

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: October 23, 2025

PREPARED BY: Chris Gerry, Senior Project Manager

SUBJECT: RATIFY CHANGE ORDER NO. 1 TO CONTRACT NO. C49570 WITH JEREMY HARRIS CONSTRUCTION, INC., FOR THE NUISANCE SOIL REMOVAL PROJECT (PROJECT NO. SCC00001)

RECOMMENDATION:

Ratify the City Manager's approval of Change Order No. 1 in the amount of \$133,000 to Contract No. C49570 with Jeremy Harris Construction, Inc., for Nuisance Soil Removal Project to include additional soil removal services.

BACKGROUND/ANALYSIS:

The Nuisance Soil Removal Project (Project) resulted from a Code Compliance case that ultimately led to a lawsuit in Superior Court. The Project involved the removal of stockpiled soil located on a privately owned parcel, formerly part of a golf course, bounded by California Drive to the south, Kentucky Avenue to the west and north, and Tennessee Avenue to the east.

On July 10, 2025, the City Council awarded the Project to Jeremy Harris Construction, Inc. (Contractor) in the amount of \$529,998, with an additional \$105,000 contingency. The scope of work included the removal of approximately 12,000 cubic yards of soil.

In August 2025, the originally approved work was completed; however, during the final inspection, an additional 3,100 cubic yards of soil were identified onsite that required removal. To ensure project continuity, cost efficiency, and timely completion, it was necessary to proceed with the additional soil removal while the Contractor remained mobilized. Accordingly, on September 8, 2025, the City Manager approved Change Order No. 1 in the amount of \$133,000, exceeding the approved contingency by \$28,000, to complete the removal and restore the site to its original grade.

Because the change order exceeded the authorized contingency, staff requests City Council ratification of Change Order No. 1 in the amount of \$133,000, which includes the additional \$28,000. The Project was completed on September 12, 2025, and a Notice of Completion has been executed. The final costs incurred for the Project will be recorded as a lien against the property.

Legal Review:

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

FINANCIAL IMPACT:

Funds in the amount of \$678,000 included in the FY 2025-26 Annual Budget and Capital Improvement Plan (CIP) in Account No. 4004300-4309000, for the Nuisance Soil Removal Project. The total cost of the project was \$662,998; therefore, this action had no additional financial impact to the General Fund.

Original Contract Amount	\$529,998
*Approved Contingency Used for C/O #1	\$105,000
*Additional Amount Needed for C/O #1	\$28,000
Total Final Contract	\$662,998
<i>Total C/O #1 Ratification (This Request)</i>	<i>\$133,000</i>

ATTACHMENTS:

1. Contract C49570
2. Change Order No. 1