

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: April 11, 2024

PREPARED BY: Shawn Muir, Community Services Manager

REQUEST: APPROVE CHANGE ORDERS/AMENDMENT TO CONTRACTS NO. C44620A-E FOR ON-CALL FACILITIES REPAIRS & IMPROVEMENTS IN THE AMOUNT OF \$1,500,000 (PROJECT NO. MFA00009)

RECOMMENDATION:

1. Approve the increase of the annual aggregate amount to Contracts C44620A-E from \$3,000,000 to \$4,500,000 for On-call Facilities Repairs & Improvements.
2. Authorize the City Manager to review and approve up to two, one-year extensions per vendor contract for an aggregated amount not to exceed \$4,500,000.
3. Authorize the City Manager or designee to review and approve change orders for unanticipated conditions per Section 3.30.170 Section A of Ordinance No. 1335.
4. Authorize the City Manager to execute the change orders and amendments.

BACKGROUND/ANALYSIS:

On January 12, 2023, and August 24, 2023, the City Council awarded the On-Call Facilities Repairs and Improvements Project contracts to:

1. PUB Construction, Inc. of Diamond Bar, California (C44620A)
2. Belfor USA Group of Riverside, California (C44620B)
3. Elite Customs Construction of San Jacinto, California (C44620C)
4. R&R B Inc dba Servpro of Chino/Chino Hills (C44620D)
5. Doug Wall Construction of Bermuda Dunes, California (C44620E)

The first three contracts were awarded in an aggregate amount not to exceed \$750,000 per fiscal year for three years. On April 27, 2023, the contracts were increased to an annual aggregate contract amount of \$3,000,000 to allow staff to address deferred maintenance issues throughout the City. The last two contracts (C44620D and E) were added to the annual aggregate amount on August 24, 2023.

After the award of these contracts, additional project needs were identified, and existing projects were expedited for completion. The City Council approved an appropriation in the amount of \$1,810,316.74 from facility reserve funds on March 14, 2024, to complete several projects that were new or had increased in scope.

Staff recommends approving the following:

- Change Order 2 to Contracts C44620A and C44620C
- Amendment No. 2 to Contract No. C 44620B
- Change Order No. 1 to Contract Nos. C44620D and C44620E

City of Palm Desert
 Approve Increase for Facilities Contracts (C44620A-E)

This will allow the contract aggregate annual amount to be increased by \$1,500,000 for the duration of the contract term and continue the progress in addressing deferred maintenance at public facilities throughout the City.

Legal Review:

This report has been reviewed by the City Attorney's office.

FINANCIAL IMPACT:

The approved Public Works Operations Budget and Capital Improvements Project (CIP) List for Fiscal Year 2023/24 includes a total of \$3.9M for repairs and improvements projects under various accounts. Additional funding was identified after the award of these contracts that will assist staff in completing additional projects quickly and efficiently by utilizing economies of scale and bundling multiple projects. Therefore, On March 14, 2024, the City Council approved the appropriation of \$1,810,317. Projects and funding are as follows:

Description	Account No.	2023-24 Budget	03/14/24 Appropriation	Est. Project Cost
Corporation Yard Building Improvements (CFA00016)	4004330-4400100	\$350,000	\$400,000	\$750,000
Civic Center Dog Park (CFA00011)	4004674-4400100	\$450,000	\$810,317	\$1,260,317
Community Garden Improvements (CLS00002)	4004618-4400100	\$100,000	\$50,000	\$150,000
University Park East Community Gardens (CLS00002)	4004618-4400100	\$0	\$150,000	\$150,000
University Dog Park Fence Replacement (CPK00006)	4004618-4400100	\$200,000	\$300,000	\$500,000
Ironwood Park Improvements – Restroom (MPK00008)	4004618-4400100	\$0	\$100,000	\$100,000
Fire Station Improvements (MFA00029-31)	2304220-4400100	\$1,160,000	\$0.00	\$1,160,000
Aquatic Center Improvements (CFA00009)	2424549-4400100	\$1,700,000	\$0.00	\$1,700,000
Totals		\$3,960,000	\$1,810,317	\$5,770,317

Due to the appropriations, staff request approval to increase the annual aggregate to \$4.5M for the remainder of the contract term. No additional appropriation is requested at this time; therefore, there is no additional financial impact on the general fund.

ATTACHMENTS:

1. C44620A Change Order No. 2
2. C44620C Change Order No. 2
3. C44620B Amendment No. 2
4. C44620D Change Order No. 1
5. C44620E Change Order No. 1