



REPORT TO CITY COUNCIL

Approved by:

Joseph Hebert

Joseph Hebert, Parks & Community Services Director

Arnoldo Rodriguez

Arnoldo Rodriguez, City Manager

Council Meeting of: January 17, 2024

Agenda Number: D-6

SUBJECT:

Centennial Park Pool Complex Upgrades and Repairs

RECOMMENDATION:

Adopt a Resolution authorizing the City Manager to enter into a contract with TBD for the Centennial Park Pool Complex Upgrades and Repairs Project up to an amount not to exceed \$210,000

SUMMARY:

Regrettably, no bids were received in response to the Invitation for Bids (IFB) No. 202324-08 for Contractor services aimed at upgrades and repair work at Centennial Park Pool Complex. The IFB specifically outlined the need for the complete replaster and retile of the lap pool and dive pool, along with the replacement of pool skimmers.

It is important to note that the funding for these crucial pool improvements is sourced from the Community Development Block Grant (CDBG) funding. The City of Madera Parks & Community Services Department (Parks Department) was awarded \$215,000 dedicated to enhancing Centennial Park.

Given the urgency to meet significant deadlines, including the grant funding performance period and the upcoming aquatics season, the staff is recommending granting authority to the City Manager to enter into a contract with a qualified vendor for the necessary work.

DISCUSSION:

Centennial Park Pool Complex is located at 221 Flume Street, sandwiched between Fire Station 56 and the Wells Youth Center.

The Parks Department was allocated a total of \$215,000 for improvements at Centennial Park Pool Complex, under the CDBG 2023/24 Annual Action Plan funding allocations and sub-recipient agreements as approved by Council during the May 17, 2023, Council meeting.

The requested funding was intended to cover the complete replaster and retile of two pools located at Centennial Park Pool Complex. One pool is a lap pool that measures 81 feet by 47 feet and is 3 ½ feet in depth. The second pool is a diving pool that measures 34 feet by 29 feet, and ranges from 8 feet to 13 feet in depth. Both pools have a 6-inch tile trim that needs to be replaced. The lap pool has an ADA tiled ramp, which is 51 feet by 3 feet, with 8-inch tiles; but only 46 feet of tiled surface exists and is proposed to be replaced. The remaining ramp surface areas shall be replastered. The city also requested the replacement of 7 pool skimmers in the lap pool that need to be replaced.

To proceed with the improvements needed, staff prepared IFB No. 202324-08. The IFB was released on December 6, 2023, with bids due on Wednesday, December 20, 2023. The IFB notice was duly published in the Madera Tribune on December 6 and 13, 2023. In addition, the IFB was published on the following platforms:

- City of Madera PlanetBids Vendor Portal
- Construction Bidboard (Ebidboard)
- Dodge Data & Analytics
- Placer Country Contractors Association & Builders Exchange
- Builders' Exchange of San Joaquin
- Central California Builders Exchange
- Valley Builders Exchange

Regarding the bidding process, 59 bidders from the City's online vendor registry were notified. An additional 250 potential bidders licensed to perform the work identified in the scope of the IFB were notified through PlanetBids. A total of 9 potential bidders downloaded the project bid documents and indicated that they would bid.

A pre-bid meeting was held on Tuesday, December 12, 2023, with two potential bidders attending. Addendum No. 1 was released on December 15, 2023, noting the due date change from December 20, 2023, to the new date of Tuesday, January 2, 2024. This decision was made after several questions and comments were made during the pre-bid meeting that required in-depth research and confirmation before being able to be released within the IFB timeframe. Addendum No. 2 was released on December 21, 2023, documenting the pre-bid meeting minutes and additional attachments to reference.

Unfortunately, as of January 2, 2024, the City did not receive any bids in response to the Invitation for Bids (IFB). Acknowledging the urgency of the situation, staff convened on January 3, 2024, to deliberate on potential next steps, adhering to the guidelines established by CDBG and internal City procurement standards and requirements. This proactive meeting aimed to explore

allowable alternatives and strategies to ensure the successful progression of the project despite the absence of bids.

Following the lack of bids, staff took the initiative to reach out to the two potential bidders who attended the pre-bid meeting and an additional vendor who had actively engaged in the bidding process by seeking clarification. The purpose of these inquiries was to understand the reasons behind their decision not to submit bids. Surprisingly, all three vendors cited the CDBG Section 3 requirements as the primary factor influencing their decision. This feedback is crucial as it sheds light on specific challenges that may need to be addressed to encourage vendor participation in future projects.

For reference, the CDBG Section 3 Program is a means by which the U.S. Department of Housing and Urban Development (HUD) fosters local economic development, neighborhood economic improvement, and individual self-sufficiency. In summary, Section 3:

- Serves as the legal basis for providing jobs for residents and awarding contracts to businesses in areas receiving certain types of HUD financial assistance.
- Applies to all HUD-funded Public and Indian Housing assistance for development, operating, and modernization expenditures.
- Section 3 also applies to certain HUD funding Housing and Community Development projects that complete housing rehabilitation, housing construction, and other public construction. This means the potential hiring, on-the-job training, and apprenticeship opportunities by Section 3 workers, these being low-income persons, particularly those who are recipients of government assistance for housing, and business concerns which provide economic opportunities for low-income persons.

