



CITY OF MENIFEE

SUBJECT: Contract Change Order and Notice of Completion and Acceptance for the Casa Blanca and Willows/Lake Ridge Communities Resurfacing Projects

MEETING DATE: April 17, 2024

TO: Mayor and City Council

PREPARED BY: Carlos Geronimo, Engineering Manager

REVIEWED BY: Nick Fidler, Public Works Director

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Approve and authorize the City Manager to execute Contract Change Order No. 1 with COPP Construction, Inc. for construction services related to Casa Blanca Community Resurfacing Project and the Willows/Lake Ridge Community Resurfacing Project, in the amount of \$40,418.95, increasing the contract value to a total amount not-to-exceed \$2,299,550.30; and
2. Accept the improvements for the Casa Blanca Community Resurfacing Project and Willows/Lake Ridge Community Resurfacing Project; and
3. Authorize the City Clerk to file a Notice of Completion with the Riverside County Recorder's Office.

DISCUSSION

The Casa Blanca Community Resurfacing Project, Capital Improvement Program ("CIP") Project No. 23-05, and Willows/Lake Ridge Community Resurfacing Project, CIP Project No. 23-06 ("Projects") consisted of resurfacing existing pavement by grinding and overlaying asphalt concrete, replacement of 49 existing non-compliant curb ramps, drainage improvements, and removal and replacement of roadway striping and signage. The combined length of the resurfacing efforts for the Projects was approximately 2.9 linear miles.

On August 16, 2023, the City Council approved a construction budget of \$2,390,678, and authorized the City Manager to award the construction services contract to COPP Construction, Inc. ("Contractor") in the amount of \$2,243,503. Construction work began in September 2023.

Although staff make every effort to carefully study and anticipate the extent of the scope of work required to achieve projects goals, unforeseen needs are often encountered as a project

progresses, resulting in additional work outside of the original scope. It is standard in resurfacing projects to prepare a “clean-up” or “true-up” Contract Change Order (“CCO”) that captures material overages or deductions that have occurred throughout the construction of a project. Material overages are not additional construction items, but additional material necessary to complete the project as intended in the construction documents. Material overages are validated by City inspectors and the project manager to ensure compliance with the project plans and specifications. Material deductions are bid items that are “credited back” to the City that resulted in the use of less material quantities than was indicated in the project documents. Material deductions are also validated by City inspectors and the project manager to ensure compliance with the Projects plans and specifications.

During construction, two contract change orders were required. CCO No. 1 serves as a “clean-up” change order and includes an increase of \$112,800.77 in material overages and a decrease of \$72,381.82 in material deductions, bringing the net total to \$40,418.95, or 1.8% of the Projects total cost. Similarly, CCO No. 2, in the amount of \$15,628.50, provides for an increase of \$34,540.50 in material overages and a decrease of \$18,912 in material deductions bringing the net total to \$15,628.50. The additional activities required under each change order are summarized in Table 1 below. The final overall construction cost for the Projects totaled \$2,299,550.30, including ancillary costs for materials testing and labor compliance services.

TABLE 1 - CONTRACT ACTIVITY SUMMARY

Activity	Approval Date	Description of Services	Amount
<i>Original Contract</i>	<i>October 19, 2022</i>	<i>Construction services</i>	<i>\$2,243,502.85</i>
CCO No. 1	<i>Pending</i>	Additional curb & gutter, ADA ramps, sidewalk, and stop bar replacement exceeding original quantities, reduction in concrete spandrel quantities and removal of mortar work.	\$40,418.95
CCO No. 2	February 26, 2024	Additional concrete for retaining curbs exceeding original quantities, reduction in required utility relocation work.	\$15,628.50
TOTAL			\$2,299,550.30

Pursuant to Menifee Municipal Code §3.12.090, any change orders in the amount greater than 10% of the contract amount or that exceeds the City Manager’s signing authority require ratification / approval by the City Council. CCO No. 1 is below the 10% threshold amount but exceeds the City Manager’s signing authority. CCO No. 2, in the amount of \$15,628.50, is within the City Manager’s authority and was approved in February 2024.

The Projects also required coordination with Eastern Municipal Water District (EMWD) for adjustment of utility items throughout the Project areas. On August 16, 2023, the City and EMWD entered into a Utility Relocation Agreement stating that EMWD is to reimburse the City a total of \$104,160 for the work performed to adjust utilities. During construction, there was a reduction in the utility relocation work required by the Contractor, and it has been determined that the total

reimbursement due from EMWD would be \$102,560. Staff has submitted a request for reimbursement from EMWD in the amount of \$102,560.

Once approved, a Notice of Completion (NOC) would be filed, which protects the City from future claims against the Projects by providing proper noticing to each contractor, subcontractor, and material supplier, that the Projects have been completed. The payment bond would be released upon acceptance by the City and the performance bond would be released one year after the date of recording of the NOC. The City has not received any stop notices that would prevent said releases.

STRATEGIC PLAN OBJECTIVE

Safe and Attractive Community

FISCAL IMPACT

The total of all the CCO's for the Projects is \$56,047.45 or 2.5% of the total contract amount, well below the 10% threshold established in Menifee Municipal Code. The fiscal impact of the proposed CCO No. 1 requiring approval by the City Council is \$40,418.95. The funding required to support the proposed amendment is available in the adopted project budget, as summarized in Table 2 below.

TABLE 2 - EXISTING PROJECT FUNDING

Fund	Project	Account No.	Budget	CCO No. 1 Cost
General Fund	Casa Blanca Community Resurfacing	100-4555-58152	\$53,749.38	\$20,018.73
General Fund	Willows/Lake Ridge Community Resurfacing	100-4555-58153	\$53,749.37	\$20,018.72
Measure A	Casa Blanca Community Resurfacing	220-4555-58152	\$190.75	\$190.75
Measure A	Willows/Lake Ridge Community Resurfacing	220-4555-58153	\$190.75	\$190.75
		TOTALS	\$107,880.25	\$40,418.95

There is no fiscal impact associated with the acceptance of the improvements related to the Projects and filing the Notice of Completion. All costs to complete the Projects were supported within previously approved Capital Improvement Program.

ATTACHMENTS

1. Project Location Map
2. Contract Change Order No. 1
3. Contract Change Order No. 2
4. Notice of Completion
5. Close-Out Documents