

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



SUBMITTAL DATE:  
August 28, 2013

FROM: Successor Agency to the Redevelopment Agency

SUBJECT: Mesa Verde Blythe Airport Water System Improvements – Retention Reduction and Change Order No. 3

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve a reduction of the contract retention in the amount of \$218,000 for Speiss Construction Company, Inc., for the Mesa Verde Water Treatment Plant Project in Mesa Verde; and
2. Approve and authorize the Chairman of the Board to execute Change Order No. 3 for the Mesa Verde Blythe Airport Water System Improvement Project in the amount of \$356,000.

BACKGROUND: (Commences on Page 2)

REVIEWED BY CIP

*Christopher Hans*  
Christopher Hans

*Christopher Hans*  
Christopher Hans  
Chief Deputy CEO

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	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: Riverside County RDA Funds – Held by City of Blythe

Positions To Be Deleted Per A-30 ☐

Requires 4/5 Vote ☐

C.E.O. RECOMMENDATION:

APPROVE

BY: *George A. Johnson*  
George A. Johnson

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS OF THE SUCCESSOR AGENCY TO  
THE REDEVELOPMENT AGENCY

On motion of Supervisor Benoit, seconded by Supervisor Jeffries and duly carried,  
IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone and Benoit

Nays: None

Absent: Ashley

Date: September 10, 2013

By: RDA, EDA, CIP

Kecia Harper-Ihem

Clerk of the Board

By: *Kecia Harper-Ihem*  
Deputy

Prev. Agn. Ref.: 4.1 of 10/05/10; 4.1 of 7/27/10

District: 4/4

Agenda Number 4-1

ATTACHMENTS FILED

**RECOMMENDED MOTION: (Continued)**

3. Find that the additional work is due to unforeseen conditions, could not have been included in the original bid, and is integral to the project; bidding out the additional work would not produce an advantage and would cause the project to incur additional costs due to delay.

**BACKGROUND:**

On February 26, 2002, the Board of Supervisors adopted Resolution 2002-77 (Item 3.5) which approved an inter-jurisdictional agreement among the County of Riverside, the City of Blythe, and the Blythe Redevelopment Agency. The City of Blythe's Redevelopment Project Area No. 1 includes territory throughout the City of Blythe as well as property located in the unincorporated area of the county. Pursuant to Resolution No. 2002-52, adopted on January 29, 2002, the Board of Supervisors designated the Blythe Redevelopment Agency to act as the lead agency for redevelopment activity proposed for the County of Riverside portion of the City of Blythe's redevelopment project area.

Pursuant to the inter-jurisdictional agreement, the tax increment attributable to the county portion of the City of Blythe's redevelopment project area (County Tax Increment) was distributed directly to the City of Blythe Redevelopment Agency. The City of Blythe and the County of Riverside jointly agreed upon capital projects for which the County Tax Increment would be used.

The Board of Directors of the Redevelopment Agency executed the construction contracts and related documents for redevelopment projects funded by the County Tax Increment. On October 5, 2010, the Board of Directors of the Redevelopment Agency (RDA) for the County of Riverside approved the award of the construction contract to Speiss Construction Company, Inc. (Speiss), for the Mesa Verde Blythe Airport Water System Improvements project (Project).

In addition to the retention release, Change Order No. 3 in the amount of \$356,000 is being submitted for approval. Change Order No. 3 addresses unforeseen conditions which impacted the completion of the project such as storm damage to the treatment ponds and media solidification in the treatment vessel.

Speiss has completed 95% of the contract work and satisfactory progress has been made. The Successor Agency to the Redevelopment Agency for the County of Riverside recommends the contract retention be reduced by an additional \$218,000. This additional retention will allow Speiss to pay off subcontractors that have completed 100% of their contract work satisfactorily.

The project is listed on the City of Blythe Successor Agency Recognized Obligation Payment Schedule (ROPS), as Blythe holds the funds and pays all invoices related to the Project. The City's Successor Agency has retained 5% of all progress payments to Speiss through the term of this project.

