

October 17, 2006

Honorable Mayor and Members of
the Hermosa Beach City Council

Regular Meeting of
October 24, 2006

**STREET IMPROVEMENT PROJECTS AT VARIOUS LOCATIONS
CIP PROJECT NOS. 05-120, 04-117, 05-109)**

Recommendation:

It is recommended that the City Council:

1. Approve the appropriation of \$51,245 for CIP No. 05-109 Street Improvements from 301 Capital Improvement Fund for FY 06-07;
2. Approve Change Order to Sequel Contractors, Inc. of Santa Fe Springs, to include CIP No. 02-106 Beach Drive Undergrounding Street Improvements; and
3. Authorize the Director of Public Works to approve changes within the approved budget.

Background:

At their June 13, 2006 meeting, the City Council awarded a construction contract to Sequel Contractors, Inc. in the amount of \$2,198,150 for three CIP projects (Project Nos. 05-120, 04-117, 05-109). The reappropriation of funds for CIP No. 05-109 Concrete Repairs at Various Locations was inadvertently missed for FY 06-07. Appropriation of these funds is necessary to complete the project.

The Beach Drive Utility Underground District is complete and ready for the street improvement phase of the project (CIP No. 02-106). Sequel has proposed to do the work in the Beach Drive District at the current unit prices in place for CIP Project Nos. 04-117, 05-109, and 05-120 and is available to begin the work following acceptance by the City.

Staff's estimate for the Beach Drive Street Improvement Project using current unit prices is approximately \$195,500 which includes a 15% contingency. Staff recommends issuing a change order directing the Contractor to perform the work and to extend the original Contract duration accordingly. In essence, we will be increasing the bid item quantities to the original Contract.

Staff has determined that Sequel's unit pricing is very competitive with present day construction costs and recommends approval of this change order to allow work to begin on Beach Drive at this time. Furthermore, Sequel has performed very well, displaying good workmanship, responsiveness, while working within the framework of the City's requirements.

Fiscal Impact:

An appropriation of \$51,245 for Project No. CIP 05-109 Street Improvements from the 301 Capital Improvement Fund to cover the missed reappropriation and an additional \$11,407 will be transferred from CIP 04-117 Manhattan Avenue Street Improvements (301-8117-4201), another project included in the contract with Sequel Contractors, Inc.; the new total estimated contract amount would be \$2,393,650.

Respectfully submitted,



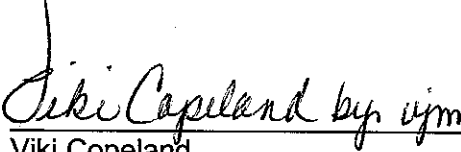
Frank Senteno, P.E.
Associate Engineer

Concur:

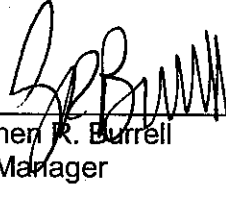


Richard D. Morgan, P.E.
Director of Public Works/City Engineer

Noted for Fiscal Impact:



Viki Copeland
Finance Director



Stephen R. Burrell
City Manager

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