



Murrieta Innovation Center Tenant Improvements General Contractor and Construction Manager Selection and Award a Contract

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History

- The Murrieta Innovation Center (MIC) is a dedicated regional innovation hub established by the City of Murrieta in 2012 to better serve the entrepreneurial and start up community. It is Southwest Riverside County's leading incubator focused on biotech, med tech, and health tech startups.
- The MIC is currently home to four physical life sciences and medical technology-based startups, and an additional 10 virtual and international startups which utilize the Center. These businesses are incubating at the MIC to grow out of that space and into the business community, focusing on the core tech area of biotechnology.



Grant

- In April 2022, the City of Murrieta and the Murrieta Partnership (dba. Impact Riverside County) received an award in the amount of \$2,429,910 from the U.S. Department of Commerce Economic Development Agency (EDA) for the purpose of renovating the Murrieta Innovation Center into a best-in-class life science start-up incubator and a driver for job creation in the Southwest Riverside County region.
- Improvements will include the renovation of approximately 12,470 square feet of tenant improvements, including utilities for a wet lab & dry lab.

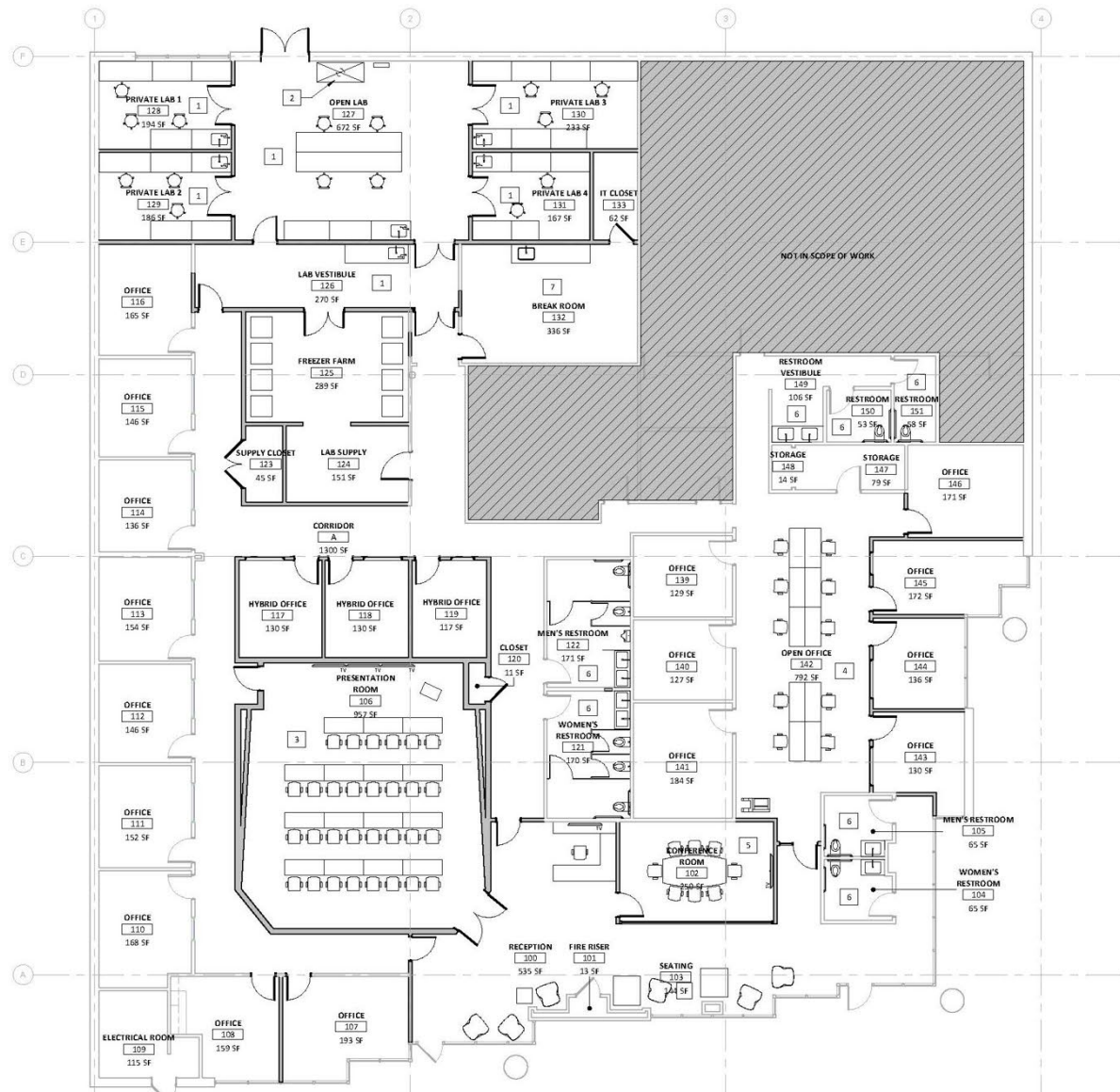


Design

- In April 2023, the City entered into an Agreement with BAM Architecture Studios, Inc for services.
- The design phase of the project was completed at the end of 2024.



