

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

192



**SUBMITTAL DATE:**  
June 16, 2008

**FROM:** Economic Development Agency

**SUBJECT:** Indio Hills Community Center

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

1. Accept and award the construction contract to the low bidder Doug Wall Construction Inc, in the amount of \$1,349,105;
2. Approve a project budget of \$1,720,000;
3. Authorize the Chairman to sign the contract documents on behalf of the Board;
4. Delegate change order authority to the Assistant County Executive Officer/EDA, or designee, in accordance with the Public Contract Code; and
5. Approve Resolution 2008-309 authorizing reimbursement of certain expenditures relating to the construction of the Indio Hills Community Center.

**BACKGROUND:** On March 25, 2008, the Board approved the plans and specifications, and authorized the Clerk of the Board to advertise the Notice Inviting Bids for the Indio Hills Community Center Project.

(continued on next page).

*Deanna Lorson*

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Robin Zimpfer, Assistant County Executive Officer/EDA  
by Deanna Lorson, Managing Director

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 1,720,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$	Budget Adjustment:	No
	Annual Net County Cost:	\$	For Fiscal Year:	2008/2009

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

<b>SOURCE OF FUNDS:</b> Capital Improvement Program to be reimbursed by Riverside County Palm Desert Finance Authority bond proceeds.	<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

BY: *Jennifer L. Sargent*  
Jennifer L. Sargent

**County Executive Office Signature**

**Prev. Agn. Ref.:** 3.10, 03/25/08; 3.19, 06/27/06; 3.20, 11/08/05  
**District:** 4th  
**Agenda Number:**

**3.31**  
Form 11 (Rev 06/2003)

FORM APPROVED COUNTY COUNSEL  
BY: *Marshall Victor*  
DATE: 07/23/08  
MARSHAL VICTOR

Departmental Concurrence

Reviewed by  
CIP/EAM  
*Christopher Hans*  
Christopher Hans

Dep't Recomm.:  Consent  Policy   
Per Exec. Ofc.:  Consent  Policy

**BACKGROUND** (continued):

On May 7, 2008 three bids were received. County Counsel has reviewed all bids and has determined that Doug Wall Construction, Inc. is the lowest bidder and constitutes a proper basis for award of the contract. Therefore, EDA Staff recommends that the Board award the contract to Doug Wall Construction, Incorporated in the amount of \$1,349,105 and approve the project budget as follows:

**Project Budget:**

Construction	\$1,349,105
Permits/Inspection/Misc.	\$ 45,985
Demolition	\$ 55,000
Utility/Fees	\$ 30,000
Furniture/ Fixtures/Equipment	\$ 70,000
Materials Testing	\$ 35,000
<b><u>Subtotal</u></b>	<b><u>\$1,585,090</u></b>
Contingency 10%	<u>\$ 134,910</u>
<b>Project Total</b>	<b>\$1,720,000</b>

To facilitate the proposed construction of the project, the Riverside County Palm Desert Financing Authority intends to issue bonds to generate funds to cover the full cost of the project. These funds will be available later in the fiscal year. CIP funds will be used to pay for costs related to the construction of the project until bond proceeds are available. Resolution 2008-309 will authorize the reimbursement to the County for expenditures incurred prior to bond issuance.

County Counsel has reviewed and approved Resolution 2008-309 as to form and EDA staff recommends that the Board approve and adopt Resolution 2008-309.

Attachments:

Bid Summary  
Contract Documents  
Performance Bond  
Payment Bond  
Insurance Certificates  
Resolution 2008-309

**RESOLUTION NO. 2008-309**

**RESOLUTION OF THE BOARD OF SUPERVISORS OF  
THE COUNTY OF RIVERSIDE AUTHORIZING  
REIMBURSEMENT OF CERTAIN EXPENDITURES MADE  
IN CONNECTION WITH THE CONSTRUCTION OF THE  
INDIO HILLS COMMUNITY CENTER PROJECT IN THE  
UNINCORPORATED COMMUNITY OF INDIO HILLS**

**WHEREAS**, the County of Riverside (“County”) desires to finance the construction of the Indio Hills Community Center Project in the unincorporated community of Indio Hills and to pay expenses incurred in conjunction therewith (the “Project”);

**WHEREAS**, the County expects to enter into a long-term lease arrangement to finance the costs of the Project (the “Lease Financing”);

**WHEREAS**, the County expects to expend moneys (other than moneys derived from the issuance of bonds) on expenditures relating to the construction of the Project prior to the consummation of the Lease Financing, which expenditures would be properly chargeable to a capital account under general federal income tax principles;

**WHEREAS**, the County reasonably expects to reimburse certain of such capital expenditures with the proceeds of the Lease Financing;

**WHEREAS**, the County expects that the maximum principal amount of proceeds of the Lease Financing which will be issued to pay for the costs of the Project (and related issuance costs) will not exceed \$1,720,000;

**WHEREAS**, at the time of the reimbursement, the County will evidence the reimbursement in a writing which identifies the allocation of the proceeds of the Lease Financing to the County for the purpose of reimbursing the County for the capital expenditures made prior to the consummation of the Lease Financing;

**WHEREAS**, the County expects to make the reimbursement allocation no later than eighteen (18) months after the later of (i) the date on which the earliest original expenditure is paid or (ii) the date on which the Project is placed in service (or abandoned), but in no event later than three (3) years after the date on which the earliest original expenditure for the Project is paid;

**WHEREAS**, the County will not, within one (1) year of the reimbursement allocation, use the proceeds of the Lease Financing received in the reimbursement allocation in a manner that will result in the creation of replacement proceeds of the Lease Financing or another issue; and

**WHEREAS**, this Resolution is intended to be a “declaration of official intent” in accordance with Section 1.150-2 of the Treasury Regulations.

**NOW, THEREFORE, BE IT RESOLVED**, that in accordance with Section 1.150-2 of the Treasury Regulations, the County declares its intention to consummate a Lease Financing in a principal amount not to exceed \$1,720,000, the proceeds of which will be used to pay for the costs of the construction of the Project (and related issuance costs), including the reimbursement to the County for certain capital expenditures relating to the Project made prior to the consummation of the Lease Financing.

This Resolution shall take effect immediately upon its passage.

APPROVED AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2008.

COUNTY OF RIVERSIDE

By: \_\_\_\_\_  
Roy Wilson, Chair  
Board of Supervisors

Roll Call:  
Ayes:  
Noes:  
Absent:

APPROVED AS TO FORM:

Joe S. Rank  
County Counsel



**Dale A. Gardner**

By: \_\_\_\_\_  
Deputy

ATTEST:

Nancy Romero  
Clerk of the Board

By: \_\_\_\_\_  
Deputy

(SEAL)