



Legislation Text

File #: 18-0419, **Version:** 1

Recommendation to authorize City Manager, or designee, to execute an amendment to Contract No. 34672 with Environmental Construction, Inc., of Woodland Hills, CA, for additional labor costs incurred on the Red Car Greenbelt Project, to increase the contract amount by \$40,000, for a revised total amount not to exceed \$781,662. (District 3)

On July 11, 2017, the City Council awarded a contract to Environmental Construction, Inc. (ECI), for the construction of the Red Car Greenbelt Project (Project), located along the section of the Pacific Electric Right-of-Way, which extends northwest from the intersection of Park Avenue and East 4th Street to Ximeno Avenue (Exhibit A). The Project was partially funded by a grant received through the State of California, Land and Water State Conservation Fund. The Project was bid based on the grant being State-funded. After award of the Project, it was discovered that the grant contained federal funding. As a result, the Project became subject to federal Davis Bacon Act requirements. The Davis Bacon Act requires the payment of federal wage rates to all laborers and mechanics on federal or federally-assisted construction contracts.

Under the Department of Industrial Relations of the State of California, the classification of Landscape Tender is allowed on landscape projects, and the Project was bid on this basis using State prevailing wage. However, the classification of Landscape Tender is not recognized under federal Davis Bacon Act labor classifications. Therefore, Landscape Tender personnel working on the Project had to be paid at the federal Landscape Laborer rate. There is a significant difference in the rate of pay between Landscape Laborer and Landscape Tender and, as a result, the Project will incur additional costs. Additional purchasing authority is needed to compensate ECI and to complete work on the Project.

This matter was reviewed by Deputy City Attorney Linda T. Vu on April 16, 2018 and by Budget Analysis Officer Julissa Jose-Murray on April 27, 2018.

City Council action is requested on May 15, 2018, to allow for Project landscaping to be completed expeditiously.

The revised total contract amount will not exceed \$781,662. The total project budget is \$1,050,334, and includes engineering and construction oversight, labor compliance, inspection, plan check, permit fees, construction, and project management. Total project costs are budgeted in the Capital Projects Fund (CP) in the Public Works Department (PW). There is no local job impact associated with this recommendation.

Approve recommendation.

CRAIG A. BECK
DIRECTOR OF PUBLIC WORKS

APPROVED:

PATRICK H. WEST
CITY MANAGER