



Legislation Text

File #: 19-0272, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Stephanie Katsouleas, Director of Public Works
Prem Kumar, City Engineer
Tim Birthisel, Associate Engineer

SUBJECT:

Formally Accept as Complete the Cycle 1 Sewer Main Replacement Project Constructed by Ramona, Inc.; Authorize Filing a Notice of Completion with the County Recorder; Release Retention for \$33,337.13; Adopt a Resolution Approving a Contract Change Order (Final) to Ramona, Inc. for \$221,792.64; Appropriate \$226,976 for Emergency Repairs and Approve Funds Transfer (Public Works Director Katsouleas).

a) ADOPT RESOLUTION NO. 19-0071

b) APPROPRIATE FUNDS AND APPROVE FUNDS TRANSFER

RECOMMENDATION:

Staff recommends that the City Council:

1. Formally accept as complete the Cycle 1 Sewer Main Replacement Project constructed by Ramona Inc.;
2. Authorize filing of the appropriate Notice of Completion with the County Recorder's Office;
3. Approve the release of retention for \$33,337.13 to Ramona Inc.;
4. Authorize the City Manager to execute Contract Change Order (Final) with Ramona Inc., for \$221,792.64 under the Cycle 1 Sewer Main Replacement Project contract for an emergency storm drain repairs completed on Artesia Avenue, Marine Avenue, and Manhattan Beach Blvd. (Attachment 2); and
5. Appropriate an additional \$202,360 from the Storm Water Fund and \$24,616 from the Gas Tax Fund in Fiscal Year (FY) 2018-2019 to cover the cost of the emergency repairs, and approve a transfer of funds from the General Fund to the Stormwater Fund for \$202,360.

FISCAL IMPLICATIONS:

The original Cycle 1 Sewer Main Replacement Project construction award was for \$444,950, with an authorized construction contingency amount of \$44,495, for a total construction budget of \$489,445. The original contract work was completed at a cost of \$439,767.43, leaving an unexpended project balance of \$49,677.57. This balance will be returned to the Wastewater Enterprise Fund for future wastewater projects.

Additionally, because Ramona Inc. was already on site performing sewer pipe repairs and replacements, staff utilized the contractor to complete unanticipated and urgent storm drain repair work at three additional locations where significantly deteriorated storm drain pipes were discovered. This work included addressing the sink hole and storm drain repair on Artesia Boulevard adjacent to Mira Costa High School, storm drain repairs on Manhattan Beach Boulevard, and roadway depression Marine Avenue. An appropriation of \$202,360 is needed from the Stormwater Fund, and due to the inadequate fund balance in the Stormwater Fund, a transfer of \$202,360 from the General Fund is also required.

For the urgent street repair work due to the roadway depression on Marine Avenue, \$24,616 must be appropriated from the Gas Tax Fund. The funding summary is as follows:

Cycle 1 Sewer Main Repairs

\$444,950	Original Contract Award for Cycle 1 Sewer Main Replacement Project
<u>\$44,495</u>	<u>Available Contingency</u>
\$489,445	Total Available Budget

	\$44,495 Sewer Contract Work Contingency Not Utilized
\$5,182.57	Change Order #1: Sewer Main Utility Conflicts and Quantity Adjustment
	\$49,677.57 Returned to the Wastewater Enterprise Fund

Unanticipated Storm Drain Repairs

\$49,500	Change Order #2 for Deteriorated Storm Drain on Manhattan Beach Blvd. (Stormwater Fund)
\$152,860	Change Order #3 for Storm Drain & Sinkhole on Artesia Blvd. (Stormwater Fund)
	<u>\$24,616 Change Order #4 for Sinkhole on Marine Avenue (Gas Tax Fund)</u>
\$226,976	Total Expenditures

\$202,360	Appropriation Requested from Storm Water Fund for Change Orders #2 & #3
<u>\$24,616</u>	<u>Appropriation Requested from Gas Tax Fund for Change Order #4</u>
\$226,976	Total Appropriation Request

Of the \$152,860 spent on Change Order #3, Manhattan Beach will recover 50%, or \$76,430, from the City of Redondo Beach for the repair due to the shared storm drain line that crosses both jurisdictions.

BACKGROUND:

On December 5, 2017, City Council awarded a \$444,950 construction contract for the Cycle 1 Sewer Main Replacement Project to Ramona Inc. and authorized an additional contingency of \$44,495. The

work included sewer main spot repairs at eight locations, including 16th Place, 18th Street, 19th Street, 21st Street, 31st Street, Faymont Avenue, Harkness Avenue, and Manhattan Beach Boulevard.

DISCUSSION:

Construction of the Cycle 1 Sewer Replacement Project began in the spring of 2018, and was completed on April 12, 2019. Final project completion was delayed due to third party work occurring within the sewer replacement project limits, including major gas line relocation work on Manhattan Beach Boulevard and a Frontier vault that required relocation on Alma Avenue. The contractor completed the project under budget, for a total of \$439,767.43.

While Ramona, Inc. was on site, the City encountered several unanticipated storm drain failures. First, in February 2019, the City experienced a failure of a corrugated metal storm drain pipe on Artesia Boulevard adjacent to Mira Costa High School. Due to the risk to public safety, Ramona, Inc. was immediately mobilized to address the issue, working 24 hours a day until it was completed four days later. The work was completed for \$152,859.20, of which half (\$76,429.61) will be reimbursed by the City of Redondo Beach due to the shared use of the storm drain system in this area.

Then, in March 2019, during the installation of sewer on Manhattan Beach Boulevard, the City discovered a failed corrugated metal storm drain pipe which crosses the entirety of Manhattan Beach Boulevard approximately 100 feet west of the intersection of Manhattan Beach Boulevard and Ardmore Avenue. The storm drain pipe in this location had entirely corroded away leaving a void beneath the asphalt. Due to the immediate risk of failure of the road surface, the City again directed Ramona, Inc. to replace the corroded corrugated metal storm drain with reinforced concrete pipe. This urgent work was satisfactorily completed for \$49,500.

And lastly, in April 2019, the City experienced a failure of the roadway surface, resulting in a roadway depression on Marine Avenue, near the intersection of Marine Avenue and Meadows Avenue. Again, due to the immediate risk to public safety, the City directed the contractor to stabilize the area and restore the roadway surface. This urgent work resulted in an expenditure of \$24,615.99.

The contractor has satisfactorily completed all work for a total construction cost of \$666,742.64, and is now requesting formal acceptance of the project. The five percent retention amount of \$33,337.13 will be released 35 days after recordation of the Notice of Completion with the County Recorder. All work inspected by the Public Works Department has been found to be in conformance with the plans and specifications and of good quality.

PUBLIC OUTREACH:

Staff distributed construction notices to area residents, and maintained regular communication with the property owners to keep them abreast of the project schedule and impacts during construction.

ENVIRONMENTAL REVIEW:

The project is exempt from the provisions of the California Environmental Quality Act (CEQA). Per the CEQA Guidelines, the project is exempt pursuant to the following provision: Section 15304 (e), "Minor Alterations to Land". No permanent environmental effects are anticipated thus no further environmental review is necessary.

LEGAL REVIEW:

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

ATTACHMENTS:

1. Resolution No. 19-0071
2. Change Order - Ramona, Inc.