



# Staff Report

## City of Manhattan Beach

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

**THROUGH:** Richard Thompson, Interim City Manager

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

**DATE:** April 20, 2010

**SUBJECT:** Disbursement of Progress Payments:

- a) Final payment in the net amount of \$171,398.48 to Sully-Miller Contracting Co.; Formally Accept the Valley Drive Street Resurfacing Project as Complete; Authorize Filing of the Appropriate Notice of Completion and Release of Retention in the amount of \$34,057.26.
- b) Final payment in the net amount of \$2,613.90 to Sully-Miller Contracting Co.; Formally Accept the Aviation Boulevard Street Resurfacing Project as Complete; Authorize Filing of the Appropriate Notice of Completion and Release of Retention in the amount of \$12,615.37.

**RECOMMENDATION:**

Staff recommends that the City Council pass a motion to approve the issuance of the subject progress payment, final payments, and authorize filing of the appropriate Notice of Completion for the Valley Drive Street Resurfacing Project and Aviation Boulevard Street Resurfacing Project.

**FISCAL IMPLICATION:**

<b>Table 1</b>		<b>Budget</b>	
	<b>Aviation Bl. Resurfacing Project (CIP 10825E)</b>	<b>Valley Drive Resurfacing Project (CIP 10826E)</b>	<b>Total</b>
1. Federal Stimulus Funds	\$364,000.00	\$710,000.00	\$1,074,000.00

<b>Table 2</b>		<b>Expenditures</b>	
1. Progress Payment No. 1 (Approved 02/16/10)	\$110,924.39	\$135,116.82	\$246,041.21
2. <b>Recommended Final Payment</b>	<b>\$ 2,613.90</b>	<b>\$171,398.48</b>	<b>\$174,012.38</b>
3. <b>Recommended 10% Retention Payment</b>	<b>\$ 12,615.37</b>	<b>\$ 34,057.26</b>	<b>\$ 46,672.63</b>
4. Total Payments to Sully Miller	\$126,153.66	\$340,572.56	\$466,726.22
5. Inspection Contract (KOA/CBM)	\$ 25,259.98	\$ 38,264.65	\$ 63,524.63
6. Total Expenditures	<b>\$151,413.64</b>	<b>\$378,837.21</b>	<b>\$530,250.85</b>
7. <b>Fund Balance After Project Completion</b>	<b>\$212,586.36</b>	<b>\$331,162.79</b>	<b>\$543,749.15</b>

Federal Stimulus funds provided through the American Recovery and Reinvestment Act (ARRA) have been allocated for this project on a reimbursement basis with no local match required.

**BACKGROUND:**

At its meeting of November 3, 2009, Council passed a motion to:

- a) Award a contract to Sully-Miller Contracting Company in the amount of \$159,630.00 to construct the Aviation Boulevard Resurfacing Project and Authorize the Director of Public Works to approve additional work in an amount not-to-exceed \$7,981.00.
- b) Award a contract to Sully-Miller Contracting Company in the amount of \$472,560.00 to construct the Valley Drive Resurfacing Project and Authorize the Director of Public Works to approve additional work in an amount not-to-exceed \$23,628.00.
- c) Award a Professional Engineering Services contract to KOA Corporation / CBM Consulting in an amount not-to-exceed \$118,864.00 for construction management/inspection services.

Aviation Boulevard

Aviation Boulevard from Manhattan Beach Boulevard to Marine Avenue was deteriorated and required resurfacing. The project included cold milling of the existing asphalt roadway surface and construction of a new asphalt overlay. The project also included striping/traffic markings, traffic signal detection loops, and minor concrete construction. Since Aviation Boulevard has a functional classification as a major arterial street, it is eligible for federal funding.

Valley Drive

Valley Drive from 15th Street to Sepulveda Boulevard was deteriorated and required resurfacing. The project included cold milling of the existing asphalt roadway surface and construction of a new asphalt overlay. The project also included full roadway reconstruction of significantly deteriorated areas, striping/traffic markings, traffic signal loops, and minor concrete construction. Since Valley Drive has a functional classification as a collector street, it is eligible for federal funding.

**DISCUSSION:**

**Valley Drive: Progress Payment No. 2 and Final**

The Contractor has completed 100% of the work. The Contractor has requested a final payment in the amount of \$171,398.48, and that the City formally accept the work as complete. A ten percent (10%) retention in the amount of \$34,057.26 would be released upon the expiration of 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.

**Aviation Boulevard: Progress Payment No. 2 and Final**

The Contractor has completed 100% of the work. The Contractor has requested a final payment in the amount of \$2,613.90, and that the City formally accept the work as complete. A ten percent (10%) retention in the amount of \$12,615.37 would be released upon the expiration of 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.

**Balance of Stimulus Funding**

Funds provided through ARRA were designated specifically for the Valley Drive and Aviation Boulevard projects. The federal government allocated ARRA funds to the projects in amounts significantly greater than were requested by the City. A balance of funds exists consisting of the Balance after Contract Expenditures of \$543,749.15 (Table 2, line 7).

The State has announced that the balance of ARRA funds can be spent on other eligible projects of the City's choice. The City must submit required paperwork to Caltrans by July 1, 2010 to assure that the balance of funds is authorized by the September 30, 2010 deadline. Three projects are considered for the balance as follows:

1. Pacific Avenue Resurfacing – Manhattan Beach Boulevard to Rosecrans Avenue
2. Rosecrans Avenue Resurfacing – Sepulveda Boulevard to Redondo Avenue (south side of street)
3. 17<sup>th</sup> Street Resurfacing – Ardmore Avenue to Cul-de-Sac (East)  
18<sup>th</sup> Street Resurfacing – Ardmore Avenue to Flournoy Road

These projects will be submitted for City Council consideration as part of the FY 2010-11 – FY2014-15 Capital Improvement Program.

xc: Henry Mitzner, Controller  
Jeanne D. O'Brien, Accountant