e. Approve **Amendment No. 1** to the construction **Contract No. 24-1214** with Pyramid Building & Engineering, Inc., for the Camp Switzerland Lift Station Project, reducing the contract amount by \$1,038,534, from \$2,483,545 to \$1,445,011, and amending the contract's Special Conditions to establish a supplemental force account for extra work required due to unforeseen and differing site conditions, up to 10 percent of the original contract amount, with no change to the original contract term of 190 days from the Notice to Proceed (Four votes required).
 - f. Authorize the Director of the Department of Public Works to order any necessary changes or additions in the work being performed under the construction contract with Pyramid Building & Engineering, Inc., for a total amount not-to-exceed \$78,182, pursuant to Public Contract Code Section 20142.
 - g. Authorize the Director of the Department of Public Works to accept the work when 100% complete and execute and file the Notice to Completion.
- 2. Acting as the governing body of the San Bernardino County Board Governed County Service Areas:
 - a. Approve increase in funding of \$220,341 from the American Rescue Plan Act Coronavirus Local Fiscal Recovery Fund Program for Special Districts, increasing the

authorized amount from \$1,782,309 to \$2,002,650 for eligible costs for the Camp Switzerland Lift Station Project.

b. Authorize the Auditor-Controller/Treasurer/Tax Collector to post budget adjustments, as detailed in the Financial Impact section, for the Camp Switzerland Lift Station Project (Four votes required).

(Presenter: Noel Castillo, Director, 387-7906)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Ensure Development of a Well-Planned, Balanced, and Sustainable County. Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). On September 27, 2022 (Item No. 46), the Board of Supervisors (Board) approved the use of \$1,782,309 from the County's American Rescue Plan Act (ARPA) Coronavirus Local Fiscal Recovery Fund for eligible costs associated with the Camp Switzerland Lift Station Project (Project).

Approval of Recommendation No. 2 would allocate an additional \$220,341 from the ARPA Capital Improvement Program (CIP) for Special Districts cost center. Combined, these actions would result in an additional funding of \$220,341, which will fund the construction of the Project, for a total Project funding allocation of \$2,002,650.

Cost	Commitment	Description	Increase /	Amount	
Center	Item		(Decrease)		
ARPA Capital Improvement Program (CIP) for Special Districts:					
1050003509	54304030	Structures & Improvements to	Increase	\$ 220,341	
		Structures			
1050003509	40909975	Operating Transfers In	Increase	\$ 220,341	
San Bernardino County – ARPA CLFRF:					
1100001078	40509194	ARPA Recovery Fund Distribution	Increase	\$ 2,002,650	
1100911078	55305030	Operating Transfers Out	Increase	\$ 2,002,650	

The following 2024-25 budget adjustments are requested to proceed with the Project:

Sufficient appropriation and revenue for the Project will be included in future recommended budgets as needed.

BACKGROUND INFORMATION

The Department of Public Works – Special Districts (Department) provides water and sewer system design, construction, operations, and maintenance support services to the County's Regional Parks Department, which includes Camp Switzerland at Lake Gregory Regional Park (Camp).

The Project will construct the infrastructure for a redundant dual pump/pipe sewer lift station. The Lift station's electrical and utility connections will be completed as a later project. When fully complete, the lift station will move sewage from the Camp's low point to the existing gravity sewer system.

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On August 6, 2024 (Item No. 39), the Board adopted the Initial Study and Mitigated Negative Declaration, Mitigation Monitoring and Reporting Plan. The Board also approved the Project's plan and specifications and authorized the Director of the Department to advertise the Project for competitive bids.

The Project was established on September 27, 2022 as indicated in the Financial Impact section. Since that time, additional funding is needed due to escalating construction costs including higher prices for raw materials such as steel and concrete, increased labor costs due to a shortage of skilled workers, and supply chain disruptions. The additional funding will be used for construction, construction contingency, project management and inspection.

