



CITY OF MENIFEE

SUBJECT: Contract Change Order with Granite Construction for the Romoland Grid Area – 3rd Street Project – Active Transportation Program Project

MEETING DATE: November 6, 2024

TO: Mayor and City Council

PREPARED BY: Diego Guillen, Senior Engineer

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 Granite Construction for construction services on the Romoland Grid Area – 3rd Street – Active Transportation Program Project, Capital Improvement Program Project No. 23-04, in the amount of \$70,959.74, increasing the contract value to a total amount not-to-exceed \$1,308,059.74.

DISCUSSION

The Romoland Grid Area – 3rd Street – Active Transportation Program (ATP) Project, Capital Improvement Program (CIP) Project No. 23-04 (“Project”), is located along 3rd Street, northeast of Highway 74, west of Antelope Road, and south of Watson Road. The Project improvements consisted of removing, replacing and widening the existing roadway, installing curb and gutter, sidewalks, ADA-compliant pedestrian ramps, and residential driveway approaches within the Project limits. The Project improvements spanned approximately 1,900 linear feet and approximately 111,000 square feet of roadway along 3rd Street.

On March 6, 2024, the City Council approved a construction budget of \$1,427,731 and awarded a construction services contract (“Contract”) to Granite Construction (“Contractor”) in the amount of \$1,237,100. Construction work for the Project began in April 2024 and is now substantially complete.

Although staff make every effort to carefully study and anticipate the extent of the scope of work required to achieve project goals, unforeseen needs are often encountered as a project progresses. Unknown site conditions and utility conflicts discovered during construction activities can result in the requirement of additional work outside of the original scope and contract amount. These changes are addressed in the form of a Contract Change Order (CCO).

On April 3, 2024, the City Council approved a Utility Relocation Agreement (“Agreement”) with Eastern Municipal Water District (EMWD) in the amount of \$50,600. The Agreement identified each agency’s financial responsibility for the anticipated costs associated with the relocation of existing water utilities within the Project area. Under the Agreement, EMWD would be responsible for the relocation costs of all water appurtenances. During construction, additional EMWD water meters were discovered that were not identified in the Agreement. The newly discovered water meters resulted in the Contractor performing additional relocation work. The final cost to relocate all EMWD facilities on the Project would now be a total of \$71,335.53. EMWD was involved in all construction decisions regarding their water facilities, including the additional relocation work, and has accepted the final amount of \$71,335.53, which would be reimbursed to the City. No further action is necessary as the Agreement stipulates that EMWD’s final reimbursable cost would be determined at completion of work.

CCO No. 1 includes \$57,835.53 to perform the additional EMWD utility relocation work, as well as \$13,124.21 in overages to original bid item quantities which the City would be responsible for covering, for a total amount of \$70,959.74. The contract activity, including all CCOs to date, is summarized in Table 1 below.

TABLE 1 - CONTRACT ACTIVITY SUMMARY

Contract Activity	Approval Date	Summary of Changes	Amount
Original Contract	March 6, 2024	Original construction services	\$1,237,100.00
CCO No. 1	<i>Pending</i>	EMWD utility relocation T&M, Additional cross walk striping, Additional Class 2 base, Additional driveways, Electrical conduits	\$70,959.74
TOTAL			\$1,308,059.74

Pursuant to Menifee Municipal Code §3.12.090, amendments or change orders in the amount greater than 10% of the original agreement amount, or that exceed the City Manager’s signing authority, shall be approved by the City Council.

STRATEGIC PLAN OBJECTIVE

Safe and Vibrant Community

FISCAL IMPACT

The fiscal impact of the proposed CCO No. 1 with the Contractor is \$70,959.74, increasing the total Contract value to \$1,308,059.74. EMWD would be responsible for reimbursing the City \$57,835.53 and the City would be responsible for \$13,124.21 of this CCO No. 1. Funding for the proposed CCO No. 1 is available in the Fiscal Year 2024/2025 budget within the Measure A Fund (2220-PWD-CIPS-760020), as summarized in Table 2 on the following page.

TABLE 2 – PROJECT BUDGET

Fund	Available Budget	Anticipated Cost
Measure A	\$249,284.98	\$70,959.74
TOTAL	\$249,284.98	\$70,959.74

No additional budget appropriation action(s) is required.

ATTACHMENTS

1. Project Location Map
2. CCO No. 1
3. Original Contract