



CITY OF LONG BEACH

DEPARTMENT OF PARKS, RECREATION & MARINE

R-22



2760 N. Studebaker Road, Long Beach, CA 90815-1697
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April 3, 2012

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to amend Contract No. 31687 with Bellingham Marine Industries, Inc., for an additional \$541,847 for change order expenditures associated with Phase 1 of the Alamitos Bay Marina rebuild project; execute all documents necessary to complete the final construction of Basin 4 in the Alamitos Bay Marina, for a revised contract amount not to exceed \$18,771,847; and increase appropriations by \$541,847 in the Marina Fund (TF 403) in the Department of Parks, Recreation and Marine (PR). (District 3)

DISCUSSION

On February 16, 2010, the City Council authorized the City Manager to enter into a design-build contract with Bellingham Marine Industries, Inc. (Bellingham), for the design, engineering, and construction of Basin 4 in the Alamitos Bay Marina, in an amount not to exceed \$11,800,000. Due to the magnitude of the Alamitos Bay Marina rebuild project, the Department of Parks, Recreation and Marine (PRM) and Bellingham agreed to segregate the rebuild into phases. Contract No. 31687, as originally executed, represents Phase 1A, which includes all in-water work for Basin 4 and the longdock adjacent to the Long Beach Yacht Club.

On August 16, 2011, the City Council authorized the first amendment to Contract No. 31687 for Phase 1B, adding \$6,430,000 to the contract, for a revised contract amount of \$18,230,000 (Attachment A). Phase 1B includes all land-based construction of Basin 4, and the construction of an eelgrass mitigation area in Marine Stadium. Both Phase 1A and Phase 1B are funded through Department of Boating and Waterways (DBW) loan funds totaling \$18,220,000, and \$6,200,000 of accumulated funds in the Marina Fund, totaling \$24,420,000. The total project amount represents the Bellingham contract, plus other project costs incurred to date, including the cost of engineering, EIR, design, project management, and permitting costs.

HONORABLE MAYOR AND CITY COUNCIL

April 3, 2012

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On September 17, 2011, the City of Long Beach (City) broke ground on Phase 1. As of February 2012, the construction of Phase 1 was approximately 80 percent complete. However, since the execution of the contract, several factors, which require resolution prior to completing Phase 1, were identified (Attachment B). These unforeseen expenditures are necessary due to additional mandates from the California Coastal Commission, as well as site conditions that are directly related to the age of the facilities.

These expenditures represent 3.2 percent of the contract amount, which is within the standard ten percent contingency threshold for all capital projects.

PRM is requesting authorization to increase Contract No. 31687 to incorporate the change orders referenced herein, for an amended contract amount not to exceed \$18,771,847. The additional \$541,847 would come from the existing available fund balance in the Marina Fund (TF 403).

The following reflects the changes to the major provisions of the proposed amendment:

- Compensation: Bellingham will receive compensation up to \$541,847 for changes approved by the Department of Parks, Recreation and Marine.

All other provisions of Contract No. 31687 remain the same.

This matter was reviewed by Deputy City Attorney Gary J. Anderson and Budget Management Officer Victoria Bell on March 12, 2012.

TIMING CONSIDERATIONS

City Council action is requested on April 3, 2012, in order to amend Contract No. 31687 with Bellingham Marine Industries, Inc., so that they may complete the construction of Phase 1 of the Alamitos Bay Marina rebuild project.

FISCAL IMPACT

The DBW loan is solely borne by the marina enterprise through a gross pledge of marina revenue (slip and concession fees). The \$541,847 increase to the Bellingham contract will be funded solely from the existing available fund balance in the Marina Fund (TF 403). Therefore, an appropriation increase of \$541,847 is requested in the Marina Fund (TF 403) in the Department of Parks, Recreation and Marine (PR). The recommended action will result in a positive impact on jobs. Approximately 100 jobs have been created since the commencement of this project.

