



Legislation Details (With Text)

File #: 22-0621 **Version:** 1 **Name:** PW - Colorado Lagoon
Type: Contract **Status:** CCIS
File created: 5/20/2022 **In control:** City Council
On agenda: 5/24/2022 **Final action:** 5/24/2022

Title: Recommendation to adopt Plans and Specifications No. 3002120001 REBID and award a contract to Reyes Construction, Inc., of Pomona, CA, for construction of the Colorado Lagoon Open Channel Phase 2A Project (Project), in the amount of \$20,817,600, authorize an 18 percent contingency in the amount of \$3,747,168, for a total contract amount not to exceed \$24,564,768, and authorize City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary amendments;

Authorize City Manager, or designee, to amend the Memorandum of Understanding between the Public Works and Harbor Departments to accept an additional contribution of \$5,700,000 for the Project; and

Increase appropriations in the Tidelands Operating Fund Group in the Public Works Department by \$5,700,000, offset by a transfer from the Harbor Fund Group in the Harbor Department. (District 3)

Sponsors: Public Works

Indexes:

Code sections:

Attachments: 1. 052422-NB-41sr&att

| Date | Ver. | Action By | Action | Result |
|-----------|------|--------------|------------------------|--------|
| 5/24/2022 | 1 | City Council | approve recommendation | Pass |

Recommendation to adopt Plans and Specifications No. 3002120001 REBID and award a contract to Reyes Construction, Inc., of Pomona, CA, for construction of the Colorado Lagoon Open Channel Phase 2A Project (Project), in the amount of \$20,817,600, authorize an 18 percent contingency in the amount of \$3,747,168, for a total contract amount not to exceed \$24,564,768, and authorize City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary amendments;

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City Council approval is requested to Adopt Plans and Specifications No. 3002120001 REBID and enter into a contract with Reyes Construction Inc., to provide construction services for the Colorado Lagoon Open Channel Phase 2A Project (Project), and increase appropriations

in the Tidelands Operating Fund.

Background

Improvements to the Colorado Lagoon were undertaken through a phased approach. Phase 1, Part 1 was completed in September 2009 and Phase 1, Part 2 was completed in August 2012. The phased improvements consisted of several components to reduce point source contamination, remove contaminated sediments, and improve water quality. Phase 2 consists of two subphases, Phases 2A and 2B. Construction of Phase 2B involved creating new subtidal and intertidal habitat through dredging and site work, addressing residual sediment contamination, planting eelgrass, restoring native vegetation, extending the pedestrian footbridge, installing new pedestrian paths, and removing an asphalt access road to create habitat and further enhance water quality. Phase 2B was fully funded, and therefore was completed prior to Phase 2A on August 15, 2017.

These previous restoration efforts have significantly improved the habitat quality of the aquatic resources by diverting urban runoff into the sanitary system and collecting trash at the storm drain outlets. Contaminated sediment within the lagoon has been dredged and native flora around the perimeter of the lagoon continues to thrive. While the previous work continues to exceed expectations, tidal exchange at the lagoon remains muted because the existing underground concrete culvert connecting the lagoon to Alamitos Bay is not deep or wide enough to allow for full tidal exchange between the lagoon and Alamitos Bay. The proposed work for Phase 2A seeks to remedy this deficiency by replacing the existing culvert with a natural waterway connection (open channel). Restoring full tidal exchange between Alamitos Bay and the lagoon is necessary to achieve continued ecological success and functioning of the restored coastal lagoon habitats (Attachment A).

The City of Long Beach (City) established a regulatory mitigation bank associated with the enhancements and habitat creation resulting from the lagoon and proposed open channel work. Credits from established mitigation banks can be used in the regulatory review process to offset unavoidable habitat impacts or losses created by other projects which are subject to regulatory review and approvals. As outlined in the Legislation Text and MOU (HD-22-232), the Port of Long Beach has agreed to purchase the resulting mitigation bank credits for a sum of \$32,000,000, which creates the vehicle to conduct these habitat improvements (Attachment C).

Construction Contract

The Phase 2A Project will construct an open channel that will naturally reconnect Colorado Lagoon to Alamitos Bay and allow full tidal exchange to further improve water quality. To accommodate the open channel and maintain vehicular access, the Project includes construction of bridges at East Colorado and East Eliot Streets and the relocation of existing utilities at both bridge locations. The Phase 2A Project also includes recreational and public access improvements in, and adjacent to Marina Vista Park. A pedestrian overlook will be constructed at the corner of East Colorado and East Eliot Streets to provide a viewpoint of

the open channel and traffic calming features will be constructed at the intersection. A walking path with benches will be constructed along the eastern side of the open channel and native trees will be planted along the path. The open space on the western side of Marina Vista Park will be leveled and new turfgrass and irrigation will be installed. A new youth baseball field and an accessible outdoor exercise area will be constructed in the park (Attachment B). The construction on Phase 2A is expected to be complete within 18-24 months.

To avoid delays to the overall project, reduce conflict associated with multiple prime contractors on the project site, and maintain the project schedule, the Water Department has agreed to reimburse the Department of Public Works (Public Works) for performing the relocation of potable and reclaimed water lines along East Colorado Street. An internal agreement between the Public Works and the Water Departments related to the relocation of water lines is pending approval and may be appropriated as part of a quarterly budget adjustment or separate City Council action.

