



Building A Better Long Beach

May 2, 2011

REDEVELOPMENT AGENCY BOARD MEMBERS

City of Long Beach
California

RECOMMENDATION:

Approve and authorize the Executive Director to amend the Design Build Agreement with ValleyCrest Landscape Development, Inc. to increase the contingency for the improvements on the south block of The Promenade in an amount not to exceed \$28,000. (Downtown – District 2)

DISCUSSION

On May 17, 2010, the Redevelopment Agency (Agency) authorized the Executive Director to enter into a Second Amendment to the Design Build Agreement (Agreement) with ValleyCrest Landscape Development, Inc. (Contractor) for construction of improvements on the south block of The Promenade. The construction amount approved and budgeted for the south block was \$1,928,433 plus a 15 percent contingency of \$289,267.

During construction, several unforeseen circumstances occurred that resulted in additional expenditures of \$28,000 over the approved contingency of \$289,267. The issues encountered include uncovering an undocumented subterranean garage under The Promenade public right-of-way that required redesign of the south block and waterproofing of the exposed structure, the expense of a new traffic signal at Ocean Boulevard that will be reimbursed to the Agency from Public Works but was paid with contingency funds, and acceleration charges to complete the south block prior to the 2011 TED Conference.

Staff is recommending an amendment to the Agreement to increase the contingency for the south block of The Promenade in the amount of \$28,000. The amendment will allow the Agency to make final payments to the Contractor.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Rob M. Zur Schmiede".

ROBERT M. ZUR SCHMIEDE, AICP
ASSISTANT EXECUTIVE DIRECTOR

A handwritten signature in blue ink, appearing to read "Amy J. Bodek".

AMY J. BODEK, AICP
EXECUTIVE DIRECTOR

AJB:RMZ:DSW:SR:RSW