(Continued)

Successor Agency to the Redevelopment Agency  
Mesa Verde Blythe Airport Water System Improvements – Retention Reduction and Change  
Order No. 3  
August 28, 2013  
Page 3

**BACKGROUND:** (Continued)

This Board action will allow the City of Blythe to disburse the funds for the retention and the referenced change. The cost of Change Order No. 3 is accounted for in the approved project budget, therefore a budget adjustment is not required.

**Attachment:**

Change Order No. 3 - Speiss Construction Company, Inc.  
Attachment A - City of Blythe's ROPS

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY  
FOR THE COUNTY OF RIVERSIDE  
DRAFT CHANGE ORDER NO. 3**

Date: 7/24/2013

Project Name: Mesa Verde Blythe Airport WTP--Spec D

To Contractor:

PeopleSoft Project No: ED 1402001612

Spieess Construction  
1110 E. Clark, Suite U-2  
Santa Maria, CA 93457

Distribution:

(1) Project Manager  
(2) Contractor  
(3) Fiscal

(4) Construction Manager  
(5) Inspector  
(6) Architect/Engineer

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:

DESCRIPTION OF CHANGE	REASON FOR CHANGE ORDER	COR#	TYPE	AMOUNT
1) Treatment Vessel Media Solidification Issue	Unforeseen Conditions	40	ADD	\$150,000.00
2) Site Erosion Repairs	Unforeseen Conditions	40	ADD	\$70,000.00
3) Additional Contractor Costs and Charges	Unforeseen Conditions	40	ADD	\$136,000.00

Refer to Spieess CO No 3 dated 7-24-13 and  
reference letter and package prepared by Webb  
dated 7-17-13 which includes all documentation.

TOTAL \$356,000.00

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

This Change Order provides for a time extension of

	TBD	calendar days
Original Contract Duration (calendar days):	<u>325</u>	
Prior Authorized Time Extension (calendar days):	<u>73</u>	
Revised Construction Duration (calendar days):	<u>398</u>	
Original Contract Completion Date:	<u>10/6/2011</u>	
Revised Contract Completion Date:	<u>12/18/2011</u>	

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. Contractor expressly waives any contract right to pursue any further claim related to this change order work.

Scott A. Cohen  
Contractor (Signature) Date

Scott A. Cohen  
Contractor's Printed Name

John J. Benoit  
John J. Benoit, Chairman  
Board of Supervisors (Signature) Date

John J. Benoit  
Chairman, Board of Supervisors  
Printed Name

3) David M. Algranti 7/24/13  
Engineer (Signature) Date

David M. Algranti, P.E.  
Engineer's Printed Name

4) David M. Algranti  
Project Manager (Signature) Date

David M. Algranti, P.E.  
Project Manager's Printed Name

Original Contract \$ 5,468,700.00  
Prior Authorized ☒ ADD ☐ DEDUCT \$ 301,057.69  
Total Contract Prior to this Change \$ 5,769,757.69

Authorized Changes on this Change Order: \$ 356,000.00

Amount of Contract Authorized  
Including this Change Order \$ 6,125,757.69

Pursuant to: ☐ M.O. and Date

FORM APPROVED COUNTY COUNSEL  
BY: Marshall Victor 8/27/13  
MARSHALL VICTOR DATE

Successor Agency Change Order Form - Revised 07-08-13

SEP 10 2013

# Attachment "A"

Name of Successor Agency: Blythe Successor Agency  
County: Riverside

Oversight Board Approval Date: August 30, 2012

## RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III)

January 1, 2013 through June 30, 2013

Item #	Project Name / Debt Obligation	Contract / Agreement Execution Date	Contract / Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2012-13	Funding Source						Six-Month Total
									LMIHF	Bond Proceeds	Reserve Balance	Admin Allowance	RPTTF	Other	
23	Blythe Airport Water Sys. Improv. Proj.	Sep-05	12/31/2012	Albert A. Webb Associates	Professional / Engineering Services / Water Project	Project Area No.1	0.00	0.00		0.00					-
24	Mesa Verde Water Prod. Facility	Oct-10	6/30/2013	Spless Construction Co.	Construct Water Product. Facility	Project Area No.1	692,000.00	692,000.00		455,000.00					455,000