

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 11/10/08		Item Number: <u>A-6</u>	
AGENDA ITEM: FOUR-FIFTHS VOTE REQUIREMENT - Accept the Work Performed by Malcolm Drilling Company, Inc., for the Reconstruction of the Slope Adjacent to Cranks and Tellefson Roads Project, P-867			
Contact Person/Dept.: Sammy Romo/PW		Phone Number: 310-253-5619	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Master E-Mail Notification List on (November 5, 2008). Malcolm Drilling Company, Inc., Geo-Environmental Inc., property owners of 10747 and 10741 Cranks Road, property owners of 5722 and 5724 Tellefson Road, and Culver Crest Neighborhood Association were notified by e-mail on (November 5, 2008).			
Department Approval: Charles Herbertson (11/04/08)		City Attorney Approval: Heather Baker (11/05/08)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (11/05/08)		City Manager Approval: Jerry B. Fulwood (11/05/08)	
<u>RECOMMENDATION:</u> Staff recommends the City Council: (1) accept the work performed by the contractor, Malcolm Drilling Company, Inc., (2) authorize filing a Notice of Completion for the Reconstruction of the Slope Adjacent to Cranks and Tellefson Roads Project, P-867, (3) authorize release of the retention funds in the amount of \$331,166.51 to Malcolm Drilling Company after the thirty-five day lien period expires, (4) approve a budget amendment to transfer \$6,781 into the P-867 account for outstanding invoice balance for the project geotechnical engineer, Geo-Environmental, Inc. <u>A 4/5th vote is required to approve the budget amendment.</u> <u>BACKGROUND/DISCUSSION:</u> Several previous City Council reports containing detailed background information are attached. The following is a brief summary: On February 12, 2005, after near-record rainfall, the slope on the properties at 10747 and 10751 Cranks Road failed. The following properties were subsequently red-tagged by City staff: 10745, 10747 and 10751 Cranks Road and 5722 and 5724 Tellefson Road. Additionally, Tellefson Road from Bernardo Road to Cranks Road was closed to through traffic. After significant meetings between the City, the residents, the State Office of Emergency Services (OES), and the Federal Emergency Management Agency (FEMA), on May 22, 2006, the City Council approved entering into a professional			

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services agreement with Geo-Environmental, Inc. for the design of the slope repair and construction inspection services.

A settlement agreement was approved by the City Council with the property owners in January 2007 for the construction of a 3-tiered soldier pile retaining wall system for the subject properties.

On August 30, 2007, the City Council awarded a construction contract to Malcolm Drilling Company, Inc., for reconstruction of the subject slope. In October 2007, reconstruction of the subject slope commenced. The residential structures at 10745 and 10747 Cranks Road were demolished to accommodate a 200-foot long crane and other heavy construction equipment. Also the overhead utility lines were relocated.

Heavy construction began in February 2008 with placement of 50 foot long steel I-beams to structurally support the reconstruction of the slope. Subsequently, wood boards were installed between the steel beams. In May and June 2008, the construction of reinforced concrete caissons and a bridging structure occurred to protect the City of Los Angeles' 100 inch diameter North Central Outfall Sewer (NCOS) main. This work was completed in July 2008.

In August and September 2008 the soil on the slope was graded and compacted behind the new retaining wall system. Also safety cable rails were installed on top of the walls. Finally the slopes behind the walls were sprayed with hydroseed for erosion control.

FEMA Funds

Currently, staff anticipates reimbursement of \$909,296 from FEMA/OES for the design and construction of the project. Staff is currently preparing the application to obtain the reimbursement funding. Also, it is the opinion of the project geotechnical engineer that the slope failure encompassed a larger area than what was originally assumed. Accordingly, staff is seeking additional reimbursement from FEMA/OES for a greater portion of the total cost of the project.

FISCAL ANALYSIS:

The original contract amount with Malcolm Drilling Company, Inc. was \$3,207,700. This amount was increased by \$103,965 (3.24% of initial contract amount) due to change orders. Therefore, the final contract amount is \$3,311,665. The change orders were for the relocation of power lines, asbestos abatement for the

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demolition of the house at 10745 Cranks Road, revisions to the construction plans to comply with the City of Los Angeles' requirements for construction over their NCOS line, hydroseeding, and additional excavation for placement of the retaining wall subdrain system. The final project costs are shown below.

Final Project Costs	
Design – Geo-Environmental, Inc.	\$125,000
Construction – Malcolm Drilling Company, Inc.	\$3,311,665
Geotechnical Construction Observation and Materials Testing Services	\$232,895
Total Project Cost	\$3,669,560

At the meeting of August 30, 2007, the City Council authorized the Public Works Director/City Engineer to increase the construction contract with Malcolm Drilling Company, Inc. and the professional services contract with Geo-Environmental, Inc. by an aggregate amount not to exceed \$300,000 due to unforeseen conditions. The final invoice from Geo-Environmental, Inc. exceeds this contingency amount by \$6,781. Therefore, staff requests the City Council increase the contingency amount by \$6,781 to account for this increase via budget amendment. A four-fifths affirmative vote is required to amend the budget.

ATTACHMENTS:

- 1) Staff Report for May 22, 2006 Council Meeting
- 2) Staff Report for May 21, 2007 Council Meeting
- 3) Staff Report for August 30, 2007 Council Meeting

MOTIONS:

That the City Council:

- 1) Accept the work performed by the contractor, Malcolm Drilling Company, Inc., for the work performed on the Reconstruction of the Slope Adjacent to Cranks and Tellefson Roads Project, P-867; and,
- 2) Authorize the filing of a Notice of Completion; and,

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- 3) Authorize the Public Works Director/City Engineer to sign and submit the necessary documents to the Los Angeles County Recorder's Office; and,
- 4) Authorize the release of retention funds in the amount of \$331,166.51 to Malcolm Drilling Company, Inc., for the Reconstruction of the Slope Adjacent to Cranks and Tellefson Roads Project, P-867, following the expiration of the 35-day lien period; and,
- 5) Approve a budget amendment to transfer \$6,781 from the Self Insurance Fund reserve to project account number 42000867;
- 6) Authorize the Public Works Director/City Engineer to approve an additional change order to Geo-Environmental in an amount not-to-exceed \$6,781

A 4/5th vote is required to approve the budget amendment.