

City of Hesperia STAFF REPORT



DATE: June 2, 2026

TO: Mayor and Council Members

FROM: Rachel Molina, City Manager

BY: Cassandra Sanchez, Director of Public Works/City Engineer
Tina Souza, Senior Project Manager

SUBJECT: Amend Construction Management Services Agreement for the Rancho Road Corridor Widening Project Phase III, C.O. Nos. 7094 and 7139

RECOMMENDED ACTION

It is recommended that the City Council:

1. Approve an amendment to the existing Professional Services Agreement (PSA) No. 2020-21-065 with AnGenious Engineering Services, Inc. (AES) for the extension of construction management services for the Rancho Road Corridor Widening Project Phase III, C.O. Nos. 7094 and 7139 in amount of \$2,640,201, including a 10% contingency of \$264,020, for a not-to-exceed total of \$13,373,954;
2. Approve a one-year PSA extension of PSA No. 2020-21-065 with AES; and
3. Authorize the City Manager or designee to execute the amendment to the PSA and any other necessary documents related thereto.

BACKGROUND

In May 2021, the City approved a PSA with AES to provide construction management services to assist in managing the day-to-day activities and coordination of the various components for construction for a project of this magnitude.

July 16, 2024, the City Council approved an amendment to AES' PSA for a total not to exceed amount of \$10,469,733 and contract extension to continue providing construction management services for the Rancho Road Improvements – Seventh Avenue to Mariposa Road., C.O. No. 7094, Rancho Road Aqueduct Crossing, C.O. No. 7139, and Traffic Signals at Rancho Road/Maple Avenue, Cottonwood Avenue and Seventh Avenue, C.O. Nos. 7131, 7146, and 7154, respectively; collectively the Rancho Road Corridor Widening Project Phase III (Project).

The construction management team consists of AES team members and several sub-consultants who have a high degree of technical expertise and provide related services such as, but not limited to, inspection, geotechnical and materials testing, surveying and staking, labor compliance, utility coordination, environmental and permit compliance, grant compliance, augmenting City Staff, and assisting with public outreach, claims, litigation, and administration of the Project through project close-out.

ISSUES/ANALYSIS

The original PSA included construction management services based on the project scope at the time of bid. During construction, unforeseen circumstances required the project to be re-bid, extending the overall project schedule and necessitating a continuation of construction management services. Further, the aqueduct is vital State infrastructure, and the Department of Water Resources (DWR) requires extensive surveying and monitoring of the aqueduct pre, during, and post construction, requiring specific professional expertise and coordination with DWR.

While construction of the traffic signals, waterline relocation, and roadway plan phases are complete except for areas adjacent to the aqueduct bridge, the bridge is currently under construction and will continue through December 2026. Once completed, the project will enter the close-out phase. The overall duration of services has gone from 24 months to 72 months (including pre-bid activities and Project close-out).

Due to the complexity of the aqueduct crossing and required construction coordination, continued construction management services are necessary to ensure the project is completed in accordance with the plans, specifications, regulatory, and grant requirements.

CITY GOAL SUPPORTED BY THIS ITEM

Capital Improvement – Continually evaluate capital improvement priorities.

FISCAL IMPACT

Funding for the Project is budgeted in the Fiscal Year (FY) 2025-2026 Capital Improvement Program (CIP) budget. A budget amendment for the FY 2025-26 CIP Budget is also being presented at this meeting to provide additional project funding as necessary.

The City will bear costs at a ratio of 58.9%, and the San Bernardino County Transportation Authority (SBCTA) will reimburse the public share of eligible costs at a ratio of 41.5%. the table below as included for estimation purposes.

	<u>CM Cost</u>	<u>City Portion</u>	<u>SBCTA Portion</u>
<i>PSA Amendment</i>	\$ 2,640,201	\$ 1,555,078	\$ 1,085,123
<i>Contingency</i>	<u>\$ 264,020</u>	<u>\$ 155,508</u>	<u>\$ 108,512</u>
<i>Total Authorization</i>	\$ 2,904,221	\$ 1,710,586	\$ 1,193,635

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

None