

**AWARD CONSTRUCTION
CONTRACT, APPROVE
AMENDMENT, ISSUE BONDS,
AND ENROLL ASSESSMENTS
FOR
CIP 114 – GREENWICH VILLAGE NORTH
UNDERGROUND UTILITIES ASSESSMENT
DISTRICT**

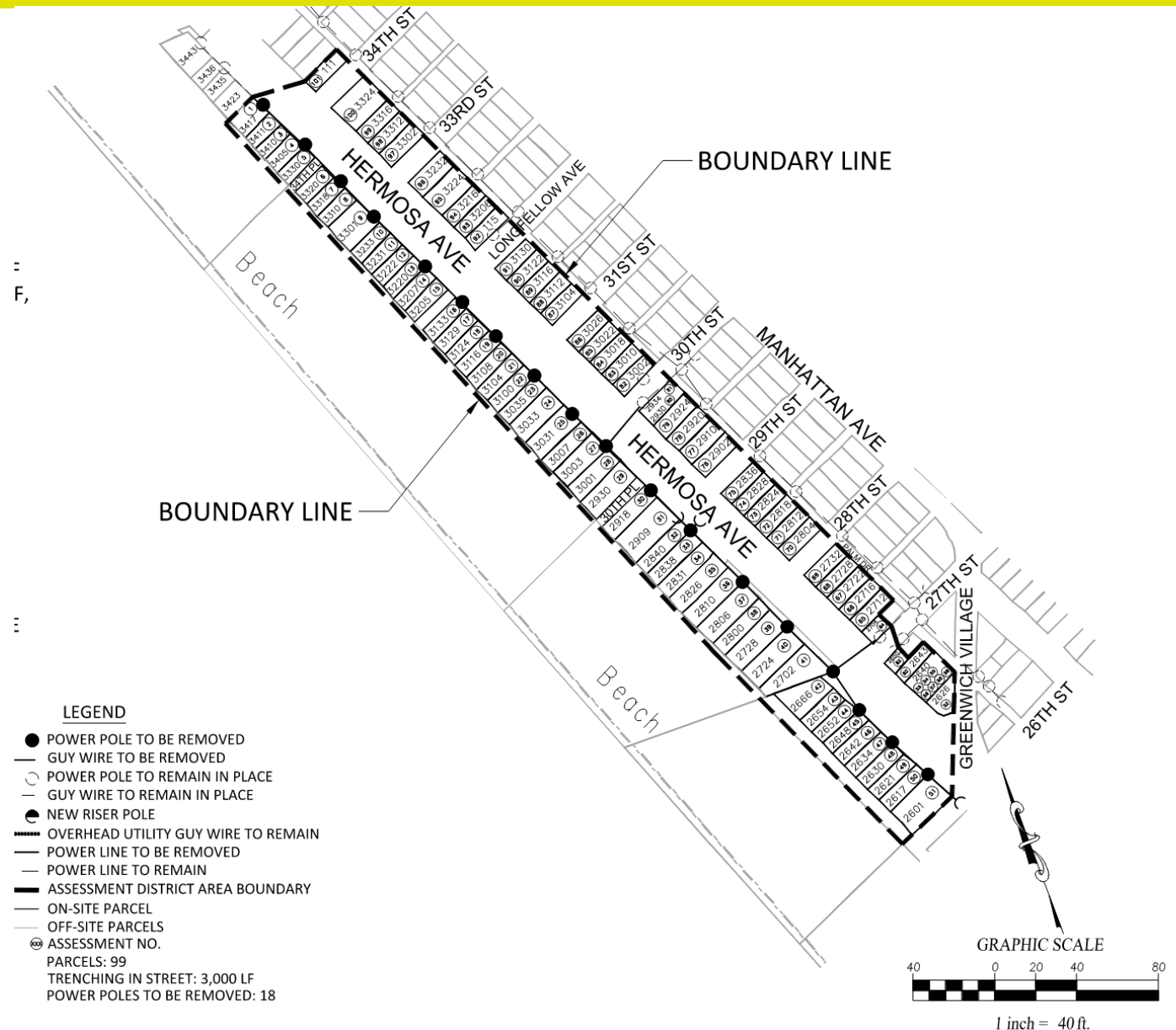
July 22, 2025



CITY OF
HERMOSA
BEACH

Background

- The Greenwich Village North Underground Utilities Assessment District (“District”) formed October 13, 2020.
- Underground utilities along Hermosa Avenue from 25th Street to 35th.



