



Staff Report

City of Manhattan Beach

TO: Honorable Mayor Tell and Members of the City Council

THROUGH: David N. Carmany, City Manager

FROM: Jim Arndt, Director of Public Works
Juan Price, Maintenance Superintendent

DATE: August 2, 2011

SUBJECT: Consideration of Final Payment in the net amount of \$287,050.10 to Geronimo Concrete, Inc.; Formally Accept the Section 6 Concrete Repair Project as Complete; and Authorize Filing of the Appropriate Notice of Completion and Release Retention in the Amount of \$ 53,745.13

RECOMMENDATION:

Staff recommends that the City Council pass a motion to:

- a) Approve the issuance of a Final Payment in the net amount of \$287,050.10 to Geronimo Concrete, Inc.;
- b) Formally Accept the Section 6 Concrete Repair Project as Complete; and,
- c) Authorize filing of the appropriate Notice of Completion and the release of retention in the amount of \$53,745.13.

FISCAL IMPLICATION:

There will be a balance of \$151,052.51 returned to the Capital Improvement Program (CIP) for unspent funds. The final payment to Geronimo Concrete Inc. is \$121,799.63 less than the total contract plus contingency.

A summary of expenditures and revenues is as follows:

Budget			
Proposition 42 CIP 11823E		\$369,280.00	
Transportation Development Act Art. III CIP 11823E		\$ 80,720.00	
Approved Additional Appropriation Proposition 42 (less reimbursable of \$161,163.25)		\$ 93,611.75	
Total Approved CIP Budget			\$543,611.75
Budget Expenditures			
Geronimo Concrete-payments		\$ 537,446.49	
Tree removal & replacement (Merchants Landscaping)		\$ 15,776.00	
Survey markers, replace (Denn Engineering)		\$ 500.00	
Total Expenditures		\$553,722.49	
Reimbursable Portion To Be Returned to Proposition 42 Fund		\$ 161,163.25	
Total Charges to CIP Budget			\$ 392,559.24
Balance Return to CIP Budget			\$ 151,052.51
Contract			
Original Construction Contract Amount		\$599,314.65	
Contingency		\$ 59,931.47	
Total Contract Amount Authorized by Council			\$659,246.12
Contract Expenditures			
	Net Progress Payment	Retention	Payment Total
Progress Payment No. 1 (05/17/11)	\$ 46,775.79	\$ 5,197.79	\$ 51,973.10
Progress Payment No. 2 (06/07/11)	\$ 178,580.96	\$ 19,842.33	\$198,423.29
Final Payment (Recommended)	\$ 258,345.09	\$ 28,705.01	\$287,050.10
	\$483,701.84	\$53,745.13	\$537,446.49
Balance Remaining in Contract			\$121,799.63

BACKGROUND:

This project is part of the ongoing concrete repair and maintenance program. This annual program removes and replaces damaged or displaced concrete sidewalks, curbs, gutters and drive approaches in the City right-of-way to eliminate trip hazards and to mitigate gutter ponding. Upgrades such as the installation of curb ramps are also constructed through the program. Work under the program is performed through a competitively bid contract.

Traditionally, staff coordinates concrete repairs (primarily curb, gutters and concrete drainage swales) with established slurry seal maintenance districts. The goal is to provide a programmed approach to street maintenance in which street repairs, slurry sealing, sidewalk repairs, and traffic markings are completed in the same year on a seven-year cycle.

The City is responsible for all concrete improvements within the right-of-way except sidewalks and drive approaches which are the responsibility of adjacent property owners. The City’s Municipal Code assigns the responsibility for repairing sidewalks and driveways to adjacent property owners (Chapter 7.12.010 -7.12.030). The competitively bid contract ensures residents who must effect

repairs to the sidewalks adjoining their properties receive the best possible value. Work completed under this contract which is adjacent to private property will be billed to the property owner and the funds reimbursed to the Prop. 42 Gas Tax Fund. There is \$161,163.25 in reimbursable funds in the contract.

Notification of Property Owners

Staff notified all affected property owners by early March 2011 of their responsibility to repair the sidewalk and driveway through a notice describing the program and the competitive bidding process (Attachment A). Property owners received another notice following award of the contract providing them with final pricing and scheduling information. At that time, property owners had the option of accepting the contract pricing and reimbursing the City for the work or to hire their own contractor to complete the repairs through a City right-of-way permit.

DISCUSSION:

The Contractor has completed the work and is requesting formal acceptance of the work and payment in the amount of \$258,345.09. A ten percent (10%) retention in the amount of \$53,745.13 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. The final net project payments are \$45,592.16 under the original contract amount due to the cumulative savings of various contract items within the contract.

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