



Agenda Item #: _____

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
 Edward T. Kao, Senior Civil Engineer

DATE: May 18, 2010

SUBJECT: Approval of Progress Payment No. 3 (\$114,981.39) to Atlas Underground, Inc. for the 2006-07 Sewer Main Replacement Project

RECOMMENDATION:

Staff recommends that the City Council pass a motion to approve the issuance of Progress Payment No. 3 in the net amount of \$114,981.39 to Atlas Underground, Inc. for the 2006-07 Sewer Main Replacement Project.

FISCAL IMPLICATION:

Budget		Table 1
2006-07 Sewer Main Replacement Project	CIP 07828E	\$350,000.00
2005-06 Sewer Main Replacement Project	CIP 06824E	350,000.00
TOTAL BUDGET		\$700,000.00

Expenditures		Table 2
<i>Design Costs</i>		
Base Map Survey (I/WS Surveying)		22,000.00
Design Contract (Psomas & Associates)		41,438.00
Soil Testing (ZKC, Inc.)		5,900.00
<i>Subtotal Design Costs</i>		\$69,338.00
<i>Construction Costs</i>		
Construction Contract (Atlas Underground, Inc.)		\$284,896.00
Contingency Authorized by City Council		28,500.00
<i>Subtotal Estimated Construction Cost = Construction Contract + Contingency</i>		\$313,396.00
<i>Total Estimated Project Cost (Construction and Design)</i>		\$382,734.00
ESTIMATED FUND BALANCE AFTER COMPLETION		\$317,266.00

Recommended Progress Payment: Atlas Underground, Inc.		Table 3
Construction <i>Contract + Contingency</i>		\$313,396.00
Progress Payment No. 1		87,809.85
Progress Payment No. 2		56,977.39
Progress Payment No. 3 (Recommended)		\$114,981.39
Total Progress Payments to Date		259,768.63
Total Retention to Date		28,863.18
Total Payments plus Retention		\$288,631.81
Balance in <i>Contract + Contingency</i> Amount to Date		\$24,764.19

BACKGROUND:

At its meeting of December 1, 2009, Council passed a motion to award a contract in the amount \$284,896.00 to Atlas Underground, Inc. for the 2006-07 Sewer Main Replacement Project and authorized the Director of Public Works to approve additional work in an amount not-to-exceed \$28,500.00, if required.

The scope of the project includes replacement of deteriorated sanitary sewer mains on the following streets:

- 12th Street from Fisher Avenue to Highview Avenue (Completed on March 4, 2010)
- 13th Street from Manhattan Avenue to Highland Avenue

DISCUSSION:

Construction on 12th Street began on January 25, 2010, and was completed on March 4, 2010. The Contractor started working on 13th Street on March 8, 2010 and has completed approximately 95% of the work. Only work to abandon the old sewer main remains to be completed. A final payment and issuance of a notice of completion will be submitted for Council consideration in the near future.

Extra Work

Unforeseen underground conditions required the contractor to perform additional work valued at \$21,359.14. Payment for this additional work was included in progress payment No. 2 and in the recommended progress payment as indicated below. Extra work encountered and approved to date is as follows:

Date	Extra work performed	Cost
February 18, 23, 2010	The locations of two service laterals on 12 th Street were not as shown on the plans. Additional work was required to locate and reroute the service laterals. <i>(Payment made through Progress Payment No 2)</i>	\$ 2,650.51
March 31, 2010	The contractor was delayed while a conflicting utility was identified and cleared in 13 th Street west of Highland Avenue. <i>(Payment included in recommended Progress Payment No 3)</i>	806.31

Date	Extra work performed	Cost
April 2, 2010	Unmarked City conduits in 13 th Street immediately west of Highland Avenue caused stoppage of work. <i>(Payment included in recommended Progress Payment No 3)</i>	1,019.12
April 16-23, 2010	Unmarked City conduits in 13 th Street immediately west of Highland Avenue required a custom deep shoring system to be designed and fabricated causing significant additional engineering and construction costs. Additionally, the contractor was delayed by Gas Company relocation efforts at this same location. <i>(Payment included in recommended Progress Payment No 3)</i>	16,038.66
April 30, 2010	Unforeseen concrete material encountered while excavating in Highland Avenue caused delay and significant additional removal time and effort. <i>(Payment included in recommended Progress Payment No 3)</i>	844.54
Total		\$21,359.14

The Contractor has submitted a request for Progress Payment No. 3 in the net amount of \$114,981.39 for work completed to date including extra work. All work items covered by this payment have been reviewed by the Public Works Department and found to be in conformance with the plans and specifications.

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