

BACKGROUND: (continued)

In the course of managing these projects approved by the Board of Directors it is often necessary for the Redevelopment Agency to execute changes to the construction contracts using the approved contingency funds. It is necessary that the authority to approve changes be delegated to the Executive Director so that they can be approved in a timely manner and not cause project delays that would occur if each change required approval by the Board. Adoption of the attached Resolution 2009-009 will formally authorize the Executive Director of the Redevelopment Agency or designee to execute changes to agreements through change order authority for all Redevelopment Projects that have been approved by the Board of Directors.

Public Contract Code Section 20142 governs county construction contract change order limits, and this is the template for the requested delegation to the Redevelopment Agency Executive Director. Changes or additions to the work shall not exceed 10% of the contract amount when the total amount of the original contract does not exceed two hundred fifty thousand dollars (\$250,000). For contracts whose original cost exceeds two hundred fifty thousand dollars (\$250,000), the extra cost for any change or addition to the work so ordered shall not exceed twenty-five thousand dollars (\$25,000), plus 5 percent of the amount of the original contract cost in excess of two hundred fifty thousand dollars (\$250,000). In no event shall any such change or alteration exceed one hundred fifty thousand dollars (\$150,000).

Staff recommends the Board Adopt Resolution No. RDA 2009-009 authorizing the Executive Director of the Redevelopment Agency to approve and execute changes to previously approved contracts and Agreements through change order authority in accordance with the limits prescribed for counties generally under Public Contract Code Section 20142. Agency Counsel concurs with this recommendation.

FORM APPROVED COUNTY COUNSEL
BY: *[Signature]*
MARSHAL VICTOR
DATE 4/23/09

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assembled on March __, 2009 as follows:

- a. The Board of Directors hereby finds and declares the above recitals are true and correct.
- b. The Executive Director of the Redevelopment Agency is hereby authorized to approve and execute changes to agreements not to exceed 10% of the entire contract amount and for contracts up to \$250,000.
- c. For contracts whose original cost exceeds two hundred fifty thousand dollars (\$250,000), the extra cost for any change or addition to the work so ordered shall not exceed: twenty-five thousand dollars (\$25,000), plus five (5) percent of the amount of the original contract cost in excess of two hundred fifty thousand dollars (\$250,000) to a maximum of one hundred fifty thousand dollars (\$150,000).

PASSED, APPROVED AND ADOPTED ON THE _____

by the Board of Directors of the Redevelopment Agency for the County of Riverside by the following vote: