

August 2, 2004

Honorable Mayor and Members of
The Hermosa Beach City Council

Regular Meeting of
August 10, 2004

**PROJECT NO. CIP 00-630 PIER RENOVATION – PHASE III, AWARD CONSTRUCTION
CONTRACT, APPROPRIATE FUNDS, AND APPROVE PROFESSIONAL SERVICES
AGREEMENT FOR CONSTRUCTION SUPPORT**

Recommendation:

It is recommended that the City Council:

1. Award the Construction Contract to George C. Hopkins Construction Company, Inc. in the amount of \$4,782,000.00 and authorize the Mayor to execute and the City Clerk to attest subject to approval by the City Attorney;
2. Authorize the reduction in the amount of \$75,000 from the 122 Tyco Fund;
3. Authorize the appropriation of \$100,000 from the 125 Park & Recreation Fund;
4. Authorize the appropriation of \$500,000 from the 302 Artesia Blvd. Relinquishment Fund;
5. Authorize the appropriation of \$51,991 from the 150 Roberti-Z'berg-Harris Grant Fund;
6. Authorize the appropriation of \$220,000 from the 150 Per Capita Grant Fund;
7. Authorize the appropriation of \$291,263 from the 301 Capital Improvement Fund;
8. Authorize the re-appropriation of \$100,000 from Project No. CIP 03-109 Concrete Road Repair – Various Locations, 301 Capital Improvement Fund, into this project;
9. Authorize the re-appropriation of \$120,000 from Project No. CIP 03-110 Slurry Seal – Various Locations, 301 Capital Improvement Fund, into this project;
10. Authorize the Director of Public Works to make minor changes to the George C. Hopkins Construction Company, Inc. contract as necessary within the 5% contingency amount of \$239,100; and
11. Approve the Professional Services Agreement between the City of Hermosa Beach and Ron Yeo Architects for construction support services in an amount not-to-exceed \$30,000.

SUMMARY:

On April 15, 2004, Project No. CIP 00-630 was advertised in the Easy Reader, Green Sheet (F.W. Dodge), and Reed Construction Data. A total of 33 bid packages were picked up. The City Clerk received 2 bids by the closing date of July 1, 2004. The bids were publicly opened and read aloud.

The bid results are as follows:

BIDDER	CITY	TOTAL BID AMOUNT
1. George C. Hopkins Const. Co., Inc.	Glendale, CA	\$4,782,000
2. Kiewit Pacific Co.	Santa Fe Springs, CA	\$5,548,000

Both bids were responsive. The price of the apparent low bidder, Hopkins Construction, is approximately \$1,282,000 (approximately 36.63%) above the engineer's estimate of \$3,500,000. The higher bids can be attributed to the constantly increasing cost of materials.

The following anticipated expenses are required to manage the project, minimize delays, and reduce inconvenience to the public and the L.A. County Lifeguards:

1) Testing/Special Inspections	\$	60,000
2) Temporary Communications Relocation/Verizon		56,097
3) Lifeguard Relocation/Temp. Facilities		52,388
4) Temporary Restroom Facilities		24,536
	TOTAL	\$ 193,021

Staff requests award of the project and approval for these future expenses in order to expedite the start of construction.

Background:

The project originally bid on October 30, 2003 with two bidders. The low bid of \$4,444,000 was determined to be unresponsive, and the second bid of \$5,418,000 was approximately \$1,942,364 over estimate; therefore, all bids were rejected. In an effort to reduce the cost of the project, Staff made several major changes to the plans and specifications such as eliminating the ADA ramp, observation deck, the use of Trespa, replacing lithocrete paving with concrete, and specifying a design build for the garage structure using masonry instead of concrete and rebar. Setting up temporary facilities for the lifeguards and their communications systems was also removed from the project. Staff and the lifeguards would take on the responsibility of setting up temporary facilities to better streamline the project.

The project re-bid on June 10, 2004. Since no bids were received, the project bid date was extended to July 1, 2004. Two bids were received, with the low bid being \$4,782,000.

In an effort to minimize costs, Staff will conclude all services from Purkiss Rose-RSI, and contract directly with Ron Yeo Architects for review of submittals and RFI's pertaining to the buildings. Staff will request Harris & associates review all other submittals and RFI's. By excluding Purkiss Rose-RSI from the construction phase, the City will save the \$19,722 of the original contract, and an estimated \$12,000 for the cost of their overhead, supervision, and coordination.

Analysis:

Staff has reviewed the low bidder documents and has found them to be in order. Reference calls have been supportive of the contractor's work habits. Therefore, Staff recommends that the project be awarded to Hopkins Construction.

All construction funding is not yet secured, but Staff recommends award of the project at this time. Any further delay risks Hopkins Construction withdrawing their bid. Staff has requested that Los Angeles County provide funding to cover costs related to the temporary and permanent

Lifeguard facilities. In addition, Staff has also requested a grant/loan from the California Coastal Conservancy. These two requests are still pending.

Fiscal Impact:

The project funding sources are as follows:

FUNDING SOURCE	CURRENT BUDGET	PROPOSED APPROPRIATIONS
1) 121 Prop A Open Space	221,743	0
2) 122 Tyco *	2,167,800	(75,000.00)
3) 122 Tyco (FY05-06) *	0	300,000
4) 125 Park Tax	0	100,000
5) 150 Wildlife Grant	324,000	0
6) 150 Roberti-Z'berg-Harris Park Grant	0	51,991
7) 150 Per Capita Grant	0	220,000
8) 160 Sewer	196,874	0
9) 301 Capital Improvement	1,198,943	291,263
10) 301 Re-Approp. CIP 03-109	0	100,000
11) 301 Re-Approp. CIP 03-110	0	120,000
12) 302 Artesia Blvd. Relinquishment	0	500,000
TOTALS	4,109,360	1,608,254

*Notes: 1. The current 122 Tyco Fund budget must be reduced by \$75,000 because the actual FY04-05 revenue will be \$525,000 instead of the originally estimated \$600,000.

2. The proposed appropriation for \$300,000 from the 122 Tyco Fund will be made in FY05-06 for construction work completed in that fiscal year.

Funds Available	\$ 4,109,360
Proposed 04-05 Appropriation	1,308,254
Proposed 05-06 Appropriation	<u>300,000</u>
Total Project Budget	\$ 5,717,614

Proposed Construction Contract	\$ 4,782,000
Temporary Facilities	\$ 133,021
Management/Inspection	<u>\$ 500,000</u>
Subtotal	\$ 5,415,021
5% Contingency	<u>\$ 270,751</u>
Total	\$ 5,685,772

Staff recommends the above listed appropriations be approved in order to prevent a shortfall and temporarily fund the project until L.A. County commits their funds. Once the County commits funds to the project, City funds can be transferred out to other projects for their originally intended use.

- Attachments: 1. Project Location Map
2. Professional Services Agreement

Respectfully submitted,

Concur:

Tristan D. Malabanan
Associate Engineer

Richard D. Morgan, P.E.
Director of Public Works/City Engineer

Noted for Fiscal Impact:

Concur:

Viki Copeland
Finance Director

Stephen R. Burrell
City Manager