



Staff Report

City of Manhattan Beach

TO: Honorable Mayor Powell and Members of the City Council

THROUGH: David N. Carmany, City Manager

FROM: Jim Arndt, Director of Public Works
Steve Finton, City Engineer
Ish Medrano, Project Manager

DATE: May 15, 2012

SUBJECT: Progress Payment No. 4 in the net amount of \$519,533.68 to Harbor Construction Co., Inc. for the Joslyn Center, Begg Pool and Manhattan Heights Community Center Renovation Projects

RECOMMENDATION:

Staff recommends that City Council pass a motion approving Progress Payment No. 4 in the net amount of \$519,533.68 to Harbor Construction Co., Inc. for the Joslyn Center, Begg Pool and Manhattan Heights Community Center Renovation Projects.

FISCAL IMPLICATION:

Budget for this project has been appropriated by City Council in the amounts indicated in Table 1 below.

TABLE 1 – Budget Appropriations

Joslyn Center Renovation	CIP 11841E	\$1,626,669
Manhattan Heights Renovation	CIP 11842E	1,638,979
Begg Pool Renovation	CIP 11843E	344,497
Total Appropriations		\$3,610,145

Table 2 *Anticipated Expenditures* lists all approved change orders plus pending change orders and miscellaneous expenses. There is currently a balance of project appropriations in the amount of \$128,745.43 available for future additional work if needed.

TABLE 2 - Anticipated Expenditures

Total Appropriations		\$3,610,145
Current Construction Contract Amount Harbor Construction Co. Inc. (<i>plus pending change orders</i>). (Bottom of Table 3)		\$3,293,535.43
Design Contract (Andresen Architects, Inc.)		\$143,900
Misc. Expenses		
CEQA Filing Fee, Bid Advertising		\$971.00
Fumigation		\$12,500.00
Storage Containers required for relocation of facility contents during construction.		\$2,800.00
Asbestos testing and industrial hygienist (ALTA Environmental)		\$13,350.00
Relocation of network equipment in conflict with construction (by City vendor)		\$8,494.91
Replacement of network routing switch		\$5,848.23
Total Miscellaneous Expenses		\$43,965.14
Total Estimated Project Cost		\$3,481,399.57
Remaining Funding Available		\$128,745.43

Table 3 lists the original contract amount with Harbor Construction, Inc., approved Change Order Nos 1, 2 and 3 and pending change orders (to be approved).

TABLE 3 - Contract with Harbor Construction Co., Inc.

Construction Contract (Harbor Construction Co., Inc.)			\$3,173,000.00
Change Order No. 1 – Delete Roofing at Begg (credit)	(\$69,115.00)		
Change Order No. 2 – Value Engineering (credit)	(\$107,934.00)		
Change Order No. 2 – Asbestos and lead abatement	\$137,189.43		
Change Order No. 3 – Change from plastic to steel lockers and add non-skid flooring at Begg (credit)	(\$2,605.00)		
Total Executed Change Orders to date		(\$42,464.57)	(\$42,464.57)
Current Contract Amount Harbor Construction Co., Inc.			\$3,130,535.43
Pending Change Orders Currently Being Negotiated			
<u>Joslyn Center</u> <i>Fire Sprinkler Changes, grease interceptor, partition, curtain, wheelchair lift, drywall on ceilings</i>	\$28,000.00		
<u>Manhattan Heights Community Center</u> <i>Ductwork, termite damage, HVAC support structure, fire sprinkler changes, electrical panel, carpeting, floor leveling, equipment roof screening.</i>	\$135,000.00		
Estimated Value of Pending Change Orders Currently Being Negotiated		\$163,000.00	\$163,000.00
Current Contract Amount <i>plus pending change orders</i>			\$3,293,535.43

Table 4 provides the listing of progress payments to date and the recommended progress payment

Table 4 - Recommended Progress Payments to Harbor Construction Co., Inc.

	Net Progress Payment	Retention	<i>Total</i>
Current Construction Contract Amount, Harbor Construction Co., Inc.			\$3,130,535.43*
Progress Payment No. 1 (Approved 02/21/12)	\$267,746.32	\$29,749.59	297,495.91
Progress Payment No. 2 (Approved 03/20/12)	533,186.04	59,242.89	592,428.93
Progress Payment No. 3 (Approved 04/17/12)	583,952.76	64,883.64	648,836.40
Progress Payment No. 4 (Recommended)	\$519,533.68	\$57,725.96	\$577,259.64
Total Progress Payments to Date	\$1,904,418.80	\$211,602.08	2,116,020.88
		Balance in Contract	\$1,014,514.55

*The current construction contract amount listed does not include pending change orders.

