



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: September 7, 2010

SUBJECT: Consideration to Approve Final Payment in the Net Amount of \$179,923.15 to All American Asphalt for the Highland Avenue Resurfacing Project; Formally Accept the Highland Avenue Resurfacing Project as Complete; Authorize Filing of the Appropriate Notice of Completion and Release of Retention in the Amount of \$62,560.71

RECOMMENDATION:

Staff recommends that the City Council pass a motion to:

- a) Approve the issuance of a final payment in the net amount of \$179,923.15 to All American Asphalt for the Highland Avenue Resurfacing Project;
- b) Formally accept the Highland Avenue Resurfacing Project as complete; and,
- c) Authorize filing of the appropriate Notice of Completion and the release of retention in the amount of \$62,560.71.

FISCAL IMPLICATION:

Budget					Table 1
	STP-L	Prop.C CIP 10828E	LACMTA CIP 10847E	NMB-BID CIP 07829E	Total
	\$154,000	\$460,000	\$458,201	\$355,106	\$1,427,307
Expenditures					
Design Contract (L.A. County)	\$154,000				\$154,000.00
Base Map Survey (Case Land Surveying, Inc.)				\$4,200	\$4,200.00
Construction Inspection (KOA/CBM Consulting)			\$59,245.00		\$59,245.00
Construction Contract (All-American Asphalt)		\$460,000	\$47,607.15	\$118,000	\$625,607.15
TOTAL EXPENDITURES	\$154,000	\$460,000	\$106,852.15	\$122,200	\$843,052.15
Balance Upon Completion	\$0	\$0	\$351,348.85	\$232,906	\$584,254.85

Payments to Contractor (All American Asphalt)			Table 2
	Net Progress Payment	Retention	<i>Total</i>
Original Construction Contract Amount			\$581,000.00
Contingency Authorized by City Council			\$ 59,100.00
<i>Total Authorized by City Council</i>			\$640,100.00
Progress Payment No. 1	\$383,123.29	\$42,569.25	\$425,692.54
Final Payment (Recommended)	\$179,923.15	\$19,991.46	\$199,914.61
Total Payments	\$563,046.44	\$62,560.71	\$625,607.15
Balance of Contract + Contingency remaining after Contract Completion			\$ 14,492.85

BACKGROUND:

The Highland Avenue Resurfacing project included the following items of work on Highland Avenue between 15th Street and 45th Street:

- Mill and Overlay of existing asphalt pavement.
- Replacement of displaced sidewalk, curb and gutter.
- Installation of decorative crosswalks at four intersections in the North Manhattan Beach Business Improvement District (NMB-BID).
- Installation of curb extensions at five locations in the NMB-BID.
- Replacement and addition of traffic signs.
- Placement of traffic striping.

At its meeting of February 16, 2010, City Council passed a motion to:

- Award a construction contract to All American Asphalt in the amount of \$591,000 for the Highland Avenue Resurfacing Project.
- Authorize the Director of Public Works to approve additional work in an amount not-to-exceed \$59,100 (10%), if required.
- Approve a credit change order in the amount of -\$10,000 for the deletion of curb extension work at the intersection of Highland Avenue and 34th Street.

DISCUSSION:

Construction began on March 29, 2010, and was completed on June 22, 2010.

Final Quantities

The original contract established unit prices based on an estimate of the quantity of work to be performed. The contractor is to be paid for the actual amount of work performed which can fluctuate to meet field conditions. The contract approved by Council on February 16, 2010 and reduced by a credit change order was in the amount of \$581,000. Actual contract work completed totaled to \$598,091.29 which is \$17,091.29 more than the \$581,000 contract amount. The increase

is due primarily to additional asphalt overlay tonnage placed as required to fill depressions and smooth the rough roadway.

Extra Work

Unforeseen conditions required the contractor to perform additional work valued at \$27,515.86. Payment for this additional work is included in the recommended final payment as indicated below. Extra work encountered and approved to date is as follows:

Extra work performed	Cost
Relocate Fire Hydrant at 42nd Street and Highland Avenue for handicapped accessibility. Change from 12” to 10” service saddles for curb extension irrigation.	\$7,592.13
Repair two manholes at the Highland Avenue at Rosecrans Avenue intersection.	\$1,990.00
Grind and overlay pavement to remove rubber sealant in conflict with decorative sidewalks.	\$9,011.94
Modify striping as needed to accommodate existing conditions and parking needs.	\$8,481.15
Traffic signal detector trouble call-out as directed by City staff.	\$440.64
Total	\$27,515.86

Final Construction Contract Accounting

Original Contract Items	\$598,091.29
Extra Work (Change Orders)	\$27,515.86
Total Construction Contract Cost	\$625,607.15

Final Payment

The Contractor has completed 100% of the work and is requesting formal acceptance of the work and final payment in the amount of \$179,923.15. A ten percent (10%) retention in the amount of \$62,560.71 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.

Final Accounting

As indicated in Table 1, the total budget for the project was \$1,427,307 including Proposition C funds, proceeds from an exchange of federal funds with the Metropolitan Transportation Authority (LACMTA funds), and North Manhattan Beach Business Improvement District Funds. Total Project expenses are \$843,052.15 leaving a balance of \$ 584,254.85 (\$351,348.85 LACMTA funds and \$232,906 NMB-BID funds). The NMB-BID account would be charged only for those project expenses associated with the NMB-BID plan including curb extensions and decorative crosswalks. The balance of LACMTA funds has been allocated to other eligible street projects through the FY 2010-11 Capital Improvement Program.

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