

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

378



FROM: Economic Development Agency

SUBMITTAL DATE:
July 18, 2013

SUBJECT: Riverside County Regional Medical Center Trauma / Custody / Urgent Care / Sexual Assault Response Team Expansion Phase 1, 2 and 3 – Project Closeout

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file the voluntary Notice of Default and Assignment from Federal Insurance Company, (Federal) surety for ASR Constructors, Inc. (ASR) and declare ASR in default;
2. Authorize the Economic Development Agency (EDA) to issue notice to the Escrow Agent, Citibank, that a default has occurred and requesting monies be forwarded to EDA pursuant to the terms of the escrow agreement;

REVIEWED BY CIP

(Continued) Christopher Hans

FISCAL PROCEDURES APPROVED
PAUL ANGULO, CPA, AUDITOR-CONTROLLER
BY: Samuel Wong 7/18/13
SAMUEL WONG

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 177,207	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2013/14

COMPANION ITEM ON BOARD AGENDA: No

SOURCE OF FUNDS: RCRMC Enterprise Fund

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

C.E.O. RECOMMENDATION:

APPROVE

BY: Jennifer L. Sargent
County Executive Office Signature

Prev. Agn. Ref.: 3.47 of 10/16/12; 3.24 of 6/05/12

District: 5/5

Agenda Number:

3-25

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

RECOMMENDED MOTION: (Continued)

3. Ratify Change Order No. 11 in the amount of \$92,397 to complete the construction of the Riverside County Regional Medical Center (RCRMC) Trauma / Custody / Urgent Care / Sexual Assault Response Team Expansion Phase 1, 2 and 3 project site development and find the work integral to the project and that competitive bidding would not produce an advantage and be impractical for the work;
4. Ratify Amendment No. 2 to the architectural and engineering services agreement between the County of Riverside and Hammel, Green, and Abrahamson, Inc. (HGA) of Los Angeles, California in the amount of \$84,810 and authorize the Chairman of the Board to execute the agreement on behalf of the county;
5. Authorize the Assistant County Executive Officer/EDA to administer Amendment No. 2 for HGA, Inc. in accordance with applicable Board policies; and
6. Authorize EDA to issue payment to Federal pursuant to the Notice of Default and Assignment and the contract terms, and to work with ASR and Federal on completion of the project, including performance items and clearing up any remaining stop notices.

BACKGROUND:

On February 8, 2011, the Board of Supervisors approved the construction agreement between ASR Constructors, Inc. of Riverside, California and the County of Riverside for the RCRMC Trauma / Custody / Urgent Care / Sexual Assault Response Team Expansion Phase 1, 2, and 3, in the amount of \$7,280,000.

Change Order No. 11, in the amount of \$92,397, addresses temporary lighting needed to promptly open portions of parking; encasement of electrical infrastructure, modifications in sewer lines, additional signs, adding vehicle loop detectors and card readers, downsizing a water meter, reforming of concrete, temporary fencing surrounding the future education building, re-flushing of water lines, purchasing of sand bags for semi-permanent use, and the settlement of extended general conditions in exchange of credits for work not completed.

The work performed was not part of the original scope of work but vital to the project. The aggregate total of the change order described does not exceed the 10% contingency allowance. ASR has the necessary means to complete the change order work. Having already been on site, ASR is familiar with the project which helped expedite and complete the additional scope of work within a timely manner. Therefore the Board of Supervisors is asked to approve Change Order No. 11 due to the work being integral to the project and competitive bidding and advertisement would be impractical. The change order would compensate ASR in the amount not-to-exceed \$92,397.

(Continued)

BACKGROUND: (Continued)

On June 16, 2009, the Board of Supervisors approved the architectural and engineering services agreement between the County of Riverside and HGA in the amount of \$4,854,906 plus a \$300,000 reimbursable allowance. On May 4, 2012, the Board of Supervisors approved Amendment No. 1 in the amount of \$868,527, plus a reimbursable allowance of \$42,926 to design additional parking areas, revitalize landscaping and add programmatic functions to the emergency department.

The original agreement and Amendment No. 1 did not include redesigning the transformer location due to the delayed construction of the operations building, a fifth construction bid package for the education building's interim building pad, and for designing a water quality management system that helped save the county \$1,200,000 in construction costs. As a result of these changes in design, Amendment No. 2 will compensate HGA in the amount not-to-exceed \$84,810.

ASR has experienced financial difficulties and assigned their rights to Federal on March 14, 2013. Federal, pursuant to their obligations under the project bonds, has been arranging for resolution of outstanding stop notices and completion of project performance items. The EDA project team has been working with ASR, Federal and the Surety's agent, Sage Associates, to bring the project to completion.

