



# CITY OF LONG BEACH

LONG BEACH AIRPORT

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August 9, 2016

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Adopt Plans and Specifications No. R-7051 for capital improvements to the Lot A Parking Garage at the Long Beach Airport; award a contract to R.J. Daum Construction Company, a Nevada corporation, in the amount of \$3,932,979, and authorize a 25 percent contingency in the amount of \$983,245, for a total contract amount not to exceed \$4,916,224; and, authorize the City Manager, or designee, to execute all documents necessary to enter into the contract, including any amendments thereto not exceeding the authorized amount. (District 5)

## DISCUSSION

City Council approval is requested to enter into a contract with R. J. Daum Construction Company for capital improvements to the Lot A Parking Garage (Lot A). Lot A, located across from the historic terminal, is the oldest and most frequently used of the Airport's two parking garages. Lot A is identified for short-term parking and serves as the queuing pick-up location for taxi cab service. The project includes demolition of the existing single elevator and staircase tower at the northwest corner of the structure, which will be replaced with a new two-cab elevator tower and an outdoor staircase at the northwest corner of the structure. The existing single elevator has surpassed its useful service life and is incurring increased maintenance costs. Other work will include construction of a new dedicated passenger two-lane exit driveway, a new attendant booth, paving, curb and gutter, ramps, islands, a dedicated taxi lane exit, storm drain improvements, and replacement of existing lighting with LED lighting.

The bid was originally advertised in the Long Beach Press-Telegram on December 9, 2015, and 3,750 potential bidders specializing in construction services were notified of the bid opportunity. Of those bidders, 74 downloaded the bid via the City's electronic bid system. No bids were received. After discussing with potential bidders, it was determined the main factor for receiving zero bids was that the advertising time was during the holidays and many of the estimators were on vacation.

The bid was re-advertised in the Long Beach Press-Telegram on March 28, 2016, and 3,964 potential bidders specializing in construction services were notified of the bid opportunity. Of those bidders, 66 downloaded the bid via the City's electronic bid system. The bid document was made available from the Purchasing Division, located on the seventh floor of City Hall, and the Division's website at [www.longbeach.gov/purchasing](http://www.longbeach.gov/purchasing). Bid documents were also available for purchase through the Department of Public Works located on the tenth floor of City Hall. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 22 local, minority and women-owned business groups. Bid documents were also sent to several trade publications and plan rooms catering to these groups within the construction industry. Two bids were received on April 27, 2016. Of those two bidders, none were Minority-owned Business Enterprises (MBEs), Women-owned Business Enterprises (WBEs), Disadvantaged Business Enterprises (DBEs), certified Small Business Enterprises (SBEs), or Long Beach-based businesses (Local). R. J. Daum Construction Company, a Nevada corporation (not a MBE, WBE, DBE, SBE or Local), was the lowest responsible bidder.

### **Local Business Outreach**

In an effort to align with the City's outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Purchasing Division also assists businesses with registering on the Bids Online database to download the bid specifications. Through outreach, 352 Long Beach vendors were notified to submit bids, of which five downloaded and none submitted a bid. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on June 27, 2016 and by Budget Analysis Officer Rhutu Amin Gharib on June 23, 2016.

### **SUSTAINABILITY**

The new two-cab elevator will have an anticipated service life of over 20 years and have lower energy consumption and maintenance costs compared to the existing elevator. LED replacement fixtures will also reduce the parking structure's energy consumption.

### **TIMING CONSIDERATIONS**

City Council action to adopt Plans and Specifications No. R-7051 and award a contract concurrently is requested on August 9, 2016, to expedite commencement of this project. Construction is anticipated to begin in October 2016, and should be completed in approximately eight months. The construction Plans and Specifications contain phasing requirements, which will maintain access to the parking structure for passengers and operators including commercial airlines and general aviation tenants.

FISCAL IMPACT

The total project cost is anticipated to be \$5,989,250, which includes \$337,000 already expended for the design, \$3,932,979 for physical construction, \$983,245 for a 25 percent construction contingency, and an estimated \$736,026 for construction management and inspection services.

The total construction contract amount of \$3,932,979 and the recommended 25 percent contingency of \$983,245 are budgeted in the Airport Fund (EF 320) in the Airport Department (AP). The total project cost, including the contract award amount, will be funded with Airport Capital and remaining 2009 Bonds. The 2009 Bonds are bonds that were secured in 2010 for the construction of the Lot B Parking Structure at the Airport.

Sufficient Airport funding is budgeted in the Airport Fund (EF 320) to cover the project costs of \$5,989,250. The award of this contract will provide continued support to our local economy by supporting approximately 101 temporary full-time equivalent jobs during construction.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JUAN LOPEZ-RIOS  
INTERIM DIRECTOR  
LONG BEACH AIRPORT

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JOHN GROSS  
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



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PATRICK H. WEST  
CITY MANAGER