Background



- Since October 2020, the three utilities present in the District (SCE, Frontier, and Crown Castle) prepared design plans for the infrastructure required to place their lines underground.
- The three utilities finalized their design plans in January 2025.

Background

The undergrounding process consists of four phases:

Phase	Responsible Party	Estimated Duration
Phase 1: Civil Improvements	The City	12 months
Phase 2: Utility Installation	SCE, Frontier	Unknown
Phase 3: Private Conversion	The District's Property Owners	12 months
Phase 4: Pole Removal	Frontier	Unknown

The cost of Phase 1, 2, and 4 was estimated to be \$4,031,600 and was spread proportionally in accordance with the Engineer's Report across 99 properties.

This Staff Report concerns the first phase of this process.



Award Construction Contract

- Project advertised for construction bids on April 17, 2025.
- Bids were opened on May 29, 2025.

Bidder	Bid Amount
CEM Construction Corporation	\$2,307,500.00
Northwest Excavating	\$2,691,684.00
Minako America Corporation	\$3,034,000.00
Hot Line Construction, Inc.	\$3,222,222.63
Asplundh Construction, LLC	\$3,358,371.05
International Line Builders, Inc.	\$3,859,428.00



Issue Bonds, etc.

- Approve and execute **Placement Agent Agreement** by and between the City and Hilltop Securities.
- Execute **Paying Agent Agreement** by and between the City and the City's Finance Manager
- Authorize the **sale of bonds** in an amount not to exceed \$4,031,600 with a 20-year maturity period and an interest rate not to exceed 6% per year.



Enroll Assessments, etc.

- Record liens on all properties that elect to have their assessments go to bond
- Pre-payment notices went out on June 30, 2025 and the deadline to pre-pay assessments is July 30, 2025.
- Assessments enrolled on the Los Angeles County Auditor-Controller's Property Tax Roll
- Deadline to enroll is August 10, 2025.
- Making the deadline will save the District \$80,000 in capitalized interest charges.



Approve Amendment with NV5, Inc.

- Construction oversight by City Engineering staff, with support from NV5, Inc. for inspection and construction management services.
- Original agreement executed on January 12, 2021 with a three-year term and a value of \$500,00.
- Agreement has been amended twice, each amendment extending the term by one year.
- Staff recommends extending the term by 18 months and increasing its value to \$600,00 to account for services related to the Greenwich Village North UUAD.



Fiscal Impact

- Entirely funded by the District.
- Project budget includes \$100,000 for the cost of City Administration.
- As the *Paying Agent*, the City's Finance Manager will be responsible for administering payments over the lifespan of the bonds (~20 years).



Recommendations

1. Adopt a Resolution awarding a Construction Contract in the amount of \$2,307,500, authorizing Change Orders up to \$461,500 (~20%), related actions thereto;
2. Authorize Director of Public Works to file notice of completion;
3. Approve the 3rd Amendment to NV5 agreement adding \$100,000 to contract and extending term by 18 months;
4. Adopt a Resolution authorizing the issuance of bonds up to \$4,031,600 and related documents and actions with respect thereto;
5. Adopt a Resolution directing the County of Los Angeles Auditor-Controller to place the direct assessments on the County Tax Roll; and
6. Authorize the Mayor to execute the proposed contracts and the City Clerk to attest, subject to approval by the City Attorney.