



## AGENDA ITEM NO. 15

### CITY OF HAWTHORNE City Council AGENDA BILL


For the meeting of June 11, 2024

Originating Department: Public Works

City Manager:

  
Vontray Norris

Dir. of Public Works:

  
Akbar Farokhi

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#### SUBJECT:

**Progress Payment #5 in the amount of \$151,789.96 due to Klassic Engineering & Construction, Inc of Orange, CA for Hawthorne Housing Rehabilitation of City Owned Properties 2023 (Project #23-09)**

#### RECOMMENDED MOTION:

Staff recommends that the City Council approve this Progress Payment #5 to Klassic Engineering & Construction Inc of Orange, CA.

#### DISCUSSION:

This project includes providing all services, labor, materials, permits, insurance, tools and equipment needed, in accordance with the Specifications to successfully and safely complete the interior renovations to all units at six (6) City of Hawthorne owned buildings located at 11605 Gale Ave, 12720 - 12726 Grevillea Ave, 11529 Gale Ave, 11537 Gale Ave and 12529 Truro Ave, Hawthorne, CA 90250. The work to be done includes but is not limited to: removal of all carpet and installing vinyl flooring, removal and replacement of all water heaters, wall heaters, heating vents, new windows/window screens, interior and entry doors, garage doors upgrade, restroom remodels, electrical, mechanical and plumbing upgrades, painting, patch work, etc.

As of May 31<sup>st</sup>, 2024, Klassic engineering & Construction (KEC) has completed ~49% of the projects scope of work. KEC has continued remodeling 8 units: 2 units at 11529 Gale Ave, 2 Units at 11537 Gale Ave, 4 units at 11605 Gale Ave and 2 unit at 12720-12726 Grevillea Ave. Remodeling consist of but not limited to: removing/replacing carpet to vinyl flooring, remove/replace kitchen cabinet, sink, range and stove, installing new light fixtures through the units, patch and stucco walls, removing/replacing windows and all doors. Work also consist of removing/replacing bath tub, toilet, faucet, flooring and new tile for bathtub.

**ECONOMIC DEVELOPMENT STRATEGIC PLAN:**

Implementing this rehabilitation project on city-owned properties contributes to our economic strategic plan in several ways. For example, by stimulating local economy. Housing rehabilitation projects require hiring contractors, suppliers, and laborers, which injects money into the local economy and creating job opportunities. This project will also increase property value. By having well-maintained properties with functional, aesthetically pleasing, and modern amenities, the properties tend to have higher market value. By investing in these housing rehabilitations, the city can improve the condition of its properties and attract more potential tenants. City owned properties with well-maintained units and structures contribute to the overall livability and attractiveness of the community. This can help attract businesses, residents, and investors, boosting economic growth and revitalizing neighborhoods. A visually appealing and structurally sound housing can create a positive impression of the city's commitment to infrastructure maintenance and development.

In addition, by addressing housing unit's issues promptly, the City can avoid more extensive structure repairs, which can be significantly costlier. This proactive approach to maintenance helps save public funds and ensures efficient use of resources. By investing in housing rehabilitation on city owned properties, we contribute to our economic strategic plan by fostering economic activity, increasing property values, saving costs, and attracting investment.

**FISCAL IMPACT:**

None. Funds for this progress payment in the amount of \$151,789.96 will be funded through the allocated and approved Home Funds, CPF, and ARPA

**NOTICING PROCEDURES:**

72 hours posted notice pursuant to the Ralph M. Brown Act

**ATTACHMENT(S):**

1. Progress Payment #5
2. Klassic Engineering & Construction (KEC) Invoice