

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

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

DATE: September 13, 2022

SUBJECT: Increase the Design-Build Contingency Authorization for the Margarita Recreation Center, Project No. PW17-21

PREPARED BY: Amer Attar, Engineering Manager
Nino Abad, Senior Civil Engineer

RECOMMENDATION: That the City Council:

1. Approve an increase to the contingency for design-build of the Margarita Recreation Center Project, PW17-21 by \$895,000; and
2. Increase the City Manager Authority to approve change orders to the design-build contract by \$895,000.

BACKGROUND: The Margarita Recreation Center (MRC), PW17-21 is a Capital Improvement Program (CIP) project to design-build a new MRC building and pool to replace the old facility. Currently, the design phase is complete, the old MRC facility has been demolished, and the new MRC building and pool are under construction.

The new MRC will be approximately 8,600 square feet of indoor space including a classroom, multipurpose room with operable partition, dance/fitness room, kitchen, administrative/reception offices, lifeguard/aquatic and first aid rooms, locker rooms, and restrooms. The new center's outdoor facilities include multiple patio spaces and a 65' wide x 75' long pool with shallow depth entry, transitioning to a 9' maximum depth, with a ¾ meter height diving board. An accessory structure for mechanical equipment related to the pool as well as additional storage is also included.

On March 9, 2021, the City Council awarded the design-build contract to De La Secura Builders (DLS), Inc in the amount of \$8,680,459.90 and authorized the City Manager to approve contract change orders up to \$120,000 for the project.

During construction, Staff identified various items to be included in future or concurrent contracts for the MRC. It has now been determined that it is more efficient to include these items in the current design-build Contract. These items, which were mostly anticipated and already

incorporated in the current CIP budget, include furnishings fixtures and equipment (FF&E) for the MRC building, FF&E for the pool deck, and enhanced sports lighting for the pool. These additions exceed the original contingency amount. Any remaining contingency will also be used of unforeseen conditions encountered as construction continues.

Staff recommends an increase to the City Manager's authorized contingency in the amount of \$895,000 for a total authorized contingency of \$1,015,000.

FISCAL IMPACT: The Margarita Recreation Center project is identified in the City's Capital Improvement Program (CIP) budget for Fiscal Years 2023-27 with funds including Capital Financing, DIF (Park & Rec Improvements) and Measure S. There are sufficient funds in Account No. 210.265.692 to increase the authorized contingency by \$895,000.

ATTACHMENTS: Project Description