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

**FROM:** Economic Development Agency

**SUBMITTAL DATE:**  
February 28, 2013

**SUBJECT:** US District Court Lease Agreement Replacement Project – Approval of Change Orders 2 and 3, Retention Reduction and Notice of Completion

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

1. Ratify Change Order No. 2 in the amount of \$18,861 towards the construction of the US District Court Lease Agreement Replacement Project and find that competitive bidding would not produce an advantage and be impractical for the work that is the subject of the change order;
2. Approve Change Order No. 3 in the amount of \$32,928 towards the construction of the US District Court Lease Agreement Replacement Project and find that competitive bidding would not produce an advantage and be impractical for the work that is the subject of the change order;

(Continued)

Robert Field  
Assistant County Executive Officer/EDA

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 122,667	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:** US District Court Trustee Account

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

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

BY:   
Jennifer V. Sargent

**County Executive Office Signature**

FISCAL PROCEDURES APPROVED  
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER  
 BY: 3/4/13  
 Departmental: SAMUEL WONG  
 DALL  
 FORM APPROVED COUNTY COUNSEL  
 BY: 3/1/13  
 KARSHA L. VICTOR

Dept't Recomm.:  Consent  Policy  
 Per Exec. Ofc.:  Consent  Policy

Prev. Agn. Ref.: 3.10 of 12/20/11; 3.8 of 9/20/11      District: 2/2      Agenda Number: **3-13**

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

**RECOMMENDED MOTION:** (Continued)

3. Authorize the Assistant County Executive Officer/EDA, or designee, to execute the change orders on behalf of the county;
4. Approve the reduction of the contract retention for Avi-Con, Inc., dba CA Construction from 10% to 5% per the general conditions of the contract and authorize the release of \$70,878 in retained funds to the contractor in accordance with the contract terms; and
5. Accept the US District Court Lease Agreement Replacement Project constructed by Avi-Con, Inc., dba CA Construction as complete, and authorize the Clerk of the Board to record the Notice of Completion.

**BACKGROUND:**

On December 20, 2011, the Board of Supervisors approved the construction agreement between the County of Riverside and Avi-Con, Inc., dba CA Construction in the amount of \$627,000 for the US District Court Lease Agreement Replacement Project. During construction, a change order in the amount of \$29,994 was approved, increasing the total contract value to \$656,994.

Change Orders No. 2 and No. 3 will exceed the 10% contingency allowance, which requires Board approval. Change Order No. 2 will compensate Avi-Con, Inc., dba CA Construction in the amount not to exceed \$18,861 for overtime labor costs required to accommodate the US Federal District Court's hours of operations. Change Order No. 3 will compensate Avi-Con, Inc., dba CA Construction in the amount not to exceed \$32,928 for ceiling and wall design changes, furniture layout reconfiguration, miscellaneous deductive scope changes, and extended general conditions for delays associated with changes in required working hours at the project site as implemented by the US Federal District Court. The procedure for advertising the work which is continued in these change orders would be undesirable and impractical because the work was ongoing and integrally related to the various trades already on the project, therefore bidding would cause further delay and cost with no offsetting advantage at the stage of the project

The construction contract was based on the facility being available 24 hours per day, 7 days per week for construction. During construction, the US Federal District Court limited the security guard coverage to normal business hours and only allowed construction to be performed when a sufficient number of security guards were at the project site. As a result, the project duration was extended and additional extended general conditions costs were incurred. The change orders will compensate Avi-Con, Inc., dba CA Construction in the amount of \$51,789 for work integral to complete the project.

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. Avi-Con, Inc., dba CA Construction has completed the work on time, within budget, and in a professional manner. Therefore, the Economic Development Agency recommends that the contract retention be reduced to 5% of the contract and the Clerk of the Board to record the Notice of Completion.

(Continued)

**BACKGROUND:** (Continued)

The project was inspected and found to comply with all contract requirements. This Board action will release \$35,439, which is 5% of the total contract, and the remaining retention funds of \$35,439 to Avi-Con, Inc., dba CA Construction, for the total sum of \$70,878.

All costs associated with this agreement will be fully funded by the US District Court Trustee Account, this fund might require a general fund advance to meet its obligations.

**Attachments:**

Copy of Change Order No. 2  
Copy of Change Order No. 3  
Notice of Completion

