



CITY OF LONG BEACH

OFFICE OF THE CITY MANAGER

333 West Ocean Boulevard • Long Beach, CA 90802 • (562) 570-5729

October 7, 2014

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Plans and Specifications No. R-6914 for construction of the Beach Pedestrian Path project (Project); award the contract to Powell Constructors, Inc., of Fontana, CA, in the amount of \$5,519,700, and authorize a 15 percent contingency in the amount of \$827,955, for a total contract amount not to exceed \$6,347,655; authorize the City Manager or designee to execute all documents necessary to enter into a contract, including any necessary amendments thereto; accept Categorical Exemption No. 12-044; and

Increase appropriations in the Tidelands Operations Fund (TF 401) in the City Manager Department (CM) by \$2,523,428. (Districts 2, 3)

DISCUSSION

City Council approval is requested to enter into an annual contract with Powell Constructors, Inc., for the construction of the Beach Pedestrian Path project. On February 18, 2014, the City Council authorized the City Manager to proceed with the design and bidding phase for the Project. The main purpose of the Project is to:

- Increase beach access and coastal recreation by creating a separate path exclusively for pedestrians;
- Improve safety by relieving congestion and separating user groups;
- Encourage greater use of the beach;
- Support pedestrian activity by installing a more appropriate material for running/walking;
- Promote more active and healthy lifestyles; and
- Improve mobility and travel options for all users.

The Project consists of constructing an eleven-foot wide pedestrian path, located north of the existing bicycle path, along 3.1 miles of the shoreline (Exhibit A). The new pedestrian pathway will be constructed from a resin-based surface that is less rigid than concrete, more desirable for walking and running, yet durable enough to withstand the marine environment. Other materials for the pathway, like decomposed granite, were considered early in the project's planning process, but deemed infeasible due to various considerations. The resin-based material is environmentally friendly, durable, and more desirable than concrete for pedestrian-related activities (i.e. walking, jogging and running).

The Project will require the relocation of the existing bicycle path inland at a few locations, new pedestrian/bicycle ramps at the Belmont Veterans Memorial Pier, reconfiguration of storm-drain outlets to accommodate the pathways, relocation of palm trees at Cherry Beach, landscaping at two medians and the easterly pier ramp wall, installation of approximately 23,000 square feet of turf area at Cherry Beach to mitigate impacts to existing turf area, and new signage and striping.

The bid was advertised in the Press-Telegram on August 7, 2014, and 3,053 potential bidders specializing in construction were notified of the bid opportunity. Of those bidders, 104 sets of bid documents were purchased or downloaded via our 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. A bid announcement was also included in several trade publications and plan rooms catering to these groups within the construction industry. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 30 local, minority and women-owned business groups. Seven bids were received on September 3, 2014. Of those seven bidders, one was a Minority-owned Business Enterprise (MBE), none were Women-Owned Business Enterprises (WBEs), one was a Disadvantaged Business Enterprise (DBE), two were certified Small Business Enterprises (SBEs), and one was a Long Beach business (Local). Powell Constructors, Inc., of Fontana, CA, (not an MBE, WBE, DBE, SBE or Local) was the lowest responsible bidder.

Local Business Outreach

In an effort to align with our 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 bid specifications. Through outreach, 284 Long Beach vendors were notified to submit bids, of which five downloaded and one submitted a bid. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

Pursuant to the California Environmental Quality Act (CEQA), a Categorical Exemption for the Project was filed with the L.A. County Clerk on July 25, 2012. The California Coastal Commission approved a coastal development permit on June 13, 2013, concluding that the Project, as conditioned, is the least environmentally damaging feasible alternative and can be found consistent with the requirements of the Coastal Act. On February 18, 2014, the City Council considered Categorical Exemption No. 12-044, and authorized staff to proceed with the Project.

This matter was reviewed by Deputy City Attorney Linda Vu and by Budget Management Officer Victoria Bell on September 18, 2014.

SUSTAINABILITY

The Project involves constructing a new pedestrian walkway adjacent to the existing bicycle path using a resin-based surface material that incorporates green construction technology, which uses non-toxic and non-petroleum based products. This light colored material will provide a cooler surface to help reduce the Urban Heat Island Effect. In addition, the base material that will support the new path will be composed of a recycled surface product.

TIMING CONSIDERATIONS

City Council action to adopt Plans and Specifications No. R-6914 is requested on October 7, 2014 to authorize the construction of this capital improvement project. Construction is projected to begin in late October 2014 and to be completed by Summer 2015.

FISCAL IMPACT

The estimated cost for this project is \$7,523,428 and includes the construction contract award of \$6,347,655 plus costs for design, technical studies, permitting, design support during construction, and inspections. An initial funding set-aside of \$5,000,000 was appropriated by the City Council in the Tidelands Operations Fund (TF 401) as part of the FY 2012 Capital Improvement Program budget. An appropriation increase of \$2,523,428 for the remaining project cost is requested in the Tidelands Operations Fund (TF 401) in the City Manager Department (CM) as part of the recommended action. The Tidelands 5-year Capital Plan assumes \$8,000,000 for the total cost of the project. Although the extra appropriation of \$2,523,428 is above the original \$5,000,000 allocated to the project, it is actually about \$500,000 less than the \$8,000,000 assumed in the Tidelands 5-year Capital Plan.

Although funds are currently available for this project, due to potential revenue issues, that may not be true for all the Tidelands projects that are in the approved budget or the Tidelands 5-year Capital Plan. Due to the potential for an oil revenue shortfall and the potential for budget adjustments for subsequent Tidelands projects, there is significant risk that funding will not be available for all the Tidelands projects that may be ready for construction as shown in the Capital Plan. Adjustments may need to be made to the budget and/or the Tidelands 5-year Capital Plan in the future. This comment will also apply to any other Tidelands project presented for City Council approval until the capital funding situation improves or becomes more predictable.

On October 27, 2011, the State Lands Commission approved the City's initial cost estimate of \$5,000,000, and on September 16, 2014, the City issued a letter to the State Lands Commission regarding the increased cost estimate; their approval is pending and expected. The award of this contract will provide continued support to our local economy.

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SUGGESTED ACTION:

Approve recommendation.

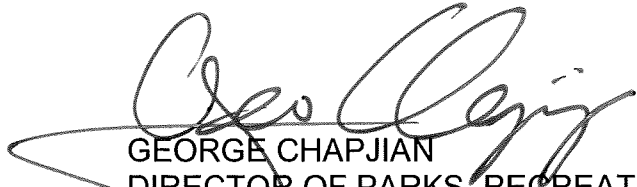
Respectfully submitted,



PATRICK H. WEST
CITY MANAGER



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT



GEORGE CHAPJIAN
DIRECTOR OF PARKS, RECREATION
AND MARINE

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Attachment