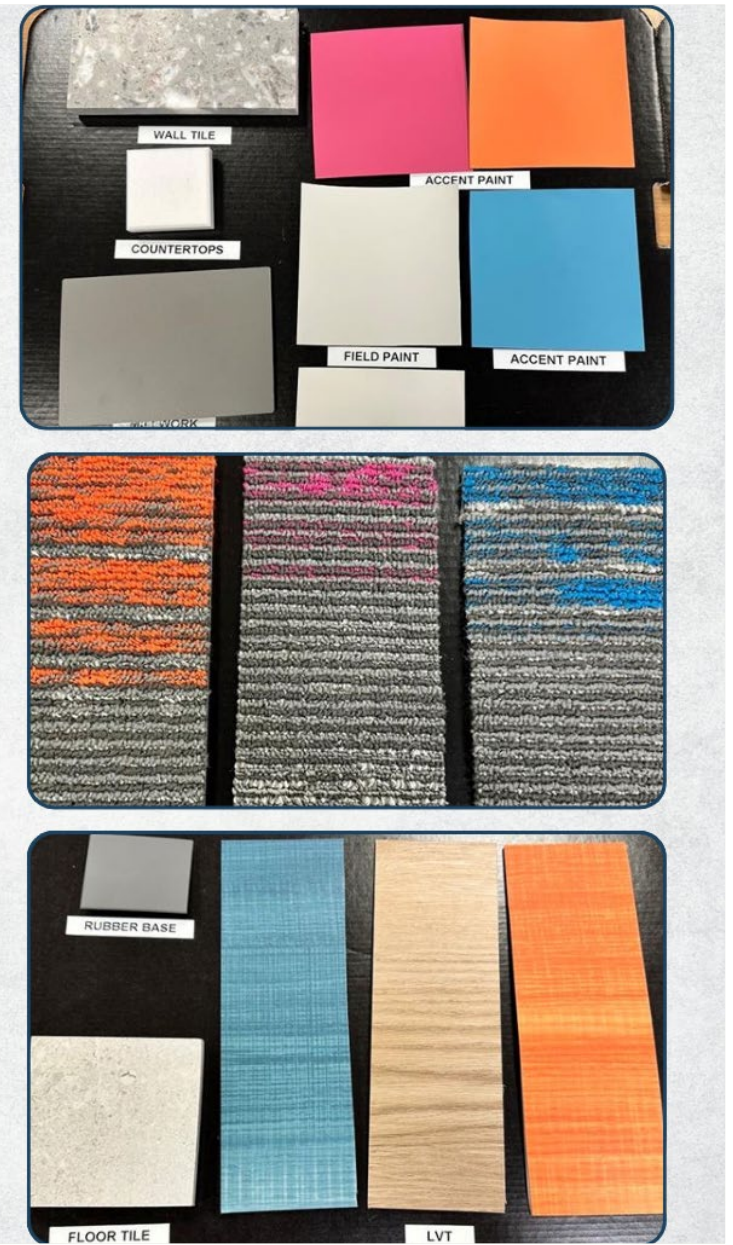
Floor Plan | **Layout**



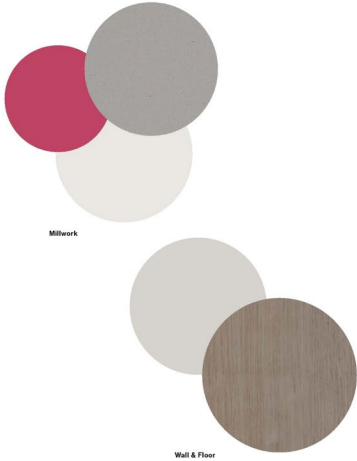
Mood Board | **Eccentric Contemporary**



Design Finishes



Finishes | Reception



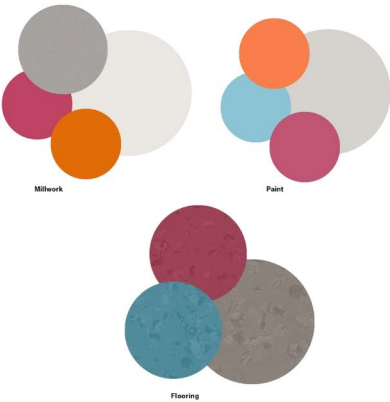
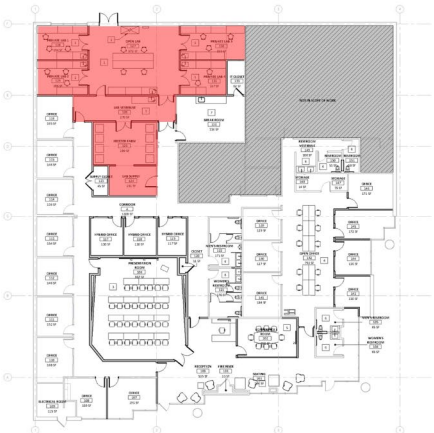
Finishes | Offices



