

# CITY OF LONG BEACH

**R-17** 

**DEPARTMENT OF PUBLIC WORKS** 

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May 12, 2009

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

#### RECOMMENDATION:

Increase the contingency percentage for Contract No. 30696 with Brian Mendoza dba Freeway Electric for the installation of streetlights at California State University at Long Beach on Bellflower Boulevard and Palo Verde Avenue, from 15 percent to 25 percent due to extra work required relating to SCE meter locations. (District 3)

### **DISCUSSION**

On May 20, 2008, the City Council awarded a contract to Freeway Electric to install 45 new Light Emitting Diode (LED) streetlights along California State University at Long Beach (CSULB) frontages on Bellflower Boulevard and Palo Verde Avenue. The project was awarded in the amount of \$357,612, plus a 15 percent contingency and was funded with contributions from CSULB, Community Development Block Grant Funds from the City of Long Beach, and the County of Los Angeles.

During the course of construction, the Southern California Edison (SCE) connection points that were to consist of newly installed meter boxes, had to be relocated due to interfering underground utilities. The extra conduit, wiring, and excavation work increased the contract amount from \$357,612 to \$443,915 or approximately 25 percent. Since only a 15 percent contingency was authorized at the time of award, staff is now requesting that the contingency be increased to 25 percent. The additional cost will be allocated consistent with each party's contribution under the original contract.

This matter was reviewed by Deputy City Attorney Linda Trang on March 31, 2009, and by Budget and Performance Management Bureau Manager David Wodynski on April 2, 2009.

#### SUSTAINABILITY

The project installed LED fixtures that consume approximately one-tenth the energy of the standard high-pressure sodium streetlight fixture. This is a pilot project and is the HONORABLE MAYOR AND CITY COUNCIL May 12, 2009 Page 2

first such installation of an LED streetlight fixture in the City. Staff will be monitoring the lighting levels and energy consumption of these fixtures to determine the feasibility for future use of this type of streetlight fixture at other locations within the City.

# TIMING CONSIDERATIONS

City Council action on this matter is requested on May 12, 2009 to authorize final payment under this contract.

## FISCAL IMPACT

This action will increase the current allowable contract amount from \$411,254 (award amount of \$357,612 plus a 15 percent contingency) to \$447,015 (award amount of \$357,612 plus a 25 percent contingency). Sufficient funds to cover this contract amount are budgeted in the General Capital Grants Fund (CP 201) in the Department of Public Works (PW). The funding source for the City's portion of the additional contract expenses is Community Development Block Grant funds.

#### SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

**DIRECTOR OF PUBLIC WORKS** 

MPC:MAC:db

P/CL/CSULB lights increase in contingency.doc

APPROVED: