



CITY OF LONG BEACH

DEPARTMENT OF PARKS, RECREATION & MARINE



2760 N. Studebaker Road, Long Beach, CA 90815-1697
(562) 570-3100 • FAX (562) 570-3109
www.LBParks.org

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best in the nation

August 19, 2014

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute the Ninth Amendment to Contract No. 31687 with Bellingham Marine Industries, Inc., for an additional \$9,119,629, plus a \$455,981 contingency, for a total increase of \$9,575,610, for Phase 5 of the Alamitos Bay Marina rebuild project, for a revised contract amount not to exceed \$51,006,617; execute all documents necessary to complete Phase 5 of the project; and

Increase appropriations in the Marina Fund (TF 403) in the Parks, Recreation and Marine Department (PR) by \$10,900,000, and increase appropriations in the Tidelands Operations Fund (TF 401) in the Citywide Activities Department (XC) by \$10,900,000 from available fund balance. (District 3)

DISCUSSION

In February 2010, the City of Long Beach (City) embarked on the rebuild of the Alamitos Bay Marina (ABM) following a 2007 Request for Proposal Process that resulted in the selection of Bellingham Marine Industries, Inc., (BMI), for the design, engineering and construction of seven of the eight marina basins. One basin (Basin 8) had been completed earlier in 2002. Due to the magnitude of the ABM rebuild project, the Department of Parks, Recreation and Marine (PRM) and BMI agreed to segregate each basin rebuild into phases. To date, Basin 4 (Phase 1), Basin 1 (Phase 2), and Basin 5 (Phase 3) have been completed. The remaining four basins, specifically, Basins 2, 3, 6 and 7, are currently being addressed. Phase 4, which was approved by the City Council on April 15, 2014, consists of the electrical infrastructure upgrade for Basins 2 and 3, and is scheduled for completion by the end of October 2014.

The reconstruction of Basins 2 and 3 have been divided into eight phases. Phase 5 includes Basin 2, Docks 11, 12, 13, and 14. Work will include demolition, dredging in the area surrounding these docks, and the manufacture and installation of concrete docks. The estimated cost for Phase 5 is \$10,900,000, which includes \$1,324,390 for permits, inspection, and construction management. BMI will receive compensation up to \$9,575,610. The tentative start date for Phase 5 is September 29, 2014, and the duration of Phase 5 is approximately nine months (three months of offsite fabrication and six months of on-site construction).

"We create community and enhance the quality of life through people, places, programs and partnerships"

As discussed at the City Council meeting on April 15, 2014, Phase 5 and the associated funding of \$10,900,000 are a step toward the final completion of the waterside ABM rebuild improvements. Also as discussed on April 15, 2014, a \$34 to \$40 million bond issue in 2015 funded from slip fees, currently projected to increase at a potential rate of no less than two percent per year, and subsequent additional funding likely from Tidelands of \$15,100,000 (a total of \$26,000,000 potentially from Tidelands) are anticipated to be sufficient to complete the waterside project. There is currently no funding for additional landside improvements, such as for the restrooms.

This matter was reviewed by Deputy City Attorney Kendra L. Carney on August 4, 2014, and by Budget Management Officer Victoria Bell on August 5, 2014.

TIMING CONSIDERATIONS

City Council action is requested on August 19, 2014, in order to amend Contract No. 31687 with Bellingham Marine Industries, Inc., and provide BMI with contract authority, which allows for the two-month lead time necessary for the manufacture of the docks and purchase of the piles.

FISCAL IMPACT

The estimated cost of Phase 5 is \$10,900,000, which includes \$1,324,390 for permits, inspection, and construction management, requiring a BMI contract increase of \$9,575,610. Authorization for the expense is requested through an appropriation increase of \$10,900,000 in the Marina Fund (TF 403) in the Parks, Recreation and Marine Department (PR). The expenditure of \$10,900,000 for the ABM rebuild was approved by the State Lands Commission on June 19, 2014. To complete the funding transfer, an appropriation increase of \$10,900,000 in the Tidelands Operations Fund (TF 401) in the Citywide Activities Department (XC) is also requested. The recommended action will result in a positive impact on jobs. Approximately 30 jobs will be created during the course of this phase.

SUGGESTED ACTION:

Approve recommendation.

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Respectfully submitted,




GEORGE CHAPJIAN
DIRECTOR OF PARKS, RECREATION AND MARINE



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

GC:JG:EH

APPROVED:



PATRICK H. WEST
CITY MANAGER