Finishes | Circulation



Finishes | Labs



Construction

- The construction bidding process began on November 4, 2024.
- As part of the federal requirements through the EDA, a public notice inviting bids was released and closed on January 7, 2025.
- A mandatory pre-bid meeting was conducted on November 21, 2024, with over forty (40) general contractors in attendance.
- There were seven (7) proposals submitted, of which six (6) qualified for review. Of the proposals submitted, all were reviewed, and the lowest, most responsive bidder was Optima RPM. The table below summarizes the submitted proposals, identifies the firms/proposers, and the bid amount.



Vendor Name						
	OptimaRPM	Tovy/Shultz Construction, Inc.	Sas Construction	Leonida Builders Inc.	Blackstone Builders Inc.	R2Build
Pre Bid Mtg Attendee	X	X	X		X	X
Bidder	X	X	X	X	X	X
Bid Amount	\$3,189,616.84	\$3,517,707.00	\$3,894,000.00	\$3,980,030.00	\$4,028,675.00	\$4,204,000.00
Engineer's Estimate (EE)	\$4,129,674.00	\$4,129,674.00	\$4,129,674.00	\$4,129,674.00	\$4,129,674.00	\$4,129,674.00
CA Dept. Industrial Relations	X	X	X	X	X	X
Below EE	\$940,057.16	\$611,967.00	\$235,674.00	\$149,644.00	\$100,999.00	-\$74,326.00
% Above/Below EE	22.7635%	14.8188%	5.7068%	3.6236%	2.4457%	-1.7998%
Sub Total	\$732,655.03	\$2,742,520.95	\$31,000.00	\$1,330,554.36	\$1,476,220.00	\$1,936,595.00
Sub % Total	22.97%	77.96%	0.80%	33.43%	36.64%	46.07%
Self Performance %	77.03%	22.04%	99.20%	66.57%	63.36%	53.93%
% Requirement	X	-	X	X	X	X
Wet-Signed Docs	X	X	-	-	-	-

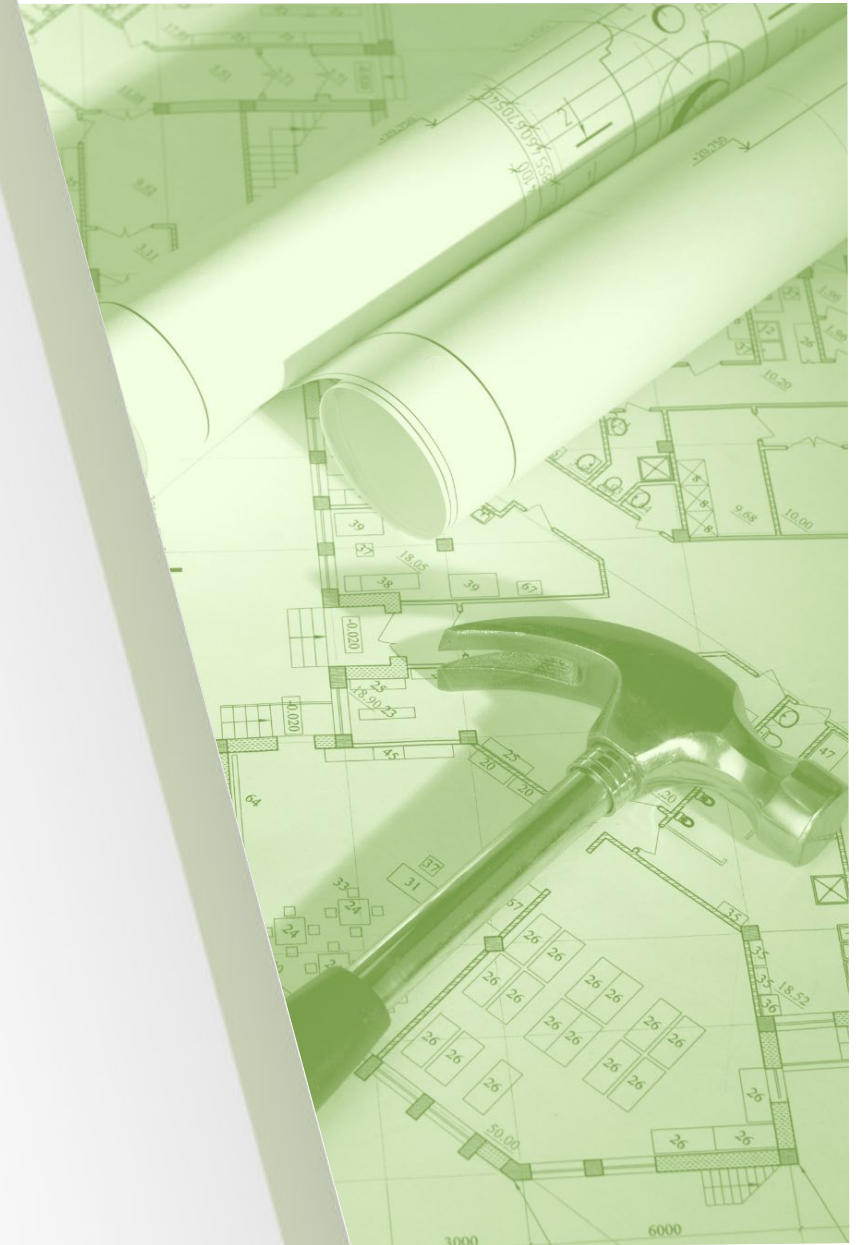
Total # of Vendors Attended Pre-Bid Mtg	17
Total Bidders	6