HONORABLE MAYOR AND CITY COUNCIL
April 3, 2012
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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



GEORGE CHAPJIAN
DIRECTOR OF PARKS, RECREATION AND MARINE

GC:MS:eh

Attachments

APPROVED:



PATRICK H. WEST
CITY MANAGER



CITY OF LONG BEACH

DEPARTMENT OF PARKS, RECREATION & MARINE



August 9, 2011

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UB-23

HONORABLE MAYOR AND CITY COUNCIL
 City of Long Beach
 California

RECOMMENDATION:

Authorize the City Manager to amend Contract No. 31687 with Bellingham Marine Industries, Inc., for an additional \$6,430,000 for expenditures associated with Phase 1B of the Alamitos Bay Marina rebuild project, and execute all documents necessary to complete the final design, engineering, and construction of Basin 4 in the Alamitos Bay Marina, for a revised contract amount not to exceed \$18,230,000. (District 3)

DISCUSSION

On February 16, 2010, the City Council authorized the City Manager to enter into a design-build contract with Bellingham Marine Industries, Inc. (Bellingham), for the design, engineering, and construction of Basin 4 in the Alamitos Bay Marina, in an amount not to exceed \$11,800,000 (Attachment). The City of Long Beach and Bellingham subsequently entered into Contract No. 31687 on June 28, 2010.

Due to the magnitude of the Alamitos Bay Marina rebuild project, the Department of Parks, Recreation and Marine (PRM) and Bellingham agreed to segregate each basin rebuild into phases. The first phase was then segregated into two phases, Phase 1A and Phase 1B. Phase 1A includes all in-water work for Basin 4 and the longdock surrounding the Long Beach Yacht Club. Phase 1B includes all land-based construction of Basin 4, and the construction of an eelgrass mitigation area in Marine Stadium, as required by a policy set forth by the National Oceanic and Atmospheric Administration. Contract No. 31687, as approved by the City Council on February 16, 2010, included Phase 1A only.

At this time, PRM is requesting authorization to amend Contract No. 31687 to include the design, engineering, and construction required under Phase 1B. The estimated cost for Phase 1B is \$6,430,000.

The total Bellingham costs for Phases 1A and 1B are estimated at \$18,230,000, and will be funded utilizing a combination of DBW loan funds totaling \$18,220,000, and \$6,200,000 budgeted in the Marina Fund. The \$24,420,000 currently available for the rebuild project will cover the cost of this Bellingham contract, plus the project costs incurred to date, including the cost of the Environmental Impact Review, and design, engineering, project management, and permitting costs to date.

The following reflects the changes to the major provisions of the proposed amendment:

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

- Scope of Work: For Basin 4: Design, engineering, and construction of a marina dock system; upgrading of the dock system to a state-of-the-art concrete system; upgrading marina utility services; upgrading and replacing the boatowner restroom; dredging the marina to the original design depth; repairing marina seawalls, as needed; and construction of an eelgrass mitigation area.
- Compensation: Bellingham will receive compensation of \$18,230,000, which will be paid throughout the contract as design, engineering, and construction milestones are met.

All other provisions of Contract No. 31687 remain the same.

This matter was reviewed by Deputy City Attorney Gary J. Anderson on July 15, 2011, and Budget Management Officer Victoria Bell on March 4, 2011.

TIMING CONSIDERATIONS

City Council action is requested on August 9, 2011, in order to amend Contract No. 31687 with Bellingham Marine Industries, Inc., so that they may complete the design, engineering, and construction of Basin 4 in the Alamitos Bay Marina, as well as the requisite eelgrass mitigation area.

FISCAL IMPACT

The DBW loan is solely borne by the marina enterprise through a gross pledge of marina revenue (slip and concession fees). There will be no impact to the General Fund associated with the proposed recommendation. The combination of an \$18,220,000 loan from DBW and \$6,200,000 currently budgeted in the Marina Fund will fully fund the final design, engineering, and construction of Basin 4, the construction of an eelgrass mitigation area in Marine Stadium, and all other costs associated with Phase 1A and Phase 1B. The recommended action will result in a positive impact on jobs. Approximately 100 jobs will be created to complete this project.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,


GEORGE CHAPJIAN
DIRECTOR OF PARKS, RECREATION AND MARINE

GC:MS:eh
Attachment

APPROVED:


