



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council **Item No.** _____

FROM: City Administrator

SUBJECT: A Resolution of the City Council of the City of Commerce, California, Accepting the Work Performed by MTM Construction, Inc. for the Central Library Renovation Project (Public Works Project No. 2015-03)

MEETING DATE: September 6, 2016

RECOMMENDATION:

Approve and adopt a resolution accepting the work performed by MTM Construction, Inc. for the Central Library Renovation Project (Public Works Project No. 2015-03), ratify change orders totaling \$141,613.48 (3.8% of the contract amount), and authorize the filing of the Notice of Completion for the project with the County Recorder's Office of Los Angeles.

BACKGROUND:

On November 6, 2012, the electors of the City of Commerce approved Measure AA (Ordinance No. 649) which authorized a one half of the percent transactions and use (sales) tax to fund general municipal services. As part of Measure AA, 70% of the funding is to be used for one-time infrastructure/capital projects, street rehabilitation, public facility improvements, and environmental projects.

On October 1, 2013, the City awarded a Construction Contract to MTM Construction, Inc. (Contractor) for the \$3,680,000.00 for the Central Library Renovation Project. The scope of work for the project includes construction of: temporary library and literacy service facilities, renovating 12,000 square feet of public library space, refurbishment of clerestory windows, new electrical distribution gear for City Hall and new library data system, renovation of the two public restrooms, replacement of six HVAC units for the library and a new roof with insulation for the older portion of City Hall. The base contract work with its associated change orders has been completed and payment has been received by the contractor. As of June 26, 2016, the contractor completed the work in conformance with the project plans and specifications, contract documents and grant requirements.

The final construction contract amount is \$3,821,613.48, which is a \$141,613.48 net increase from the original contract amount.

It should be noted that the above amount include includes a \$130,468.00 City Council approved change order for structural retrofit and tenant improvements to the overall Central Library administration area to resolve an unforeseen conditions due to large, non-code compliant openings within the western wall of the Library Administration Area that needed to be addressed structurally. City Council approved the subject change order on April 5, 2016.

ANALYSIS:

It is recommended that the City Council accept the project as satisfactory and complete. Upon acceptance of the project, staff will file the "Notice of Completion" with the County Recorder's Office for the project. Thirty-five (35) days after the recordation of the Notice of Completion by the County Recorder's Office, the City will release the Labor and Materials Bond, if requested by the bonding company, and make final payment of the 5% retention being withheld from the payment to Contractor, if no Stop Notices are filed within the 35-day period.

ALTERNATIVES:

1. Approve staff recommendation
2. Disapprove staff recommendation
3. Provide further direction to staff

FISCAL IMPACT:

This activity can be carried out at this time without additional impact on the current operating budget, as funding for this activity has been approved and included in the Capital Improvement Plan (CIP) budget. All work was completed in a satisfactory manner and in accordance with the project plans and specifications.

No adverse fiscal impact. The final construction contract amount is \$3,821,613.48, which is \$141,613.48 (3.8% of the contract amount) more than the original contract amount, but within the previously approved budget and contingency. Any remaining funds will be returned to the Measure AA fund balance.

RELATIONSHIP TO STRATEGIC GOALS:

The issue before the Council is applicable to the following Council's strategic goal: "*Improve and maintain infrastructure and beautify our community*" as identified in the 2012 Strategic Plan.

Recommended by: Maryam Babaki, Director of Public Works & Development Services

Reviewed by: Vilko Domic, Finance Director

Approved as to form: Eduardo Olivo, City Attorney

Respectfully submitted: Jorge Rifá, City Administrator

ATTACHMENTS:

1. Resolution