Bid Protest

- After the bid opening, Tovey/Shultz submitted a bid protest against the bid submitted by Optima RPM, claiming that Optima RPM did not possess the proper licensing to complete the Project. After consulting with legal counsel and reviewing documentation regarding licensing, it was determined that Optima is properly licensed to complete the work.
- On February 3, 2025, a response was submitted to Tovey/Shultz denying the bid protest.

Construction Management

- Independent from the construction contract bid process, an informal Request for Proposals was requested from all construction management companies with active on-call agreements with the City. The table below summarizes the firms and the bid amounts for construction management for the MIC tenant improvement project. This is a key component to meeting the labor compliance requirements of the EDA.



Construction Management Proposals	Proposal Amount	% Above Lowest Proposal Amount
RWBID	\$155,000.00	
Cumming	\$212,000.00	26.89%
Anser	\$299,032.20	48.17%
TKE	\$329,442.00	52.95%
Transtech	\$354,500.00	56.28%
Griffin	Declined	
Onward	Declined	
The selected vendor's scope of work includes Labor Compliance		

Fiscal Impact

- Approval of the recommended actions modifies the existing capital improvement plan project 21029 and allocates the remaining \$175,111.16 needed to complete the project and a contingency for unanticipated expenditures of \$324,888.84, bringing the total project budget to \$4,383,203. The table below outlines the existing budget, where the funding is appropriated from, and the additional funding needed.
- The EDA grant is reimbursable in nature, requiring the City to expend funds prior to requesting reimbursement. The costs related to Construction, Construction Management, and Labor Compliance are eligible expenses to be funded with the EDA Grant. Additionally, Impact Southwest Riverside County agreed to fund fifty percent (50%) of the grant's required 20% match.



Funding Source	Amount
Grant Funding from EDA	\$ 2,429,910.00
General Fund Grant Match	303,739.00
Impact Riverside County Grant Match	303,739.00
General Fund Supplemental Funding	845,815.00
Total Current Funding Sources	\$ 3,883,203.00
Proposed General Fund Supplemental Funding	\$ 500,000.00
<i>Total Funding Needed for Project</i>	\$ 4,383,203.00
Description	Amount
Current Budget	\$ 3,883,203.00
Expenditures to Date	(235,254.79)
Balance Remaining	\$ 3,647,948.21
Construction Contract	\$ 3,189,616.84
15% Contract Contingency	478,442.53
Construction Management and Labor Compliance	155,000.00
Contingency for Unanticipated Expenditures	324,888.84
Total Construction Costs	\$ 4,147,948.21
Total Construction Costs	\$ 4,147,948.21
Balance Remaining	3,647,948.21
Additional Appropriation Needed	\$ 500,000.00
Proposed Total Project Budget	\$ 4,383,203.00

Recommendation

- Approve the award of a construction contract to Optima RPM, Inc., as the lowest, most responsive bidder for construction of the Murrieta Innovation Center (MIC) tenant improvements in the amount not to exceed \$3,189,616.84, plus a 15% contingency of \$478,442.53, for a grand total of \$3,668,059.37;
- Approve a purchase order for \$155,000 for RWBID Construction Management, LLC, for construction management services, including labor compliance for the MIC tenant improvements;
- Amend the Fiscal Year 2024/25 Capital Improvement Budget for Capital Improvement Project No. 21029 by increasing the expenditure budget by \$500,000; and Authorize the City Manager to execute all related contracts.





Questions?



Thank You!