Federal's counsel has endeavored to work with Citibank to modify the escrow agreement to authorize payment directly in the name of Federal pursuant to the Notice of Default and Assignment, however Citibank is apparently non-responsive. Under the escrow agreement, the county may make claim against the funds upon a default of the contractor. EDA therefore proposes to issue such a declaration to Citibank based upon the Notice of Default and Assignment issued to the county from ASR and Federal. The monies will then be paid out by the county to Federal as assignee of ASR in accordance with the terms of the contract as the project is completed.

All costs associated with this agreement will be fully funded by the RCRMC Enterprise Fund, thus no net county cost will be incurred.

Attachments:

Copy of Change Order No. 11
Amendment No. 2 for HGA, Inc.
Notice of Default and Assignment

COUNTY OF RIVERSIDE ECONOMIC DEVELOPMENT AGENCY

FINAL CHANGE ORDER NO. 11

COPY

Date: 2/11/2013

Project: RCRMC Trauma/ Custody/ Urgent Care/ Sexual

To Contractor:

ASR Constructors Inc.

5230 Wilson Street

Riverside, CA 92508

Project No: FM0843003953

You are directed to make the following changes. Changes shall include labor, material and equipment; each item to include all charges or indirect arising out of this work

- | | | | |
|--------------------------------------------------------------------------|-----|----|--------------|
| 1) Temporary lighting at phase 3 East | | | |
| COR # 16 | ADD | \$ | 7,317.00 |
| 2) CCD 5, conduit encasement of IT Infrastructure | | | |
| COR # 16 | ADD | \$ | 62,280.09 |
| 3) RFI 57 response, additional sewer | | | |
| COR # 48 | ADD | \$ | 12,540.71 |
| 4) 4 additional signs | | | |
| COR # 50 | ADD | \$ | 29,955.08 |
| 5) Credit for Nursing and Allied Health Education Building scope of work | | | |
| COR # 57 | DED | \$ | (105,897.00) |
| 6) Extended general conditions | | | |
| COR # 60 | ADD | \$ | 66,593.34 |
| 7) Vehicle loop detector | | | |
| COR # 67 | ADD | \$ | 609.79 |
| 8) Remove and replace 8" meter | | | |
| COR # 68 | ADD | \$ | 4,744.73 |
| 9) Additional forming, concrete placement | | | |
| COR # 69 | ADD | \$ | 5,054.85 |
| 10) Temporary site fencing | | | |
| COR # 70 | ADD | \$ | 2,800.00 |
| 11) Install stand alone HID card reader | | | |
| COR # 71 | ADD | \$ | 1,450.00 |
| 12) Flush main line | | | |
| COR # 72 | ADD | \$ | 3,438.04 |
| 13) Sandbags | | | |
| COR # 74 | ADD | \$ | 1,509.95 |

The specifications, where pertinent, shall apply to these changes.

This Change Order provides for a time extension of 0 calendar days

Original Contract Duration (calendar days):

Prior Authorized Time Extension (calendar days):

Revised Construction Duration (calendar days):

Original Contract Completion Date:

Revised Contract Completion Date:

NOTE: This change order is not effective until ALL signatures below are obtained, and if applicable, signature authority approval by Form 11 as indicated per Change Order Guidelines.

The undersigned contractor has given careful consideration to the change proposed, including its effect on other work already contracted for, and hereby agrees, if this change order is approved, that he will provide all equipment, furnish all materials, except as may otherwise be noted above, and perform all services necessary for the work above specified, and will accept as full payment for all costs related in any way thereto the prices shown above.

1) 3/5/13
Contractor (signature) _____ Date
Contractor's Printed name ASR Constructors Inc.

Original Contract \$ 7,280,000.00
Prior Authorized [x] ADD [] DED \$ 635,603.42
Total Contract Prior to this Change \$ 7,915,603.42

2) _____
Assistant County Executive Officer EDA or Designee (signature) _____ Date

Authorized Changes on this C.O.:

Addition \$ 198,293.58

Deduction \$ -105,897.00

Assistant County Executive Officer EDA or Designee
Printed name _____

NET: [x] Addition [] Deduction \$ 92,396.58

3) 02/12/13
Architect (signature) _____ Date

Amount of Contract Authorized Including this Change Order \$ 8,008,000.00

Architect's Printed name JOEY KRAGELUND

Pursuant to:

[] Board Policy B-11

[] M.O. and Date _____

4) 3-7-13
Project Manager (signature) _____ Date

Project Manager's Printed name SERGIO PENA

**AMENDMENT NO. 2 TO OWNER/ARCHITECT AGREEMENT
BETWEEN COUNTY OF RIVERSIDE AND
WITH HAMMEL, GREEN AND ABRAHAMSON INC.**

The County of Riverside and Hammel, Green, and Abrahamson Inc. of Santa Monica, previously from Los Angeles, California, hereby agree to amend that certain agreement for architectural and engineering services associated with Riverside County Regional Medical Center Emergency Department/Trauma Expansion (FM0830003953) originally approved on June 16, 2009, Agenda Item 3.30 and first amended on May 4, 2010, is amended for the second time as follows:

