

December 6, 2004

Honorable Mayor and Members of  
The Hermosa Beach City Council

Regular Meeting of  
December 14, 2004

**PROJECT NO. CIP 02-108 STREET IMPROVEMENTS -  
2<sup>nd</sup> STREET FROM PACIFIC COAST HIGHWAY TO THE STRAND AND  
MONTEREY BOULEVARD FROM 4<sup>th</sup> STREET TO HERONDO STREET  
AWARD CONSTRUCTION CONTRACT**

**Recommendation:**

It is recommended that the City Council:

1. Award the Construction Contract to Alliance Streetworks, Anaheim California, based upon their lowest responsible bid of \$428,683;
2. Authorize the Mayor to execute and the City Clerk to attest the construction contract subject to approval by the City Attorney;
3. Authorize the Director of Public Works to make minor changes as necessary within the contingency of \$42,900;
4. Approve a change in the scope of work to reduce the contract amount by approximately \$74,683; and
5. Approve the attached Professional Services Agreement for construction inspection services between the City of Hermosa Beach and David Momeni, PhD, for a fee not to exceed \$20,080 and authorize the Mayor to execute and the City Clerk to attest subject to approval by the City Attorney.

**SUMMARY:**

On November 12, 2004, Project No. CIP 02-185 was advertised in the Easy Reader, Green Sheet (Construction News Reporter), and Reed Construction Data. A total of 14 bid packages were picked up. The City Clerk received 7 bids by the closing date of December 02, 2004. The bids were publicly opened and read aloud. The bid results are as follows:

<b>BIDDER</b>	<b>CITY</b>	<b>TOTAL BID AMOUNT</b>
1. Alliance Streetworks, Inc.	Anaheim, CA	\$428,683
2. Ranco Corporation	Brea, CA	\$461,145
3. Sully-Miller Contracting Corporation	Anaheim, CA	\$468,385
4. Excel Paving Company	Long Beach, CA	\$498,783

All bids received were responsive. The bid amount of the apparent low bidder, Alliance Streetworks Inc., is \$428,683, approximately 24% above the engineer's estimate of \$347,055. The higher bids can be attributed to the constantly increasing cost of materials.

To bring this project within budget, Staff recommends a change in scope of work for the project as follows:

#### Monterey Boulevard

- Eliminate the excavation and removal of 1,551 linear feet of the existing 7.5' wide concrete gutter that sits below the pavement surface.
- Grind and overlay the existing pavement surface that sits on top of the existing 7.5' wide concrete gutter as oppose to full pavement reconstruction if the gutter were to be removed.
- Eliminate the construction of 1,300 linear feet of new curb and gutter.

#### 2<sup>nd</sup> Street

- Replace pavement reconstruction with crack seal and slurry on the portion of 2<sup>nd</sup> Street between Beach Drive and The Strand (the entrance to The Strand).
- Eliminate the construction of 160 linear feet of new curb and gutter between Beach Drive and Hermosa Avenue.

The changes and/or pavement rehabilitation strategies recommended for Monterey Boulevard are identical to those that were done in 1995 on Monterey Boulevard between 4<sup>th</sup> Street and Pier Avenue (CIP 94-149). By inspection, the methods employed have performed successfully for the past 9 years. This deduction in the contract amount will be made by Change Order No. 1.

Inspection services are needed to supplement the inspection capacity of the Public Works Department. On October 30, 2003 the City of Hermosa Beach Public Works Department received eleven statements of qualifications for the performance of general engineering and construction management services.

Staff selected David Momeni, PhD, to perform the inspection services and negotiated a not-to-exceed fee of \$20,800. Payment shall be at an hourly rate of \$65 per hour. Mr. Momeni recently worked for the City of Hermosa Beach as inspector on the 5<sup>th</sup> St. - Street Improvement Project. He has worked on numerous Capital Improvement Projects in various capacities over the past four years. His reliability, familiarity, and experience with the City of Hermosa Beach coupled with his extensive professional experience will help ensure a successful construction project.

**Background:**

The proposed street work consists of construction of handicap access ramps, curbs & gutters, driveways, cross-gutters, replacement of sidewalk panels, replacement of traffic markings and detector loops, removal and replacement of sewer manhole covers, adjustment of manhole covers and utility boxes to grade, and restoration of traffic striping, markings and raised pavement markers. Pavement rehabilitation will consist of a combination of strategies, which will include crack and slurry sealing, milling and asphalt overlay, concrete and/or asphalt pavement spot repairs as well as the re-construction of the intersections at 2<sup>nd</sup> Street and Monterey Blvd, 2<sup>nd</sup> Street and Manhattan Avenue, and 2<sup>nd</sup> Street at Pacific Coast Highway. Work will also include the replacement of some of the existing curbs in 2<sup>nd</sup> Street with monolithic curb and gutters that will address drainage deficiencies and help prolong the life of the new pavement overlay. The re-construction of driveways will be included in those areas where the curb and gutter are being replaced.

On October 20, 2004 the Public Works Commission and residents reviewed the project's design issues and scope of work. The Commission, after evaluating the residents' comments and input, is in support of the project and of Staff's recommendations.

**Analysis:**

Staff has reviewed the low bidder's documents and has found them to be in order. Alliance was the contractor on the recent 5<sup>th</sup> Street Improvement Project whose work we were very satisfied with.

**Fiscal Impact:**

FUNDING:	
301 Capital Improvement Fund	\$ 436,852
109 Downtown Enhancement Fund	<u>6,748</u>
<b>TOTAL BUDGETED AMOUNT:</b>	<b>\$ 443,600</b>
CONSTRUCTION COSTS:	
Construction Contract Amount	\$ 428,683
Proposed Construction Contingency	42,900
Proposed Inspection Services PSA	20,800
Deduct Change Order No. 1	<u>(74,683)</u>
<b>TOTAL COSTS:</b>	<b>\$ 417,700</b>

The total budgeted amount is greater than the total construction cost of \$417,700; therefore, there will be sufficient funds to accommodate the cost of construction, construction contingency, and support services.

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

Respectfully submitted,

Concur:

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Frank J. Senteno  
Assistant Engineer

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

Noted for Fiscal Impact:

Concur:

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Viki Copeland  
Finance Director

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Stephen R. Burrell  
City Manager