Approval of Recommendation 1.d. will authorize an amendment to the contract to establish a supplemental force account (Force Account). The Force Account will provide an allowance funding for unanticipated, unforeseen differing site conditions, and site hazardous materials. Expenditures from this allowance will be managed and administered pursuant to an amendment to the contract's Special Conditions, which shall establish a supplemental force account for extra work required due to unforeseen and differing site conditions. Under Public Contract Code Section 20137, the Board may authorize changes or alternations to construction contracts that increase costs, up to 10 percent of the original contract amount, upon a four-fifths vote. This adjustment allows for additional project flexibility and compensation for potential cost increases due to unforeseen or differing site conditions.

PROCUREMENT

On August 8, 2024, the Department advertised the Project for bids through the County's Electronic Procurement Network (ePro) and in accordance with Public Contract Code Section 22037. On August 14, 2024, and August 21, 2024, the Department advertised for bids by publishing the Project in the San Bernardino County Sun newspaper.

During the bidding process, the following addenda were issued:

- Addendum No. 1: Provided all interested parties with a link for the bid opening meeting, provided questions and responses gathered prior to the Pre-Bid Meeting through the bid process and updated Section F – Technical Specifications and Section G – Contract Drawings.
- Addendum No. 2: Provided all interested parties with questions and responses gathered after the Pre-Bid Meeting through the bid process and revised the opening bid date.
- Addendum No. 3: Provided an updated Bid Proposal and provided questions and responses.
- Addendum No. 4: Provided questions and responses for questions.
- Addendum No. 5: Revised the bid opening date and provided response to questions and responses.

On August 27, 2024, a total of nine contractors attended the Mandatory Pre-Bid Meeting. On September 17, 2024, the Department received the following bids:

Contractor	Location	Bid Amount
R2BUILD	Laguna Hills, CA	\$2,440,956.40
Pyramid Building & Engineering, Inc.	Hesperia, CA	\$2,556,545.00

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The Department reviewed the bids received for the Project. One protest letter was received, alleging the lowest bidder, R2BUILD, failed to address several items, including proper documentation for Contractor Certification California Air Resources Board (CARB) In-Use Road Diesel Fueled Fleet Certification of Compliance. Following a thorough evaluation, the initial apparent low bid received from R2BUILD was determined to be non-responsive due to omission of the required CARB documentation. As such, the Department recommends the Board award a construction contract to Pyramid Building & Engineering, Inc., as the lowest responsive and responsible bidder.

The lowest bidder was determined, pursuant to Public Contract Code section 20103.8(b), as the lowest total of the base bid plus Additive Bid No. 1 (Antenna Tower). The Department recommends to award the base bid (\$2,483,545), for a total contract amount of \$2,483,545.

Due to the bid exceeding the remaining Project budget, the Department entered into negotiations with Pyramid Building & Engineering to reduce the total scope to construct the Project's infrastructure. The Department recommends to move forward with the Pyramid Building & Engineering reduced scope bid proposal, reducing the total contract amount by \$1,038,534, for a total amended contract amount of \$1,445,011.

Upon Board approval, construction is anticipated to commence in Spring 2025.

REVIEW BY OTHERS

This item has been reviewed by Auditor-Controller/Treasurer/Tax Collector (Charlene Huang, Auditor-Controller Manager, 382-7022) on November 5, 2024; County Counsel (Aaron Gest and Suzanne Bryant, Deputies County Counsel, 387-5455) on November 21, 2024; Purchasing (Michael Candelaria, Lead Buyer, 387-8258) on October 31, 2024; Finance (Jessica Trillo and Elias Duenas, Administrative Analysts, 384-4222, and Guy Martinez, ARPA Compliance Officer, 387-5428) on November 8, 2024; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on November 14, 2024.

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Record of Action of the Board of Supervisors San Bernardino County **Board Governed County Service Areas**

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Joe Baca, Jr. Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

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DATED: December 3, 2024



- PW/SD Aldana w/agree CC: Contractor - c/o PW/SD w/agree File - w/agree
- MBA 12/5/2024