



REPORT TO CITY COUNCIL

To: Honorable Mayor and Members of the City Council

From: Jason Simpson, City Manager

Prepared by: Shannon Buckley, Assistant City Manager

Date: October 22, 2024

Subject: Change Order No. 1 to the Public Works Construction Agreement with SAS Construction, Inc. for Concrete Footings and Foundation, Bid Set 'A,' on the New City Hall Project (CIP Project #Z20006)

Recommendation

Approve and authorize the City Manager to execute Change Order No.1 for the not to exceed amount of \$1,024,850.00 to SAS Construction, Inc. Concrete Footings and Foundation, Bid Set 'A,' on the New City Hall Project (CIP Project #Z20006) in such final form as approved by the City Attorney.

Background

On March 26, 2024, a Public Works Construction Contract was awarded to SAS Construction, Inc. in the amount of \$2,690,000.00 for the City Hall Concrete Footings and Foundation.

On August 22, 2024, the City posted on PlanetBids the notice inviting bids for the City Hall Bid Set "D" Metal Stud Framing with Additive Alternate Interior two-hour and one-hour glass walls. During the open bid time frame, fourteen (14) prime contractors reviewed the bid document; however, on the bid date deadline of September 25, 2024, no bids were submitted. On October 30, 2024, the City re-opened the City Hall Bid Set "D" Metal Stud Framing with Additive Alternate Interior two-hour and one-hourglass walls. During the second open bid timeframe, Nine (9) prime contractors reviewed the bid document; however, on the bid date deadline of October 9, 2024, no bids were submitted. It was determined through discussions with some of the known PlanetBids registered prime vendors the reasons why the contractors did not submit a qualifying bid. Multiple reasons existed, and the most common reasons were the physical location of the project, timing, and additional contractor commitments.

Discussion

Following these efforts to receive competitive bidding, the City engaged and negotiated a Change Order to perform the Bid Set “D” Metal Stud Framing scope of work with SAS Construction Inc., the City Hall contractor performing the Bid Set “A” Concrete Footings and Foundation.

If no bids are received, the California Contract Code, Chapter 22038, provides exceptions to notices inviting bids. Stated, “If no bids are received through the formal or informal procedure, the project may be performed by the employees of the public agency by force account or negotiated contract without further complying with this contract code article.” Therefore, the City has negotiated a Change Order for the entire scope of work within the anticipated amount.

Fiscal Impact

In this change order, all the scope of work elements in the notice inviting bid, Bid Set “D,” Metal Stud Framing, are affirmed. Attachment “B,” 2024-0821 Lake Elsinore City Hall- Bid Set “D,” Metal Stud Framing complete set, details the construction scope of work as defined in the architectural drawing. It is further understood that the Contractor, SAS Construction Inc., will provide a fully bonded (Labor, Material, and Performance bonds) change order from a California-admitted surety for the additional scope of work.

Attachments

Attachment 1 – Change Order No. 1
Exhibit A – Proposal

Manager's Office