

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

543



**FROM:** Economic Development Agency

**SUBMITTAL DATE:**

July 5, 2012

**SUBJECT:** Desert Hot Springs Family Care Center – Retention Reduction for Construction Agreement

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve a reduction of the contract retention for PW Construction, Inc. (PWCI) of Chino, California from 10% to 5% per the general conditions of the contract; and
2. Authorize the release of \$303,973 in retained funds to the contractor in accordance with the contract terms.

**BACKGROUND:** On September 14, 2010, the Board of Supervisors approved the award of the construction agreement to PW Construction, Inc. (PWCI) of Chino, California.

(Continued)

FISCAL PROCEDURES APPROVED  
PAUL ANGULO, CPA, AUDITOR-CONTROLLER  
BY: Samuel Wong 7/3/12  
SAMUEL WONG

Robert Field  
Robert Field  
Assistant County Executive Officer/EDA

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 303,973	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2012/13

**COMPANION ITEM ON BOARD AGENDA:** No

**SOURCE OF FUNDS:** Palm Desert Redevelopment Pass-Thru Funds; Desert Healthcare District Funds

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

APPROVE

**County Executive Office Signature**

BY: Jennifer L. Sargent  
Jennifer L. Sargent

Prev. Agn. Ref.: 3.20 of 9/14/10; 3.25 of 5/18/10

District: 5/4

Agenda Number:

3, 16

**BACKGROUND:** (Continued)

Pursuant to the general conditions of the contract, the Economic Development Agency (EDA) is currently retaining 10% of all progress payments to PWCI. The general conditions of the contract state that after the 50% completion point of the contract work, if satisfactory progress is being made, the county has sole discretion to reduce the retention to a minimum of 5% of the contract. The project is now 90% complete and work is satisfactory. This Board action will release \$303,973 in retained funds to the contractor.

Sufficient funds for this project are budgeted for FY 2012/13. All costs associated with this project will be funded by the Palm Desert Redevelopment Pass-Thru Funds and Desert Healthcare District Funds, thus no net county costs will be incurred.