

5) **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)**

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.



## 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-hour glass 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

**CITY OF LAKE ELSINORE**  
**130 S. MAIN STREET**  
**LAKE ELSINORE, CA 92530**  
**(951) 674-3124**

## PROJECT CHANGE ORDER

**CHANGE ORDER #** 1  
**DATE:** October 22, 2024

**THIS CHANGE ORDER IS APPLICABLE TO:**

CITY PROJECT # #Z20021  
PROJECT TITLE: City Hall Footings and Foundation, Bid Set 'A'

CONTRACT AWARDED TO:  
SAS Construction Inc.

DATE AWARDED: March 26, 2024

Authorized by: Jason Simpson  
City Manager

TOTAL AMOUNT OF CONTRACT  
PRIOR TO THIS CHANGE ORDER  
\$2,690,000.00

**CONTRACTOR IS AUTHORIZED TO MAKE THE FOLLOWING CHANGES:**

QUANTITIES INCREASED				
ITEM	QUANTITY	UNIT	UNIT PRICE	EXTENSION
Mobilization & Demobilization Including Construction Schedules (Not To Exceed 3% of Total Bid)	Lump Sum	1.00	\$25,000.00	\$25,000.00
Labor, Material and Performance Bonds	Lump Sum	1.00	\$70,000.00	\$70,000.00
Metal Stud Interior Metal Stud Framing Material	Lump Sum	1.00	\$150,000.00	\$150,000.00
Metal Stud Interior Framing Labor	Lump Sum	1.00	\$250,000.00	\$250,000.00
Metal Stud Exterior Metal Stud Framing Material	Lump Sum	1.00	\$250,000.00	\$250,000.00
Metal Stud Exterior Framing Labor	Lump Sum	1.00	\$250,000.00	\$250,000.00
Overhead	Lump Sum	1.00	\$29,850.00	\$29,850.00
QUANTITIES DECREASED				
ITEM	QUANTITY		UNIT PRICE	EXTENSION
None				
TOTAL				\$1,024,850.00

**THE AMOUNT OF THE CONTRACT WILL BE (INCREASED) BY THE  
SUM OF \$1,024,850.00**

Change Order No. 1

Review by:	Initials	Date	Approved by:	Date
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Assistant City Manager \_\_\_\_\_

City Manager: \_\_\_\_\_

## Proposal # 1771

### SAS Constructions

301 West Dyer Road Unit D Santa Ana CA 92707  
(949) 800-9247 | INFO@SASConstructionS.com

DATE: 10/11/2024

TO: MR. GUS PAPAGOLOS



PROJECT NAME

D Metal Walls -City Hall

CONTRACT #

NA

CONTRACT DATE:

C.O. / P.C.O. #

RFI Reference:

### According to Plans ISSUED 12/01/2023, Sheets A2.1,A2.2,A2.3,A2.16, ONLY METAL STUDS

Mobilization & Demobilization Including Construction Schedules (Not To Exceed 3% of Total Bid)	\$25,000.00
Labor, Material and Performance Bonds	\$70,000.00
Metal Stud Interior Metal Stud Framing Material	\$150,000.00
Metal Stud Interior Framing Labor	\$250,000.00
Metal Stud Exterior Metal Stud Framing Material	\$250,000.00
Metal Stud Exterior Framing Labor	\$250,000.00

SUBTOTAL \$995,000.00

3% Overhead & Insurance \$29,850.00

**TOTAL \$1,024,850**

Contractor's Signature: \_\_\_\_\_

Date: 10/11/2024

Owner/Client's Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Accepted - The above prices and specifications of this Change Order are satisfactory and are hereby accepted. All work to be performed under same terms and conditions as specified in original contract unless otherwise stipulated.