



Staff Report

City Council

Item No. {{section.number}}.L

Meeting Date: August 14, 2024

From: John A. Corella - Director of Public Works

Title: Notice of Completion for Panorama Neighborhood Pavement Reconstruction Projects

RECOMMENDATION:

To accept and approve the Panorama Neighborhood Pavement Reconstruction projects: Horizon Road (C08676), Los Gatos Road (C08677), Panorama Road (C08678), East-West Alley (C08679), and North-South Alley (C08680), as final; and authorize the City Manager to file a notice of completion with the Riverside County Recorder's Office; and authorize the release of retention funds to Hardy & Harper, Inc. upon expiration of the notice of completion.

BACKGROUND:

On April 10, 2024, City Council approved a construction contract with Hardy & Harper, Inc. in the amount of \$636,000.00 with a 15% contingency of \$95,400.00 for unforeseen construction costs, thereby making the total construction budget \$731,400.00.

The project consisted of reconstructing three residential streets and two public alleys within the Panorama Neighborhood, an area greatly affected by the flooding caused by Tropical Storm Hilary on August 20, 2023. An estimated 152,800 square feet of road surface were restored by removing and reapplying one to three inches of asphalt concrete. Additionally, a section of curb and gutter was reconstructed on Horizon Road, five curb ramps were updated to the current Americans with Disabilities Act (ADA) Standards on Panorama Road, and new signing and striping was installed on all streets.

The project also included a degree of coordination with Coachella Valley Water District (CVWD). A total of twenty-six CVWD facilities, including water valves, sewer manholes, and sewer clean-outs, were adjusted to grade in accordance with CVWD's design criteria and standards.

DISCUSSION:

Construction started on June 17, 2024, and was completed on July 05, 2024.

CVWD staff reviewed and inspected the CVWD portion of the project and accepted the work

performed on their facilities by Hardy & Harper, Inc.

City staff reviewed and inspected the improvements and found the project was built in accordance with all contract requirements, and therefore recommends the City Council accept the project as complete.

City Council acceptance is required to approve the project's final contract amount and release retention funds. Retention funds are monies earned by the contractor that are withheld from progress payments pending satisfactory completion and final acceptance of the project.

Additionally, City Council acceptance of the project requires that a notice of completion (NOC) be filed with the Riverside County Recorder's office. The NOC is a written notice issued by the owner of a project, or their agent, to notify concerned parties that all work on the project has been completed. This notice also sets the period, which is thirty-five (35) days from the date the NOC is filed, within which concerned parties may exercise their lien rights against one another. Once the thirty-five-day period has expired, and provided no claims or liens are received, the City can release retention funds.

City staff recommends that the City Council accept and approve the following Panorama Neighborhood Pavement reconstruction projects: Horizon Road (C08676), Los Gatos Road (C08677), Panorama Road (C08678), East-West Alley (C08679), and North-South Alley (C08680), as final; and authorize the City Manager to file a notice of completion with the Riverside County Recorder's Office; and authorize the release of retention funds to Hardy & Harper, Inc. upon expiration of the notice of completion.

FISCAL IMPACT:

The fiscal impact of the construction contract with Hardy & Harper, Inc. is as follows:

Authorized Construction Funding

Project	Funding Source	Amount
Horizon Road	SB-1 - Fund 248	\$197,204.00
Los Gatos Road	SB-1 - Fund 248	\$126,158.00
Panorama Road	AD 88-3 - Fund 347	\$195,749.00
East-West Alley	SB-1 - Fund 248	\$47,249.00
North-South Alley	SB-1 - Fund 248	\$31,300.00
Utility Adjustments	CVWD Refund	\$38,340.00
Project Estimated Amount =		\$636,000.00
15% Contingency =		\$ 95,400.00
Total Authorized Construction Funding =		\$731,400.00

Final Construction Cost

The final construction expenditures with Hardy & Harper, Inc. were in the amount of \$663,249.33, which include a change order in the amount of \$27,249.33. CVWD will be refunding the City of Cathedral City their portion of the project, in accordance with a reimbursement agreement related to this project and signed on March 21, 2024. The final

amount to be reimbursed by CVWD will be \$36,920.00.

The total final contract cost is summarized below:

Base Contract Amount	\$636,000.00
Change Orders	\$27,249.33
Final Construction Cost	\$663,249.33

The final invoice (5% retention) in the amount of \$33,162.46 will be released to Hardy & Harper, Inc. thirty-five (35) days from the date that the NOC is filed should there be no claims or discrepancies in the work completed.

FIVE-YEAR STRATEGIC PLAN:

GOAL B: COMMUNITY INVESTMENT

Objective: Cathedral City roads, gateways, public spaces, and other city infrastructure are well planned, designed, constructed, and maintained.

ATTACHMENTS:

1. Notice of Completion – Hardy & Harper, Inc.