BACKGROUND:

On August 2, 2011, City Council awarded a contract to Andresen Architects, Inc. in the amount of \$128,900 to prepare plans and specifications for the Joslyn Center, Manhattan Heights Community Center and Begg Pool Renovation Projects. On October 18, 2011, City Council approved plans and specifications Manhattan Heights Community Center and Begg Pool Locker Room renovations. On November 1, 2011, City Council approved plans and specifications for the Joslyn Center Renovation Project. Staff combined the three renovation projects into a single bid package. On December 6, 2011, City Council passed a motion authorizing the City Manager to:

1. Award a contract in the amount of \$3,173,000.00 to Harbor Construction Co., Inc. for the Joslyn Center, Begg Pool and Manhattan Heights Community Center Renovation Projects;
2. Approve Change Order Number 1 deleting roofing work at the Begg Pool Locker Room facility and providing a credit in the amount of \$69,115; and,
3. Approve additional work, if necessary, in an amount not to exceed of \$310,389 (10% of contract amount).
4. Appropriate additional Capital Improvement Funds in the amount of \$1,678,145 for the Joslyn Center, Begg Pool and Manhattan Heights Community Center Renovation Projects

The Contractor started work on January 23, 2012.

DISCUSSION:

The Contractor continues to make strides toward completion of the facilities remodel.

Manhattan Heights

The Contractor has completed a high percentage of the concrete flat work around the facility. The interior work consisting of framing, doors, windows, drywall, rough-in-plumbing, HVAC ducting, HVAC equipment, and electrical is nearly complete. The Contractor will be focusing next on the completion of the restrooms, kitchen, painting and flooring.

During construction, several unforeseen issues surfaced that will extend the completion of this

particular site beyond the original estimated completion date. One of the issues was the screening of the HVAC unit located on the roof. A reconfiguration of the HVAC roof support system resulted in a redesign of the screening system to accommodate the new height of the HVAC unit. Consequently, it was necessary to construct a special roof anchoring system to meet the wind load requirements for the screening system.

The other issue involved the existing electrical panel. Originally it was believed that the existing panel was capable of handling the additional electrical loads. Extensive testing revealed that this was not the case. Rather than replace the existing panel with a new panel, staff chose to retrofit the existing panel with new equipment suitable for the proposed electrical loads.

Joslyn Center

The Contractor has completed all site concrete work, rough framing, roof patching, fire suppression systems, rough-in-plumbing, HVAC equipment, and rough-in-electrical. The Contractor is currently focusing on the construction of the restroom, stage, kitchen and interior finish of the site.

An unanticipated reconfiguration of the fire sprinkler system was one of a number of minor issues which will contribute to the completion time for this facility being delayed to mid-June.

Begg Pool Locker Room

The Contractor has completed all concrete work, rough framing, doors, drywall, paint, lockers, and lighting. Items remaining include the installation of windows, screen wall, and application of a floor system. The facility is nearly complete and is scheduled to be open to the public shortly.

The Contractor has submitted a request for Progress Payment No. 4 in the amount of \$519,533.68 for work completed to date. 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.

Additional Work

As described above, unforeseen conditions have been discovered that have required additional work at additional expense. Additional work in the estimated amount of \$163,000 has been required to complete the project and meet building code the needs of the community. The largest items are related to the HVAC platforms, roof screening and electrical panel improvements at the Manhattan Heights Community Center. Staff continues to negotiate costs related to the changes and will present a full accounting of the changes to City Council in the near future.

Construction Schedule

Originally, the project was scheduled for completion in mid-May 2012. The contractor has been diligently working towards completion; however, weather and unforeseen additional work will delay project completion. It is currently projected that the facilities will be completed as follows:

Begg Pool Locker Rooms	late May 2012
Joslyn Center	end of June 2012
Manhattan Heights Comm. Center	mid July 2012

Agenda Item #: _____

Public Works and Parks and Recreation Department staff have been working closely to coordinate the project with facility operations. Although the delays will impact facility operations, Parks and Recreation staff has developed a plan to minimize impacts to patrons.

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