



CITY OF LONG BEACH

R-17

OFFICE OF THE CITY MANAGER

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May 24, 2016

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Plans and Specifications No. R-7054 for the Colorado Lagoon Restoration Phase 2B Project; award the contract to Los Angeles Engineering, Inc., of Covina, CA, in the amount of \$2,771,625, and authorize a 15 percent contingency in the amount of \$415,744, for a total contract amount not to exceed, \$3,187,369; and, authorize the City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary amendments thereto. (District 3)

DISCUSSION

City Council approval is requested to enter into a contract with Los Angeles Engineering, Inc., for construction of the Colorado Lagoon Restoration Phase 2B Project (Project).

The Colorado Lagoon (Lagoon) is an 18-acre saltwater tidal lagoon located at 5119 East Colorado Street (Exhibit A-Location Map). It is hydraulically connected to Alamitos Bay and the Pacific Ocean through a 900-foot underground concrete box culvert located under Marina Vista Park. The Lagoon serves three primary functions: it hosts estuarine habitat, provides public recreation (including swimming), and it retains and conveys storm water. The Lagoon site was formerly part of the vast Los Cerritos Wetlands and was naturally connected to what is now Marine Stadium. Over the course of several decades, an accumulation of contaminants resulting from stormwater runoff, in combination with the muting of the tidal exchange, helped contribute to the listing of the Lagoon on the Federal Clean Water Act Section 303(d) list of impaired water bodies due to elevated levels of Organochlorine (OC) Pesticides, Polychlorinated Biphenyls (PCBs), Sediment Toxicity, Polycyclic Aromatic Hydrocarbons (PAHs), and metals in fish tissue and sediment for Colorado Lagoon.

The restoration of the Lagoon has been an on-going and multi-phased effort intended to improve water quality and restore the ecological value of one of Southern California's last remaining coastal lagoons. Phase 1 was completed in August 2012, consisting of several components to improve water and sediment quality, and recreational resources. Phase 2 will consist of two subphases, Phases 2A and 2B. Phase 2A will involve the proposed construction of an open, earthen hydraulic water channel to reconnect the

Lagoon to Marine Stadium. The Phase 2B project involves creating new subtidal and intertidal habitat, planting eelgrass, and revegetation of the site to satisfy mitigation requirements. Project 2B is fully funded, whereas Project 2A is not. Accordingly, Project 2B will be constructed before Project 2A.

To help fund the Phase 2A project, the City is proposing to use the Open Channel site as a Compensatory Mitigation Bank and use the sale of mitigation credits generated to help fund the project. A mitigation bank is a wetland or other aquatic resource that is restored, enhanced or established for the purpose of providing compensation for unavoidable impacts to aquatic resources, which are permitted under Section 404 of the Federal Clean Water Act. A mitigation bank is created when a party (government, corporation, nonprofit or other entity) undertakes these restoration and enhancement activities under a formal agreement with the regulatory agencies for the purposes of compensating a project with unavoidable environmental impacts. The City continues to work with the U.S. Army Corps of Engineers and the Interagency Review Team (IRT) to complete this application and Bank Enabling Instrument (BEI) development process.

The agencies are currently evaluating the proposed number of mitigation credits that could be generated with the Open Channel Project. The Port of Long Beach (Port) has been a partner in the restoration of the Colorado Lagoon site, and the City and Port have established a Memorandum of Understanding for the Port's "right of first refusal" to purchase mitigation credits resulting from any new habitat created at the Open Channel site to help pay for the cost of Phase 2A. Staff anticipates that approval of the mitigation bank will be received from the agencies by the end of 2016. Construction of the Colorado Lagoon Open Channel Phase 2A Project cannot commence until the BEI documents are approved by the resource agencies.

On October 27, 2011, the State Lands Commission (SLC) authorized the expenditure of \$700,000 for Phase 1 dredging and restoration activities, of which \$450,000 will be spent on Phase 2B. On December 17, 2014, the SLC authorized an additional \$5,000,000 for the Phase 2B Project. All SLC requirements have been met and the City is ready to proceed with construction.

Restoration Activities

The restoration program at the Lagoon has been guided by the Colorado Lagoon Master Restoration Plan (Feasibility Study) and by the Total Maximum Daily Loads (TMDL) adopted by the Los Angeles Regional Water Quality Control Board in 2009. Many of the components of the Restoration Plan and TMDL implementation plan have already been completed, including the rerouting of stormdrains, installation of trash capture devices, and construction of low flow diversion systems, and through the dredging and removal of contaminated sediment in the Lagoon.

