

June 19, 2002

Honorable Mayor and Members of
the Hermosa Beach City Council

Regular Meeting of
June 25, 2002

**AUTHORIZE THE APPROPRIATION OF 301 CAPITAL IMPROVEMENT FUNDS AND
TRANSFER OF EXPENDITURES FOR PROJECT NO. CIP 94-620
PIER RENOVATION – PHASE I**

Recommendation:

It is recommended that the City Council:

1. Authorize the appropriation of \$23,997 from the 301 Capital Improvement fund; and
2. Authorize the transfer of expenditures in the amount of \$23,997 from the 150 Grant fund to the 301 Capital Improvement fund and a corresponding reduction in revenue in the 150 Grant fund.

Summary:

As part of the Federal Emergency Management Agency (FEMA) Grant Acceleration Program (GAP) offer of \$32,669, \$2,997 was actually a reimbursement for emergency work on the pier performed prior to the start of Phase I. Staff was unaware of this detail, and inadvertently used the funds received towards structural repairs during Phase I of construction.

During construction on the Pier Renovation – Phase I, the City received FEMA funding for structural repairs such as epoxy injection crack repair, spall repair, expansion joint repair, pile retrofit, and bearing pad repair. The portion of the funding allotted towards bearing pad replacement at three bents amounted to \$21,000. Replacing each pad would have required almost total demolition of the expansion joint-end of each pre-cast plank. The estimated cost was approximately \$50,000-plus per bent. Therefore, this work was not performed since cost would have greatly exceeded the benefit.

Staff, at that time, used the funds associated with the bearing pads towards overruns in other structural repairs. Unfortunately, this action was not approved in writing by the Governor's Office of Emergency Services (OES) or FEMA. A little over two years ago, Staff began corresponding with representatives from OES, requesting approval for the expenditures. Unfortunately, OES sent a letter in May 2002 requesting the return of funds.

Fiscal Impact:

Appropriation of \$23,997 from the 301 Capital Improvement fund, transfer of expenditures from the 150 Grant fund to the 301 Capital Improvement fund, and reduction in revenue of \$23,997 in the 150 Grant fund.

Respectfully submitted,

Concur:

Tristan D. Malabanan
Assistant Engineer

Harold C. Williams, P.E.
Director of Public Works/City Engineer

Noted for fiscal impact:

Concur:

Viki Copeland
Finance Director

Stephen R. Burrell
City Manager