- Section II. SCOPE OF WORK shall be modified by adding the following sentence in the first paragraph to read as follows:
"ARCHITECT shall provide additional services as outlined and specified in Exhibit A-2 dated 3/15/2013 consisting of Two pages(s) attached hereto and incorporated herein by this reference."
- Section III. ARCHITECT'S SERVICES shall be modified by adding Paragraph I. as follows:
"The term of this Agreement shall be from the date of execution and continue in effect until the Riverside County Medical Center Emergency Department/Trauma Expansion project is complete, unless terminated as specific in Section X. All applicable indemnification provisions in this Agreement shall remain in effect following the termination of this Agreement."
- Section IV. ARCHITECT'S COMPENSATION shall be modified in the first paragraph by adding the following sentences:
"The COUNTY shall pay the ARCHITECT for services performed and expenses incurred in accordance with the terms of Exhibit A-2 dated 3/25/2013. The total amount of additional compensation paid to the ARCHITECT under this Agreement for services under Exhibit A-2 shall not exceed the sum of \$84,810 unless a written amendment to this Agreement is executed by both parties prior to performance of additional services."
- All other terms and conditions of the Agreement not modified herein shall remain in full force and effect.

ATTEST:
Kecia Harper-Ihem, Clerk of the Board

By: _____
Deputy

County of Riverside

By: _____
Chairperson Board of Supervisors

Hammel, Green and Abrahamson, Inc.

By:  _____
Joey Kragelund, Principal

FORM APPROVED COUNTY COUNSEL

BY: MARSHAL VICTOR 7/18/13
DATE



Architecture | Engineering | Planning

REQUEST FOR ADDITIONAL SERVICES

Riverside County Regional Medical Center
Emergency Department Expansion
26520 Cactus Avenue, Moreno Valley, California

Date: March 25, 2013

It is intended that this proposal serve as an update to the Architecture and Engineering Design Services Agreement #FM02430003953, dated June 16, 2009 and all applicable Amendments to that Agreement including the rates and resources previously approved.

SCOPE OF SERVICES:

1. Revise transformer layout at OPS building and covered conex storage site:

Hammel, Green and Abrahamson, Inc. (HGA)	-	\$ 1,590
Penco Engineering Inc.	-	\$ 5,200
<u>M-E Engineers, Inc.</u>	-	<u>\$10,700</u>
Sub Total:		\$17,490

2. Revise approved SWPPP Report:

Penco Engineering Inc.	-	\$ 4,370
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3. Revise water quality management plan (WQMP) flood control district:

Hammel, Green and Abrahamson, Inc. (HGA)	-	\$ 1,500
<u>Penco Engineering Inc.</u>	-	<u>\$28,500</u>
Sub Total:		\$30,000

4. Submit NAHEB interim condition package:

Hammel, Green and Abrahamson, Inc. (HGA)	-	\$ 1,500
<u>Penco Engineering Inc.</u>	-	<u>\$31,450</u>
Sub Total:		\$32,950

Attachments:

Penco Engineering Inc. proposal letters dated 08/25/2011; 08/16/2011; 02/15/2013
M-E Engineers Inc. proposal letter dated 08/19/2011

COMPENSATION FOR PROFESSIONAL SERVICES:

For Additional Services, the Owner shall compensate the Architect on a Stipulated Sum basis as follows:

<u>Discipline</u>	<u>Firm</u>	<u>Fee</u>
Architectural	HGA	\$ 4,590
Civil	Penco Engineering Inc.	\$69,520
MEP	M-E Engineers, Inc.	\$10,700
Total Fee (including expenses)		\$84,810

Hammel, Green and Abrahamson, Inc.
1918 Main Street • Third Floor • Santa Monica, California 90405-1668
Telephone 310.357.7100 • Facsimile 310.353.1668
Visit our Website: hga.com

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Architecture | Engineering | Planning

The Architect's Limits of Liability will be per the Prime Agreement dated 06/16/2009, as modified in 04/01/2010, proposal to County of Riverside.

AUTHORIZATION:

Hammer, Green and Abrahamson, Inc.

Date

County of Riverside

Date

Hammer, Green and Abrahamson, Inc.
HGA and its partners, officers, and
employees and subcontractors, and
their respective agents, and

1918 Main Street • 11th Floor • Santa Monica, California USA 90405-1010

Telephone 310.557.7000 Facsimile 310.553.1668

Visit our Website: hga.com