

**CITY OF TEMECULA  
AGENDA REPORT**

**TO:** City Manager/City Council

**FROM:** Patrick Thomas, Director of Public Works/City Engineer

**DATE:** August 22, 2023

**SUBJECT:** Accept Improvements and File the Notice of Completion for the Traffic Signal – Park and Ride Access Improvements, PW18-11

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**PREPARED BY:** Nino Abad, Senior Civil Engineer  
Laura Bragg, Associate Engineer II

**RECOMMENDATION:** That the City Council:

1. Accept the construction of the Traffic Signal – Park and Ride Access Improvements, PW18-11, as complete; and
2. Direct the City Clerk to file and record the Notice of Completion.

**BACKGROUND:** On May 25, 2021, the City Council awarded a construction contract to PAL General Engineering, Inc. (PAL), in the amount of \$901,846.00, and authorized the City Manager to approve contract change orders not to exceed the contingency amount of \$90,184.60, for a total authorization of \$992,030.60 to complete the Traffic Signal - Park and Ride Access Improvements, PW18-11.

The Traffic Signal – Park and Ride Access Improvements project provided for the construction of a traffic signal and modifications to the medians on Temecula Parkway at Wabash Lane, construction of an access road from Temecula Parkway at Wabash Lane to the existing park and ride facility, and the elimination of the previously existing entrance to the park and ride facility on Vallejo Avenue by extending the existing wall. The access road goes through private property, and it is allowed via an Access Easement Agreement with the property owner. There is also a Reimbursement Agreement with the property owner, which requires them to pay the City a portion of the construction costs upon filing of the Notice of Completion.

PAL General Engineering, Inc., exhausted contract working days on March 7, 2022, and continued to work on contract items through April 21, 2023, with involvement of the Surety Company that provided the Performance Bond for the project. On April 21, 2023, the City received “Beneficial Use” of the project area and at that time there were three items outstanding. As of July 31, 2023, PAL has completed the work in accordance with the approved plans and specifications with the exception of the same three outstanding items that the City has agreed to complete.

Two of the three outstanding items pertain to installation of the Traffic Signal CCTV camera. The City has taken possession of the camera purchased for this project and will work with the manufacturer to place it at an appropriate location that will fully use the cameras capabilities. The City's IT Department will supply and install a different model CCTV camera. The third item is to assist in recording the survey document for the Wabash Lane and Temecula Parkway intersection at the County of Riverside. PAL's survey subcontractor is often nonresponsive, so this item will be performed by the City as to not delay filing the Notice of Completion.

The City is in the process of negotiating the final payment with PAL, therefore, the Performance Bond, Labor and Materials Bond, and retention will not be released at this time. This negotiation may be a lengthy process due to the involvement of the Surety Company. The Contractor's Affidavit and Final Release will be provided when final payment negotiations are complete. All work will be warranted for a period of one year from April 21, 2023, the date the City obtained "beneficial use" of the project improvements. A Maintenance Bond will need to be supplied by PAL and the Surety Company as part of the final payment negotiations.

Per the terms of the Reimbursement Agreement, the City must provide to the property owner the Notice of Completion and other project documents before said property owner will reimburse the City their share of the construction costs. Since the negotiations with the Contractor and Surety could be lengthy, the City is filing the Notice of Completion now instead of waiting for the final payment negotiations to be completed.

The base amount of the construction contract was \$901,846.00, five contract change orders were issued in the amount of \$9,939.53. A sixth contract change order to reconcile quantity underruns is in progress and will be processed once the final payment negotiations are complete. The total project cost will be known at that point.

**FISCAL IMPACT:** There are no fiscal impact associated with accepting the project and filing and recording the Notice of Completion.

**ATTACHMENTS:**

1. Notice of Completion
2. Project Description
3. Project Location