The Phase 2B Project will further enhance the ecological value of the Lagoon through the creation of additional subtidal, intertidal, upland and eelgrass habitats through the balanced hydraulic dredging and fill of the Lagoon site, and active revegetation using native plant species as highlighted in the project renderings (Exhibit B). The subtidal

habitat created by the Project will provide the required compensatory mitigation for the Naples Island Seawalls Repair Program (Phases One through Six) and any excess mitigation may be used to provide mitigation for other City projects. The cumulative impacts to shallow soft-bottom habitat resulting from the Naples Island Seawalls Repair Program is approximately 12,500 square feet. The Coastal Development Permit for Phase One of the Seawall Repairs established a 2:1 mitigation ratio for all expected impacts to aquatic resources resulting from the seawall repairs. This translates for a need of approximately 25,000 square feet of new, soft-bottom subtidal habitat, which is proposed to be created at the north shore of the Lagoon. Overall, the proposed improvements will not only enhance the ecological value of the site, but will address any residual sediment contamination remaining at the Lagoon, and help ensure compliance with the site's TMDL.

The Phase 2B project has received the following regulatory approvals from State and Federal Resource Agencies necessary to proceed with construction: Coastal Development Permit No. 5-09-071-A2 from the California Coastal Commission, Water Quality Certification No. 14-100 from the Los Angeles Regional Water Quality Control Board, Section 10/404 Standard Individual Permit from the U.S. Army Corps of Engineers.

The bid was advertised in the Long Beach Press-Telegram on April 5, 2016, and 4,163 potential bidders specializing in construction were notified of the bid opportunity. Of those notified, 128 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. 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. Four bids were received on April 27, 2016. Of those four bidders, one was a Minority-owned Business Enterprise (MBE), none were Women-owned Business Enterprises (WBEs), one was a certified Small Business Enterprise (SBE), one was a Disadvantaged Business Enterprises (DBE), and none were Long Beach businesses (Locals). Los Angeles Engineering, Inc., of Covina, CA (not an MBE, WBE, SBE, DBE 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 Plans and Specifications. Through outreach, 386 Long Beach vendors were notified to submit bids, of which nine 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 Robin ZurSchmiede on May 4, 2016 and by Budget Management Officer Victoria Bell on May 5, 2016.

SUSTAINABILITY

The project specifications require the Contractor to reuse and recycle materials per the City's Construction and Demolition Ordinance. The project itself consists of restoring sensitive habitat and revegetating using native plant species that thrive in tidal and brackish water.

The Colorado Lagoon Restoration Project was subject to an environmental review and analysis pursuant to the California Environmental Quality Act (CEQA). The City prepared a Draft Environmental Impact Report (EIR 30-07) for the proposed project and released the document for public review in May 2008. On September 4, 2008 the Planning Commission adopted a Resolution certifying the Final EIR. The approval was appealed to the City Council. On October 14, 2008, the City Council upheld the Planning Commission's approval, denied the appeal, certified the Final EIR, and approved the Colorado Lagoon Master Restoration Project. The issues raised in the appeal, filed on September 15, 2008, included the adequacy of the Environmental Impact Report regarding impacts from construction noise, traffic, truck trips, loss of parking hazardous soil and air quality.

On October 7, 2010, the Planning Commission also approved an Addendum to a previously certified EIR. On November 16, 2010, the City Council upheld the Planning Commission decision to approve the Addendum to the previously certified Final EIR and denied two appeals related to the Planning Commission decision. The issues raised in these appeals involved changes to the project description, potential construction impacts to surrounding properties, issues regarding specific project components, and potential project impacts to Marina Vista Park.

The Resolution adopted by the City Council on November 16, 2010 approved and certified the Addendum to the Final EIR in accordance with CEQA, and made certain findings in support of the Project EIR and, as such, all CEQA requirements for the project have been met.

TIMING CONSIDERATIONS

City Council action to adopt Plans and Specifications No. R-7054 and award a contract concurrently is requested on May 24, 2016, to meet regulatory mitigation requirements from the U.S. Army Corps of Engineers and California Coastal Commission, and to comply with TMDL requirements from the Los Angeles Regional Water Quality Control Board.

FISCAL IMPACT

The total estimated cost for Phase 2B of the project is \$5,450,000, which includes the construction contract award of \$3,187,369, and the cost for design, engineering, technical studies, regulatory permitting, construction management, inspections, labor compliance, Project Labor Agreement administration, and the mitigation bank monitoring, maintenance, and reporting as required by the Resource Agencies. Of the

total estimated project costs, \$5,000,000 was appropriated as part of the FY 15 Capital Improvement Program and is consistent with the City Council's June 16, 2015 prioritization of Tidelands Projects and approved Five-Year Capital Plan. An additional \$700,000 was appropriated as part of the FY 12 Capital Improvement Program for Phase 1, Part 2 Colorado Lagoon Restoration, of which \$450,000 will be used for Phase 2B. A total of \$5,450,000 is budgeted for this project in the Tidelands Operations Fund (TF 401) in the City Manager Department (CM). Phase 2A is unbudgeted, but Staff is working with the Harbor Department and Resource Agencies to determine a funding strategy.

The Lagoon site will continue to be maintained by the Department of Parks, Recreation and Marine as a public park and open space, as well as continue to perform operations and maintenance of this site consistent with the operations and maintenance of other open spaces with sensitive habitat in the City. A five-year Mitigation Monitoring, Maintenance and Reporting Program is required by the Federal and State Resources Agencies for mitigation projects and is anticipated to cost \$860,000 for the five-year term. This cost has been budgeted in the Tidelands Operations Fund (TF 401) as part of the capital project.

