



Agenda Item #: \_\_\_\_\_

# Staff Report

## City of Manhattan Beach

**TO:** Honorable Mayor Cohen and Members of the City Council

**THROUGH:** Geoff Dolan, City Manager

**FROM:** Jim Arndt, Director of Public Works  
Steve Finton, City Engineer  
Michael A. Guerrero, Principal Civil Engineer

**DATE:** May 19, 2009

**SUBJECT:** Disbursement of Final Payment in the net amount of \$31,302 to A.J. Fistes Corporation; Formally Accept the Peck Reservoir Rehabilitation Project as Complete; and Authorize Filing of the Appropriate Notice of Completion

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### RECOMMENDATION:

Staff recommends that the City Council pass a motion to approve the issuance of the subject final payment, and authorize filing of the appropriate Notices of Completion.

### FISCAL IMPLICATION:

FUNDING	CONTRACT	PAY	AMOUNT	
Water Fund: \$175,000	Contract Award: \$ 71,675.00	1.	\$13,859.56	
	Change Order 1: \$ 34,800.00	2.	\$41,242.49	
	New Contract: \$106,475.00	Final:		\$31,302.00
		Retention:		\$ 9,600.45
		Total:		\$96,004.50

### DISCUSSION:

The City of Manhattan Beach operates the seven million gallon Peck Avenue Reservoir, located in the vicinity of Peck Avenue and 18<sup>th</sup> Street. In 2000, the reservoir's concrete slab roof was replaced with a new steel truss aluminum roof and reinforced concrete interior bracing was added. Minor leaks to the reservoir's concrete base were also mitigated at that time.

In 2006, the City retained Dive Corr, Inc. services to inspect both the inside and outside of the tank and to identify and provide a detailed summary of all maintenance and operational issues of concern. A report was subsequently provided to the City identifying these issues, which include signs of corrosion, peeling and delamination of the steel beam and truss coating, loose pads, root

intrusion, joint leakage, and seepage. Because this work was highly specialized, consultant design services were needed to develop detailed plans and specifications for the repair and rehabilitation of the reservoir based on the report’s findings. At its regularly-scheduled meeting of December 4, 2007, Council awarded a contract to DGA Consultants for an amount not-to-exceed \$19,651.00, with the understanding that the City would also consider retaining specialized inspection services during construction. The detailed plans and specifications included: removal of the old coatings and application of new protective coatings to beams, trusses, fasteners and anchor pads; repair of rusted areas where there are signs of corrosion; repair of areas compromised by root intrusion; removal of existing joint sealant from deteriorated concrete cracks and preparation of new sealant/grout at these locations; application of new sealant/grout on concrete surface cracks.

On April 15, 2008, Council awarded a construction contract to A.J. Fistes Corporation in the amount of \$71,675.00 for the Peck Reservoir Rehabilitation Project, and amended the existing contract with DGA to provide specialized inspection services during construction for an additional amount of \$10,000.00. During the construction, additional inspection services were required to complete the project which brought the total inspection cost to \$16,373.25.

***Change Order No. 1***

On April 21, 2009, City Council passed a motion to approve Change Order No. 1. The original construction contract did not include cleaning and disinfection of the reservoir after the project was completed. This work was necessary to place the reservoir back into operation. The additional work was added through Change Order No. 1 in the amount of \$34,800 utilizing available funds in the budgeted account.

***Final Payment***

The Contractor has completed 100% of the work. A ten percent (10%) retention in the amount of \$9,600.45 would be released upon the expiration of 35 days from the date of formal acceptance by the Council. The final construction payment amount of \$96,004.50 is under the contract amount due to savings on various contract line items. All work which has been inspected by the Public Works Department has been found to be in conformance with the plans and specifications.

***Final Accounting***

The total budget for the project is \$175,000. Total project costs are \$133,728.75. A balance of appropriations in the amount of \$41,271.25 will remain after completion of the project.

<b>Funding</b>	Water Fund	<b>\$175,000.00</b>
<b>Expenses</b>		
Construction Contract	A.J. Fistes Corporation	\$96,004.50
Design Contract	DGA Consultants	\$19,651.00
Special Inspection	DGA Consultants	\$16,373.25
Condition Investigation (Diver)	Dive Corr, Inc.	\$1,700.00
	Total Expenses	<b>\$133,728.75</b>
<b>Balance of funding after completion of project</b>		<b>\$41,271.25</b>

xc: Henry Mitzner, Controller