



## Legislation Text

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**File #:** 19-0455, **Version:** 1

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**TO:**

Honorable Mayor and Members of the City Council

**THROUGH:**

Bruce Moe, City Manager

**FROM:**

Stephanie Katsouleas, Public Works Director

Prem Kumar, City Engineer

Mamerto Estepa Jr., Senior Civil Engineer

**SUBJECT:**

Formally Accept as Complete the Liberty Village Pavement Rehabilitation and Improvement Project; Authorize Filing a Notice of Completion with the County Recorder; Release Retention for \$86,135; Approve a Contract Change Order No. 2 to Sequel Contractors, Inc. for \$226,857; Appropriate \$77,257 from the Proposition C Fund (Public Works Director Katsouleas).

**a) ADOPT RESOLUTION NO. 19-0106**

**b) APPROPRIATE FUNDS**

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**RECOMMENDATION:**

Staff recommends that the City Council:

1. Formally accept as complete the Liberty Village Pavement Rehabilitation and Improvement Project constructed by Sequel Contractors, Inc.;
2. Authorize filing of the appropriate Notice of Completion with the County Recorder's Office;
3. Approve the release of retention for \$86,135 to Sequel Contractors, Inc.;
4. Authorize the City Manager to execute Contract Change Order No. 2 (Final) with Sequel Contractors, Inc. for \$226,857 under the Liberty Village Pavement Rehabilitation and Improvement Project contract for emergency repairs and for additional work required to complete the project;
5. Appropriate \$77,257 from the Proposition C Local Return Fund.

**FISCAL IMPLICATIONS:**

The original Liberty Village Pavement Rehabilitation and Improvement Project construction award was for \$1,495,830, with an authorized construction contingency amount of \$149,600, for a total construction budget of \$1,645,430.

Sequel performed \$226,857 in additional work on the project, bringing the total construction cost of the project to \$1,722,687. The additional work included:

- \$33,272 for an emergency street resurfacing repairs after a water main break.

- \$193,585 for increases in the quantities of various bid items.

After applying all contingency funds, an additional appropriation of \$77,257 is required to cover the shortfall in the construction budget for the emergency repairs and extra work, which can be appropriated from Proposition C Local Return monies. Of this amount, \$33,272 is related to the emergency street resurfacing repairs after a water main break. The remaining \$43,985 is related to increases in quantities of various bid items.

#### **BACKGROUND:**

On November 20, 2018, City Council awarded a \$1,495,830 construction contract for the Liberty Village Pavement Rehabilitation and Improvement Project to Sequel Contractors, Inc. and authorized an additional contingency of \$149,600. The work included upgrading existing concrete curb ramps to meet existing Americans with Disabilities Act (ADA) standards; reconstructing damaged cross gutters; sidewalk repairs; pavement grinding; and rubberized asphalt overlay in the neighborhood bordered by Redondo Avenue, Marine Avenue, Aviation Boulevard, and Manhattan Beach Boulevard.

#### **DISCUSSION:**

Construction of the Liberty Village Pavement Rehabilitation and Improvement Project began on January 28, 2019, and was completed on July 16, 2019.

Two contract change orders were necessary for this project. The first, Contract Change Order No. 1 (CCO # 1), covered emergency excavation and pavement repair on Manhattan Beach Boulevard at Redondo Avenue. On March 28, 2019, water was observed to be coming out of the asphalt and lifting the pavement on Manhattan Beach Boulevard west of Redondo Avenue, approximately 200 feet away from Sequel's project site. The cause was a broken water line, which the City located and fixed with its own crews. However, the extent of pavement and subgrade damage resulting from the broken pipe was unknown. Sequel had the necessary crew, equipment, and ability to perform excavation work to determine the extent of subgrade and pavement damage, replace the damaged base material as needed, and repave the damaged section of pavement. Sequel took four working days to complete the work, and the final cost of CCO # 1 was \$33,272.

Contract Change Order No. 2 (CCO # 2) covered the extra work and increased quantities which resulted from conditions beyond those identified in the plans, which included:

- Pavement Condition: Following the 2" cold mill, the exposed underlying pavement depicted evidence of further deterioration that increased the amount of estimated repair sections by about 40%. This required additional quantities of asphalt to be placed.
- Sidewalk Repair: Additional sidewalk repair work was added to the scope of work to correct sidewalk defects in front of Manhattan Beach Middle School, to transition existing private property walkways to meet upgraded curb ramps, and to repair the sidewalks for homeowners that agreed to reimburse the City for the repairs. The anticipated amount for reimbursement from property owners is \$31,661.
- Cross Gutter Repair: The increase in square footage of cross gutters constructed resulted from upgrades to existing cross gutters to meet American Public Works Association (APWA) standards. The purpose of the upgrade was to increase the cross gutter's capacity to carry runoff and keep water off of the pavement, thereby maximizing the life of the pavement.

The total cost of CCO # 2 is \$193,585, which exceeds the authorized contingency budget of \$149,600 by \$43,985. This amount requires approval by the City Manager.

The overall budget summary is as follows:

\$1,495,830	Original Budget/Contract Award
<u>\$149,600</u>	<u>Authorized Contingency</u>
<b>\$1,645,430</b>	<b>Total Budget</b>
\$1,495,830	Contract Expenditures
\$193,585	Contracted Extra Work
<u>\$33,272</u>	<u>Water Main Break Repair</u>
<b>\$1,722,687</b>	<b>Total Work Completed</b>
<b>\$77,257</b>	<b>Balance Due Contractor (Proposition C Fund)</b>

The contractor has satisfactorily completed all work for a total construction cost of \$1,722,687, and is now requesting formal acceptance of the project. The five percent retention amount of \$86,135 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.

#### **ENVIROMENTAL REVIEW:**

The City has reviewed the project for compliance with the California Environmental Quality Act (CEQA) and determined that the project qualified for a Class 1(c) categorical exemption pursuant to Section 15301 (Existing Facilities) of the State CEQA Guidelines, since the project focused on the repair and maintenance of existing public facilities, involving negligible or no expansion for use. A Notice of Exemption was filed with the Los Angeles County Clerk's Office for the Project.

#### **LEGAL REVIEW:**

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

#### **ATTACHMENTS:**

1. Resolution No. 19-0106
2. Change Order No. 2 - Sequel Contractors, Inc.
3. Change Order No. 1 - Sequel Contractors, Inc.
3. Location Map