

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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March 01, 2011

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

FIND CONTRACTOR IN DEFAULT
BRIDGE SEISMIC RETROFIT
QUEENSWAY SOUTHBOUND RAMPS J & K OVER HARBOR SCENIC DRIVE
CITY OF LONG BEACH
(SUPERVISORIAL DISTRICT 4)
(3 VOTES)

SUBJECT

This action is to find the contractor, A.M. Classic Construction, Inc., in default of the contract and authorize the Director of Public Works or her designee to terminate A. M. Classic Construction, Inc.'s right to perform under the contract and serve written notice on the project surety, Arch Insurance Company of America, to complete the work of the contract.

IT IS RECOMMENDED THAT YOUR BOARD:

Find the contractor, A.M. Classic Construction, Inc., in default of the contract and authorize the Director of Public Works or her designee to terminate A.M. Classic Construction, Inc.'s right to perform under the contract and serve written notice on the project surety, Arch Insurance Company of America, to complete the work of the contract.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On December 2, 2008, your Board advertised and gave authority to the Director of Public Works (Director) or her designee to award and execute a contract with the apparent responsible contractor with the lowest responsive bid and approve the Faithful Performance and Labor and Materials bonds and insurance submitted by the contractor. On March 17, 2009, the Department of Public Works (Public Works) awarded a contract to A.M. Classic Construction, Inc., (A.M. Classic), for the seismic

The Honorable Board of Supervisors 3/1/2011 Page 2

strengthening of the Queens Way Southbound, Ramps J & K, over Harbor Scenic Drive project. Arch Insurance Company of America furnished the contractually required payment and performance bonds for 100 percent of the contract amount.

The required start date for this project was April 15, 2010, and shortly thereafter A.M. Classic started construction work. The contractor was observed using construction equipment considerably larger than shown on its shoring plans and moved the equipment closer to the shoring than allowed by its own shoring design. During the construction activities, cracking was observed on the adjacent roadway and despite being notified of the damage caused by its procedure, the contractor refused to adjust its operations.

On November 19, 2010, A.M. Classic demobilized from the project site. On December 10, 2010, Public Works notified A.M. Classic to resume work or risk being found in default. The project is approximately 35 percent complete. As part of its operations, A.M. Classic removed existing concrete beyond what was necessary to construct the work and abandoned the site without ensuring the safety of the bridge. Public Works used its own maintenance crews to install timber supports to protect the bridge.

Consequently, since A.M. Classic has not performed any work since Public Works' December 10, 2010, notice, and in order to move toward completion of this bridge seismic retrofit project, it is recommended that your Board find A.M. Classic in default of the contract and authorize the Director to terminate A.M. Classic's right to perform under the contract. Public Works will then serve written notice on the project surety, Arch Insurance Company of America, to complete the work of the contract in accordance with the plans and specifications.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1). The recommended actions will provide for completion of the work at no additional cost to Public Works except for minimal administrative expenses.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The contract specifications provide for the termination of the contractor without liability for damage by your Board if your Board finds that the contractor has defaulted.

ENVIRONMENTAL DOCUMENTATION

On April, 17, 2007, Agenda Item 44, your Board found this project statutorily exempt from the provisions of the California Environmental Quality Act.

CONTRACTING PROCESS

In accordance with the project's performance bond requirements, the surety is obligated to step in

The Honorable Board of Supervisors 3/1/2011 Page 3

and complete the work.

<u>IMPACT ON CURRENT SERVICES (OR PROJECTS)</u>

It is not anticipated the recommended action will have a significant impact on residents or motorists. When the project is completed, it will have a positive impact by providing more reliable bridge infrastructure for the traveling public during and immediately following seismic events.

CONCLUSION

Please return one adopted copy of this letter to the Department of Public Works, Construction Division.

Respectfully submitted,

GAIL FARBER

Director

GF:JTS:ss

c: Chief Executive Office (Rita Robinson)
County Counsel

Hail Farher

Executive Office

Office of Affirmative Action Compliance