



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: June 13, 2023

Subject: Change Order No.1 to Endresen Development Construction Agreement for the Anchor Rehabilitation Project

Recommendation

Approve and authorize the City Manager to execute Change Order No. 1 not exceeding \$171,000.00 Endresen Development for the Anchor Rehabilitation Project (CIP Project # Z20032).

Background

The City of Lake Elsinore is performing additional construction to rehabilitate the bathrooms, kitchens, and other facilities at the Anchor Crisis Stabilization Center. The significant elements of the rehabilitation project include replacing all kitchen cabinets, countertops, sinks, and faucets, replacing all bathroom appliances (sinks & toilets) and, removing bathtubs, and installing walk-in showers. There are 16 rooms in the Anchor, each with a kitchen and bathroom. Additionally, work will include the construction of several pet kennels and electrical sub-panel updating. The pet kennels will satisfy grant and state code requirements for providing occupants with pet companion shelters. The constructed kennels will be safe on-site pet containment areas and preclude the need for indoor/in-room access.

Construction bid documents were prepared, and the project was advertised for bid per the California Public Contract Code requirements. The City posted on PlanetBids the notice inviting bids for the Anchor Crisis Stabilization Center Project (CIP Project #Z20032). On July 26, 2022, the council awarded the construction contract to the lowest qualified bidder.

Discussion

Following the execution of the State Home Key Grant Funding Agreement, the contractor mobilized and began the work. The original amount of the construction agreement, including contingency funding, is \$437,000. As this work has progressed as planned and systematically with minimal interruption to the Crisis Stabilization Center operation, it is on track for completion

by June 25, 2023 (the grant deadline).

The general requirements of the renovation project are listed below:

General Requirements:

Demolition	Minor Framing
Cabinets	Counter Tops w/back splash
Sinks	Facets
Toilets	Bathroom Sinks
Showers	Paint
Electrical Sub-Panels	Pet Kennels

Additional costs have been encountered to resolve and correct unforeseen structural and functional issues in many rooms and common areas. These issues have primarily involved mitigating structural termite damage in the floors, ceilings, walls, dry rot, mold infestation, and failing lateral sewer lines. The entire floor had to be replaced in four rooms because of structural subfloor damage. Substantial emergency roof repairs were needed during the winter storms in the main conference room and the pavilion building in the rear of the facility. Finally, the laundry room expansion became exceedingly problematic. The work effort enlarged from the original plan when it was learned that termites and moisture nearly destroyed the main building ridge header over the laundry room and the east side. The failure of this structural element would lead to a roof collapse. Repairing this condition alone added over \$55,000 to the laundry room expansion.

On the brighter side of the project, the renovated rooms and additional work look great and will satisfy the needs of the Anchor for many years to come. All the work is near completion, and the City's contractor has expertly accomplished it.

Fiscal Impact

State Home Key Grant Funding Agreement is included in the Fiscal Year 23/24 – 28/29 Capital Improvement Plan (CIP) budget.

Attachments

Attachment 1- Change Order No. 1

Exhibit A - Proposal

Attachment 2- Endresen Development Agreement CIP Project Z20032