



CC Regular Meeting AGENDA ITEM REPORT

- Meeting:** September 17, 2024
- Title:** Award of Contract to Siterep Construction Services for the 114 E. Italia Street Restaurant Remodel/Expansion Project – Project No. F2501
- Presented by:** Chris Marcarello, City Manager
 Brian K. Lee, Director of Community Development
 Rafael Fajardo, Interim Director of Public Works/City Engineer
- Recommendation:** 1. Authorize the City Manager to execute all necessary contracts and documents with Siterep Construction Services, Inc. to perform remodel/expansion construction work at the existing City of Covina owned restaurant space located at 114 E. Italia Street;
 2. Adopt Resolution CC 2024-88 to amend the FY 2024-2025 Capital Improvement Program and Capital Improvement Program Budget appropriating \$198,000 from available General Fund – Fund Balance to be transferred into the General CIP Fund for use towards the 114 E. Italia Street Restaurant Remodel/Expansion Project; and
 3. Authorize a project contingency amount of \$33,000 (approximately 20%) for any unforeseen construction expenses.

EXECUTIVE SUMMARY/BACKGROUND

On August 20, 2024, the Covina City Council selected the Union Restaurant Group as the preferred operator for the City-owned restaurant located at 114 E. Italia Street. The restaurant lease/operating agreement including several landlord (City) required site improvements to the existing restaurant space. The necessary site improvements include creating a new enclosed outdoor garden lounge, converting the existing covered patio space into an enclosed dining space, and corresponding upgrades in HVAC, water, electrical, and similar features. The tenant is responsible for the fixturing of the kitchen, bar area, and existing dining room space.

DISCUSSION:

The Department of Public Works, solicited bids from qualified contractors to facilitate the construction of the aforementioned site improvements. All proposals were required to provide the City with a lump sum cost for construction. On September 10, 2024, project construction cost proposals were to be submitted to the Department of Public Works. Staff received bids from one (1) reputable construction company with the following result:

Contractor	Amount
Siterep Construction Services, Inc.	\$165,000
Green Giant Landscape, Inc.	Non-responsive
FS Contractors, Inc	Non-responsive

Only one (1) construction bid was received, which was submitted by Siterep Construction Services, Inc. After a comprehensive review of the proposal, the City Engineer and Building Official determined the construction bid proposal submitted by Siterep Construction Services, Inc. is consistent with industry standards and therefore Siterep Construction Services, Inc. was determined to be the lowest, responsive and responsible bidder for this project.

The proposed construction cost for the 114 E. Italia Street Restaurant Remodel/Expansion project is \$165,000; which includes the construction of a new enclosed outdoor lounge, installation of new windows and doors, the

conversion of the existing covered patio space into an enclosed dining space, and corresponding upgrades to the HVAC, water, electrical and similar features. The project is proposing a 20% contingency for any unforeseen tenant improvement construction expenses that should arise. The 114 E. Italia Street Restaurant Remodel/Expansion Project is set to be completed by November 2024.

FISCAL IMPACT:

The adoption of Resolution CC 2024-88 will amend the FY 2024-2025 Capital Improvement Program and Capital Improvement Program Budget appropriating \$198,000 from General Fund – Fund Balance to be transferred into the General CIP Fund for use towards the 114 E. Italia Street Restaurant Remodel/Expansion Project. The following is a summary of project funding as well as associated project expenditures:

PROJECT FUNDING

Source Funds	Amount	Account
General CIP	\$198,000	4010-4000-55100-F2501

PROJECT EXPENDITURES

Description	Amount
Contract Base Bid (Siterep Construction Services, Inc.)	\$165,000
Contingency Allowance (20%)	\$33,000
Total Fiscal Impact	\$198,000

CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):

This project has been determined to be categorically exempt under CEQA in accordance with Section 15301 Existing Facilities (Class 1). The project involves negligible or no expansion of an existing use.

Respectfully submitted,


Chris Marcarello
City Manager


Brian K. Lee
Director of Community Development