

CITY OF PALM DESERT

STAFF REPORT

MEETING DATE: April 24, 2025

PREPARED BY: Kevin Swartz, Project Manager

SUBJECT: RATIFY CHANGE ORDER 1 TO CONTRACT NO. C48610 WITH R DEPENDABLE CONSTRUCTION, INC., FOR ADA UPGRADES AT THE STATE BUILDING (PROJECT NO. MFA00011)

RECOMMENDATION:

Ratify Change Order 1 to Contract No. C48610 with R Dependable Construction, Inc., of San Bernardino, California, for ADA Upgrades at the State Building in the amount of \$41,394.31 for a new contract amount of \$321,294.31.

BACKGROUND/ANALYSIS:

The State Building, encompassing 21,250 square feet, was constructed in 1992. The building is owned and operated by the City of Palm Desert and is leased to two tenants (Department of Rehabilitation and Water Quality Control Board). In Fiscal Year 2024-25, the City allocated funding through the Capital Improvement Program to support accessibility and facility enhancements at the Parkview Office Complex, including the adjacent State Building. The project focused on improving ADA compliance by upgrading restrooms and creating accessible paths of travel from the parking lot to building entrances. These improvements were designed to bring the facility in line with current accessibility standards, while also supporting broader goals related to energy efficiency, structural integrity, and tenant improvements.

In January 2023, the City retained Marks Architects, Inc., to provide architectural design and structural engineering services in support of the project goals. The scope of work included interior and exterior design upgrades, building assessments, and cost evaluations.

On November 14, 2024, the City Council awarded Contract No. C48610 to R Dependable Construction, Inc., for construction in the amount of \$279,900, with an additional \$28,000 contingency, bringing the total authorized budget to \$307,900.

During construction, several items arose that were not included in the original building plans and required additional work to meet design and compliance objectives:

1. Parking Lot Adjustments: To meet ADA slope requirements, the parking lot required more extensive grinding than anticipated. Concrete was reinstalled and the lot was restriped to ensure compliance and long-term surface durability in a desert climate. This change added \$26,285.07 to the project cost.
2. Sidewalk and Curb Accessibility Improvements: While not originally included in the scope, sections of existing sidewalk and curb were removed and replaced to improve

accessibility and provide a consistent look across the site. Colored concrete was used to better match the building's exterior. These enhancements added \$20,069.56 to the project.

3. Credit for Omitted Work: A credit of \$4,960.32 was also issued for the removal of tree and irrigation components that were ultimately excluded from the final scope.

Because the State Building was vacant during construction, staff requested approval of Change Order No. 1 from the City Manager to expedite completion of the additional work. The project has since been completed, and the Notice of Completion (NOC) has been filed. Since Change Order No. 1 exceeded the approved contingency amount by \$13,394.31, staff request its ratification to finalize payment.

Legal Review:

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

FINANCIAL IMPACT:

A total of \$7,150,000 was allocated in the approved Capital Improvement Project (CIP) under OC Enterprise Account No. 5104361-4400100 for improvements to the Parkview and State Buildings. To date, \$3,573,712.54 has been spent, leaving a balance of \$3,576,287.46. With the cancellation of the Parkview Improvements Project, \$4,300,000 was reallocated to the State Building Improvements Project, which includes ADA upgrades. This results in an available balance of \$726,287.46 for the State Building work.

The original ADA construction contract for the State Building was awarded at \$279,900, with a \$28,000 contingency for a total of \$307,900. Change Order No. 1 added \$41,394.31, exceeding the contingency by \$13,394.31 for a revised contract total of \$321,291.31. Sufficient funds are available; therefore, there is no financial impact to the general fund with the ratification.

The table below outlines the costs associated with the State Building improvements:

Account	Budget	Project Cost	Balance
State - 5104361-4400100	\$4,300,000.00		
Parkview - 5104361-4400100	\$2,850,000.00		
State, TI Improvements – ServPro C44620D		\$602,548.80 (funds will be reimbursed by State per Lease Agreement)	
State, Reroof – Garland C44600		\$1,181,557.00 (City required)	
State and Parkview, *Design – Marks Architect C44660		\$1,142,400.00	
State and Parkview, *Design Contingency – Marks C44660		\$150,000.00	
Parkview, TO005939– Ste 201/212		\$37,646.00	
State, various task orders for Building Improvements		\$138,269.43	
State, ADA Upgrades – R Dependable		\$279,900.00 (City required)	
State, **Change Order No. 1- R Dependable		\$41,391.31 (City required)	
Total	\$7,150,000.00	\$3,573,712.54	\$3,576,287.46
		Less: Parkview Project Funds	(\$2,850,000.00)
		State Building Improvements Available Funds	\$726,287.46

** Includes architectural design and engineering services in Parkview Office Complex and the State Building.*
***current*

ATTACHMENTS:

1. Approved Change Order 1
2. Contract No. C48610