Memorandum of Understanding with the Harbor Department

The Harbor Department has been an active partner since the Project's feasibility study, environmental review, and design of the earlier restoration phases, as well as in the creation of the Bank Enabling Instrument (BEI or mitigation bank). In exchange for their participation in the Colorado Lagoon Restoration, the Harbor Department was provided with first right of refusal for the purchase of mitigation credits created by the BEI, as outlined in the June 30, 2016 Memorandum of Understanding (MOU) with the Harbor Department. On July 8, 2019, the Board of Harbor Commissioners approved a revised MOU between the Public Works and Harbor Departments to exercise their right to purchase 19.7 mitigation credits for a not to exceed amount of \$26,300,000. On May 23, 2022 the Board of Harbor Commissioners is anticipated to approve a first amendment to the revised MOU to increase the purchase price by \$5,700,000 for a total purchase price of \$32,000,000. The additional funding will cover increased project costs related to escalation, market factors, additional permitting requirements and conditions of approval received from the regulatory agencies, and construction management, inspections, and oversight costs.

Project Advertisement

The bid was advertised in the Long Beach Press-Telegram on December 9, 2021 and 96 potential bidders specializing in construction services were notified of the bid opportunity. Of those bidders, 97 downloaded the bid via PlanetBids, an electronic bid system. The specifications were made available on the Purchasing Division's website at www.longbeach.gov/purchasing <<http://www.longbeach.gov/purchasing>>. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 43 local, minority-owned, and women-owned business groups. Three (3) bids were received on January 18, 2022. Of those three bidders, one was a Minority-owned Business Enterprise (MBE), none were Women-owned Business Enterprises (WBEs), one was a certified Small Business Enterprise (SBE), and none were Long Beach

businesses (Local). Reyes Construction, Inc., of Pomona, CA (not an MBE, WBE, SBE or Local), was the lowest responsible bidder.

Local Business Outreach

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 PlanetBids database to download bid specifications. Through outreach, 46 Long Beach vendors were notified to submit bids, of which 6 downloaded and 3 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 Erin Weesner-McKinley, City Purchasing Agent Michelle Wilson and Budget Management Officer Nader Kaamoush on May 19, 2022.

SUSTAINABILITY

In October 2009, the State adopted a Total Maximum Daily Load (TMDL) for the Colorado Lagoon due to toxins, pesticides, heavy metals, and hydrocarbons impairing the water body, and jointly issued a Cleanup and Abatement Order effective July 2011. Since then, investments from Federal, State, Regional agencies helped bring about the restoration of the lagoon, one of the last unique coastal lagoons in an urban environment. These restoration efforts have significantly improved water and sediment quality, which have resulted in an increased presence of marine species, flora and fauna within and around the lagoon.

The future open channel modifications are engineered to address various sea level rise scenarios. Eelgrass, a sensitive and protected aquatic plant species that provides immense habitat value, currently thrives in the lagoon. The plant species will continue to be monitored, as required by the regulatory agencies, to ensure its success. Additionally, the plant palette for the project consists of native marsh and native plants in the transitional, upland areas. These plants can adapt with rising tides making the lagoon even more resilient to changing environmental conditions.

The project is in conformance with the Final Environmental Impact Report (FEIR), State Clearinghouse Number 2007111034, which was certified by the City Council on October 14, 2008, and completes the necessary environmental analysis as required pursuant to provisions of the California Environmental Quality Act (CEQA). The City Council certified an addendum to the FEIR on November 16, 2010. The California Coastal Commission and the U.S. Army Corps of Engineers have already approved the Bank Enabling Instrument (BEI). The Los Angeles Regional Water Quality Control Boards has also issued a required permit for the Project.

City Council action to adopt Plans and Specifications No. 3002120001 REBID and award a contract concurrently is requested on May 24, 2022, to ensure the contract is in place expeditiously.

The total cost of the requested construction contract will not exceed \$24,564,768, inclusive of an eighteen percent contingency. The total cost of the Project is currently estimated at \$32,539,205, which includes all project delivery costs such as design, construction contract, construction management and oversight, environmental monitoring, and labor compliance.

The project is supported by \$26,300,000, from the Harbor Department MOU as approved in 2019 and \$539,205 of Tidelands funding already budgeted in the Tidelands Operations Fund Group in the Public Works Department. Additionally, \$5,700,000 is anticipated to be approved on May 23, 2022 (Attachment C) by the Harbor Board of Commissioners in which an appropriations increase is being requested in the Tidelands Operations Fund Group. On December 2, 2013, the State Lands Commission (SLC) approved expenditures for the Project to be consistent with the Granting Statutes of Chapter 138 as amended by Chapter 941. The SLC was notified of the additional Tidelands Oil Revenue expenditures utilized for the Project. All SLC requirements have been met and the City is ready to proceed with the Project.

The Department of Parks, Recreation and Marine will be responsible for maintenance and operation of the Colorado Lagoon and Marina Vista Park. It is anticipated that by replacing an aged system, maintenance and operating cost may decrease once the project is complete. If funding is required beyond the existing maintenance and operations budget for this area, an enhancement will be requested as part of a future budget development process. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. The number of additional local jobs created by this project will be unknown until a construction contract has been awarded, the contractors have completed their hiring, and construction has commenced.

Approve recommendation.

ERIC LOPEZ
DIRECTOR OF PUBLIC WORKS

APPROVED:

THOMAS B. MODICA
CITY MANAGER