



## Staff Report

**TO:** City Council  
**FROM:** Robert Vestal, Public Works Director  
**DATE:** May 7, 2024  
**SUBJECT:** Award a Public Works Agreement to KGG Concrete, Inc. for Construction of the City Hall ADA Ramps

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**Description** Authorize City staff to award a public works agreement to KGG Concrete, Inc. for the construction of CIP F-03 City Hall ADA Ramps Project (Project)

### **Background and Analysis:**

On October 17, 2023, the City Council approved a funding agreement with the County of Riverside to provide funding for new ADA ramps at Beaumont City Hall. The proposed funding was initiated by our 5<sup>th</sup> District Supervisor Xystian Gutierrez. Funding is provided through the American Rescue Plan Act (ARPA) which was signed into law on March 11, 2021. This federal funding is distributed locally by the Riverside County Board of Supervisors to support eligible ARPA efforts within Riverside County.

Consistent with Council's direction, staff prepared plans and specifications and advertised the project for public bidding on February 14, 2024. A mandatory pre-bid meeting was held on February 28 with potential bidders. On March 28, 2024, two (2) bids were received and publicly opened. The following is a summary of the bids received:

- |                       |           |
|-----------------------|-----------|
| 1. KGG Concrete, Inc. | \$414,000 |
| 2. MBE Construction   | \$486,000 |

KGG Concrete, Inc. is the apparent lowest responsive and responsible bidder. No bid challenges were received. The base bid amount was used in evaluating the bids for the apparent lowest bidder. After bidding, the City negotiated with the apparent low bidder which resulted in reducing the amount for bid item number one (bonds, insurance, general requirements, and mobilization) by \$24,000, for a negotiated contract amount of \$390,000. No changes in scope were made to the project, and these minor price adjustments did not provide an advantage compared to the other bidders.

The City Attorney has reviewed the proposed contract and bid documents. KGG Concrete Inc.'s bid substantially conforms to the bid requirements. City staff is recommending that City Council award a public works agreement to KGG Concrete, Inc. for the construction of the City Hall ADA ramps project.

City staff anticipates scheduling a preconstruction meeting with KGG Concrete, Inc. within ten days of contract execution and issuing a Notice to Proceed (NTP). Subsequently, KGG Concrete, Inc. will have ten days to commence construction after the NTP is issued.

**Fiscal Impact:**

The cost to prepare this staff report is estimated to be \$400.

Construction cost for the project will be paid from the City Hall ADA Ramps Project (CIP F-03). The following table is a summary of the Project accounting.

<b>F-03 City Hall ADA Ramps Project Accounting Summary</b>				
<b>Funding Summary</b>				
<b>Funding Year</b>	<b>Funding Source</b>		<b>Amount</b>	
FY23/24	Riverside County Grant (ARPA)		\$400,000	
<b>Total Project Funding =</b>			<b>\$400,000</b>	
<b>Budget Summary</b>				
<b>Project Component</b>	<b>Budget</b>	<b>Encumbered</b>	<b>Paid to Date</b>	<b>Remaining Budget</b>
Project Management	\$0	\$0	\$0	\$0
Preliminary Services	\$0	\$0	\$0	\$0
Environmental	\$0	\$0	\$0	\$0
Design	\$0	\$0	\$0	\$0
Construction	\$400,000	\$0	\$0	\$400,000
Construction Management	\$0	\$0	\$0	\$0
Permits	\$0	\$0	\$0	\$0
Equipment	\$0	\$0	\$0	\$0
<b>Project Summary Totals</b>	<b>\$400,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$400,000</b>

The public works agreement with KGG Concrete, Inc. will be in an amount not to exceed \$390,000. Staff is recommending a construction contingency of \$10,000, or approximately 2.5% of the public works agreement, to allow for unforeseen construction changes. The total construction amount requested at this time is therefore \$400,000.

The construction budget will be established from the available CIP budget as shown in the preceding table.

**Recommended Action:**

Waive all minor bid irregularities and award a public works agreement to KGG Concrete, Inc. for construction of the City Hall ADA Ramps Project (CIP F-03) in an amount not to exceed \$390,000; and authorize the City Manager to sign change orders up to an additional \$10,000 for a total construction amount of \$400,000.

**Attachments:**

- A. Public Works Agreement (KGG Concrete, Inc.)
- B. Project Plans
- C. Project Specifications
- D. Levine Act Statement – KGG
- E. ARRA Funding Agreement