



**SUBMITTAL TO THE BOARD OF DIRECTORS OF THE  
REDEVELOPMENT AGENCY  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

**FROM:** Redevelopment Agency

**SUBMITTAL DATE:**  
June 9, 2008

**SUBJECT:** Palomar Street and Sewer Improvement Project

**RECOMMENDED MOTION:** That the Board of Directors:

1. Accept and award the construction contract to the low bidder, Hillcrest Contracting, in the amount of \$704,462.50;
2. Approve and authorize the chairman to execute the attached Escrow Agreement for security deposit in lieu of retention between the Redevelopment Agency, Hillcrest Contracting, and Citizens Business Bank;
3. Approve and authorize the Chairman to execute the attached Third Amendment to the Consulting Services Agreement, with David Evans & Associates for construction management services in the amount of \$25,000;
4. Authorize the Chairman to sign the contract documents on behalf of the Board;
5. Delegate change order authority to the Executive Director of the Redevelopment Agency or designee, in accordance with Board Policy B-11; and
6. Approve a project budget of \$999,908.50.

**(BACKGROUND on Page 2)**

*Robin Zimpfer*  
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Robin Zimpfer  
Executive Director

RZ:DL:TE:AA:GP

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<b>FINANCIAL DATA</b>	<b>Current F.Y. Total Cost:</b>	\$ 999,908.50	<b>In Current Year Budget:</b>	Yes
	<b>Current F.Y. Net County Cost:</b>	\$ 0	<b>Budget Adjustment:</b>	No
	<b>Annual Net County Cost:</b>	\$ 0	<b>For Fiscal Year:</b>	07/08

**COMPANION ITEM ON BOARD OF SUPERVISORS AGENDA:** No

<b>SOURCE OF FUNDS:</b> I-1986 Redevelopment Project Area Capital Improvement Funds-Lakeland Village/Wildomar Sub-Area and State Grant Funds SB 821	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

APPROVE

*Jennifer L. Sargent*  
\_\_\_\_\_  
Jennifer L. Sargent

**County Executive Office Signature**

Dep't Recomm.:  Consent  Policy  Policy

Per Exec. Ofc.:  Consent  Policy

**Prev. Agn. Ref.:** 3/18/08, 4.7, 5/2/06, 4.2, 3/7/06, 4.1, 3/15/05, 4.1, 3/15/05 3.10, 3/18/08, 4.7

**District:** 1

**Agenda Number:**

**BACKGROUND:** On June 5, 2007, the Board approved and made findings for the Palomar Street Sewer Improvement Project. On March 18, 2008, the Board of Directors authorized the issuance of the Notice Inviting Bids for the Palomar Street and Sewer Improvement Project. Bids were due May 28, 2008. Eight (8) bids were received. After detailed review, Agency Staff determined that the lowest bid submitted by Hillcrest Construction was responsive and complete.

In accordance with Section 22300 of the Public Contract Code, the Contractor has requested that the Agency deposit retention payments directly into an escrow account. Interest accrued on these deposits held in escrow may be withdrawn by the Contractor. The retention deposits shall remain in the escrow account until 35 days after a Notice of Completion is issued for the project and the Agency provides written notice to the Escrow Agent to that effect. County Counsel has reviewed the escrow agreement and has approved as to form.

Staff recommends that the Board of Directors award the contract to the low bidder, Hillcrest Construction, approve the attached escrow agreement and approve project budget as follows:

Project Budget

Construction	\$704,462.50
Permits and Inspection Fees	\$100,000.00
Utility Fees	\$ 50,000.00
Miscellaneous Construction Fees	\$ 50,000.00
Construction Management	\$25,000.00
Subtotal	<u>\$929,462.50</u>
Contingency	<u>\$70,446.00</u>
Total	\$999,908.50

Funding for the project will be provided with Redevelopment funds as well as State Grant Funds SB 821.