



# CITY OF LONG BEACH

DEPARTMENT OF PUBLIC WORKS

333 West Ocean Boulevard 9th Floor

Long Beach, CA 90802 •

(562) 570-6383

Fax (562) 570-6012

August 16, 2011

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

#### RECOMMENDATION:

Authorize the City Manager to increase the purchase order contract with B&T Works, Incorporated, by \$10,962 for a maximum contract amount of \$106,590, for additional work required and performed in constructing Park "A" Grading and Storm Drain Improvements. (District 5)

### DISCUSSION

Per the terms of a Development Agreement (Agreement) between the Boeing Company and the City, the City agreed to assist Boeing with the construction of a park within the City-owned vacant lot at the southwest corner of Lakewood Boulevard and East Carson Street currently referred to as Park "A". A vicinity map of the area is attached. In accordance with this Agreement, the City would complete preliminary site grading and install a storm drain system prior to the Boeing Company constructing the new park improvements at this location.

Bids were solicited for this work, and on December 9, 2010, the City issued a purchase order contract in the amount of \$79,690 to the lowest responsive bidder, B&T Works, Incorporated, of Wildomar, California, with a 20 percent contingency of \$15,938, for a maximum contract cost of \$95,628. During the course of construction, conditions in the field and a State-required, site-specific Health and Safety Plan necessitated a construction change order. In order to compensate B&T Works, Incorporated, for this additional work, the contract authority must now be increased by \$10,962, for a total contract cost of \$106,590. Since the total contract amount is now in excess of \$100,000, Council action is required.

This matter was reviewed by Deputy City Attorney Linda Trang on July 27, 2011 and by Budget Management Officer Victoria Bell on July 28, 2011.

#### **TIMING CONSIDERATIONS**

City Council action on this matter is requested on August 16, 2011 to allow prompt payment to the contractor.

HONORABLE MAYOR AND CITY COUNCIL August 16, 2011 Page 2

## FISCAL IMPACT

This action will increase the maximum contract amount from \$95,628 to \$106,590. Sufficient funds to cover this contract increase are budgeted in the General Capital Projects Fund (CP) in the Department of Public Works (PW). All costs related to this project, except \$13,750 for the Health and Safety Plan, are being reimbursed by the Boeing Company per the terms of the Agreement between Boeing and the City. This action will have no job impacts.

#### SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

MICHAEL P. CONWAY

DIRECTOR OF PUBLIC WORKS

APPROVED:

MPC:MAC:jmm P/CL/Park A Contract Amendment.rev2.doc

Attachment

PATRICK H. WEST CITY MANAGER