The Centennial Park Pool Complex improvement project triggers Section 3, as the total grant funds for the projects are over the \$200,000 threshold.

A deciding factor for staff to favor not releasing the bid again is due to the short completion window of the project for two reasons. Including:

1. The first factor being the aquatics season is set to start in late April, or early May, with pre-planning and preparation that needs to take place to ensure a successful opening. Further delays in the start of the project could mean a late aquatics season start or a potential for no aquatics this summer. This would be detrimental to the community.
2. The second factor is the HUD timeliness check. An audit addressing CDBG FY23 expenditure is currently scheduled to take place on May 2, 2024. The audit will look for actual expenditure of funds and the completion of projects.

Based on guidance from the City's HUD representative, grants division, City's legal counsel, and the procurement division, staff moved forward determining the City's procurement policies do allow for direct negotiation of a contract since no bids were received. This determination is in line with Public Contract Code 22038 section 3 which states:

If no bids are received through the formal or informal procedure, the project may be performed by the employees of the public agency by force account or negotiated contract without further complying with this article.

Staff immediately made an informed decision about selecting a vendor to request a bid. As of the writing of this report, a vendor has been contacted and a bid response is now pending. After the bid has been received, staff will ensure all requirements will be met to conform to commensurate policy. Price negotiations will follow thereafter as needed.

FINANCIAL IMPACT:

The Centennial Park Pool Complex improvement project has been budgeted within the City's Fiscal Year 2023/24 CDBG Fund #10218020-7030-CPPC. The project's approved budget amounts to \$215,000, aligning with the grant's scope of work and objectives.

During this Fiscal Year, expenditures related to the completion of the project have been diligently managed. Specifically, a total of \$2,304.90 has been allocated for costs associated with the bid advertisement of IFB No. 202324-08. These expenses are in line with the initial stages of the project, focusing on the solicitation of bids for improvements. Additional anticipated expenses include the Madera County permit and application process fees associated when a public pool is set to undergo improvements such as retile and replaster. Fees are estimated at approximately \$270.

For these reasons, setting a maximum amount not to exceed \$210,000 is reasonable, to ensure sufficient funding is available to pay for the advertisement and permit fees, in addition to the actual scope of work being completed and labor required for this project.

ALTERNATIVES:

Rebidding the project introduces uncertainties that may impact the project's overall cost. There is a possibility of receiving higher bids or encountering an additional lack of bids in a subsequent bidding process. This scenario could prolong the timeline for selecting a contractor and commencing the improvements at Centennial Park Pool Complex.

Moreover, failure to proceed promptly with the project poses a risk to the City's ability to meet the project completion deadline by June 30, 2024, and the HUD timeliness check on May 2, 2024. Timely execution is crucial to ensure that the improvement work at the pools aligns with the designated schedule and grant compliance requirements. Any delays in initiating the project might jeopardize the City's adherence to the project timeline, potentially impacting the availability of grant funds or meeting the intended objectives within the specified timeframe.

ATTACHMENTS:

Resolution to enter into a contract with TBD for the Centennial Park Pool Complex Upgrades and Repairs Project up to an amount not to exceed \$210,000

RESOLUTION NO. 24 - _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA,
CALIFORNIA AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH TBD FOR
THE CENTENNIAL PARK POOL COMPLEX UPGRADES AND REPAIRS PROJECT UP TO AN
AMOUNT NOT TO EXCEED \$210,000**

WHEREAS, the City of Madera released an Invitation for Bids (IFB) No. 202324-08 calling for improvements to Centennial Park Pool Complex; and

WHEREAS, the IFB No. 202324-08 was released on December 6, 2023; and

WHEREAS, the IFB No. 202324-08 was duly noticed and published accordingly; and

WHEREAS, there were no bids received as of January 2, 2024; and

WHEREAS, Public Contract Code 22038 section 3 grants the discretion to the City to commence direct negotiations with a contractor since no bids were received through the formal procedure; and

WHEREAS, the City has contacted a contractor to begin direct negotiations; and

WHEREAS, to expediate the award of contract and completion of project to ensure funding compliance and commencement of the 2024 aquatics summer season; and

WHEREAS, negotiations for contract not to exceed \$210,000; and

WHEREAS, the work to be completed is being funded by the Community Development Block Grant.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MADERA HEREBY finds, orders, and resolves as follows:

1. The above recitals are true and correct.
2. The City Council of the City of Madera does hereby authorize the City Manager to enter into a contract for the IFB 202324-08 Centennial Park Pool Complex project in the amount not to exceed \$210,000, subject to approval as to legal form by the City Attorney.
3. This Resolution is effective immediately upon adoption.