The award of this contract will provide continued support to our local economy by assisting in the preservation of employment for three existing full-time employees residing in Long Beach. Efforts will also be made to hire additional local construction workers through the provisions outlined in the Citywide Project Labor Agreement.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,


PATRICK H. WEST
CITY MANAGER


JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

PW:TM:EOL:CA

Attachments: Exhibit A – Location Map
 Exhibit B – Renderings



Colorado Lagoon Restoration Phase 2B Mitigation for Naples Seawalls and Other Projects

EXHIBIT A

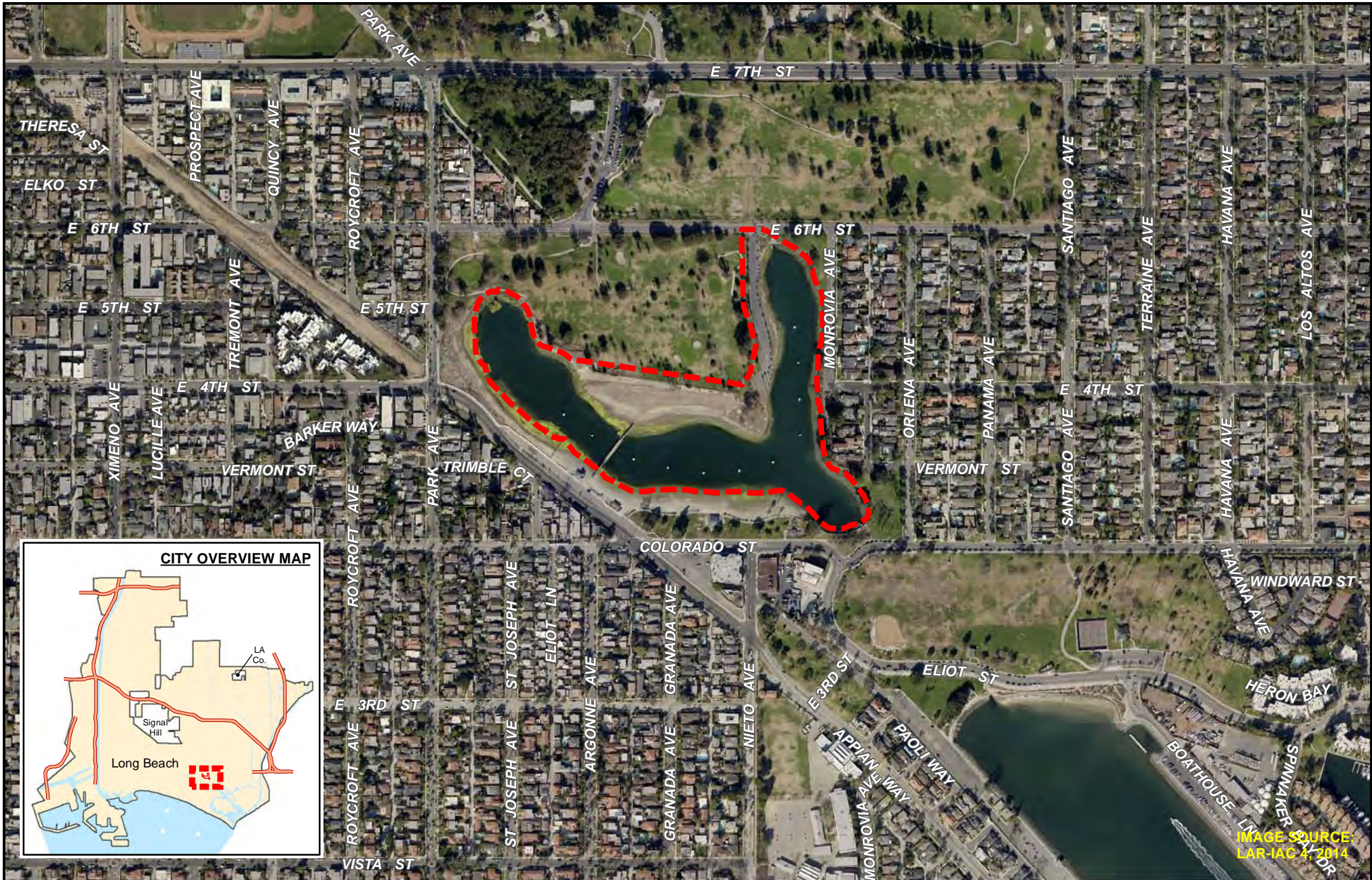
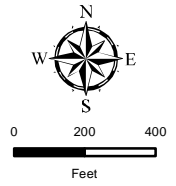


IMAGE SOURCE:
LAR-IAC 4/2014

COLORADO LAGOON NORTHERN ARM



COLORADO LAGOON TRAIL TO FOOTBRIDGE



COLORADO LAGOON TRAIL TO POINT