PATRICK H. WEST
CITY MANAGER



CITY OF LONG BEACH

DEPARTMENT OF PARKS, RECREATION & MARINE

R-29



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February 16, 2010

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to enter into a design-build contract with Bellingham Marine Industries, Inc., and execute all documents necessary for the design, engineering, and construction of Basin 4 in the Alamitos Bay Marina, in an amount not to exceed \$11,800,000; and increase appropriations in the Marina Fund in the Department of Parks, Recreation and Marine by \$11,800,000. (District 3)

DISCUSSION

The City of Long Beach (City) has embarked on a rebuild program for the City's marinas utilizing loan funds from the State of California, Department of Boating and Waterways (DBW) and funds accumulated in the Marina Fund. DBW offers loan funds for new and rebuild marinas, with terms of 4.5 percent interest over a 30-year period. Over the past several years, City Council has authorized DBW marina rebuild loan applications totaling \$98,223,000. Of the \$98 million in loan requests, DBW has approved \$55,823,000. To date, the City has utilized \$2,650,000 to build Basin 8 in the Alamitos Bay Marina (ABM), and \$31,718,000 for the rebuild of the Shoreline and Rainbow Marinas. The remaining balance of \$21,455,000 will be used to begin the phased rebuild of ABM.

In October 2007, a design-build Request for Proposal for the rebuild of ABM was issued. Two proposals were received, including one from a Long Beach firm, Connolly-Pacific Company. TranSystems, the construction manager for this project, as approved by the City Council on December 20, 2005, assisted the City in reviewing the proposals. Based on the proposals and subsequent formal presentations, the evaluation committee selected Bellingham Marine Industries, Inc. (Bellingham), of Dixon, California. The Bellingham bid was nearly \$3 million lower than the bid from Connolly-Pacific Company. In addition, the Bellingham bid contained subcontractors that are local, including Moffatt and Nichol Engineering and Manson Construction.

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

Bellingham has over 50 years of experience in the marina construction business, and has built numerous dock and marina systems. Bellingham's comprehensive rebuild proposal includes the design and engineering of a marina dock system, upgrading the dock system to a state-of-the-art concrete system, upgrading marina utility services, upgrading and replacing marina restroom facilities, dredging the marina to the original design depth, repairing seawalls as needed, and repair and replacement of hardscape on the land side of the marina.

The current cost estimate for this proposal from Bellingham is approximately \$92 million. Of the entire proposal, Parks, Recreation and Marine (PRM) staff has worked with Bellingham to segregate the project into phases. Phase 1A, which includes all in-water work and the boatowner restroom for Basin 4, is estimated to cost \$11,800,000. This phase can be completed utilizing \$6,800,000 in available loan funds from DBW and \$5,000,000 in unallocated funds accumulated in the Marina Fund. The remaining DBW funds are contractually obligated to Basin 1, which is Phase 2 of the rebuild.

ABM is in poor overall condition and in need of immediate extensive repairs (Attached). In order to replace the degraded docks and remain competitive, it is critical that the rebuild of the ABM begin as soon as fiscally feasible. In addition, DBW is anxious for the City to utilize approved loan funds in order to protect these funds from raids for other non-marina-related purposes. This contract will work to alleviate the concerns of DBW and the customers of ABM, demonstrating that the City plans to address the aging marina infrastructure. PRM will return to City Council for authorization to act upon any other segment of the Bellingham proposal after full funding has been identified.

The following are major provisions of the proposed contract with Bellingham Marine Industries, Inc.:

- Term of the Contract: Four years, commencing upon award of the contract.
- Term of Financing: DBW loan terms are 30 years at 4.5 percent, and an annual debt service of \$413,455.
- Scope of Work: For Basin 4: Design, engineering, and construction of a marina dock system, upgrading the dock system to a state-of-the-art concrete system, upgrading marina utility services, upgrading and replacing the boatowner restroom, dredging the marina to the original design depth, and repairing marina seawalls, as needed.
- Compensation: Bellingham will receive compensation of \$11,800,000, which will be paid throughout the contract as design, engineering, and construction milestones are met.

HONORABLE MAYOR AND CITY COUNCIL
February 16, 2010
Page 3

This matter was reviewed by Deputy City Attorney Gary J. Anderson on December 16, 2009, and Budget and Performance Management Bureau Manager David Wodynski on December 18, 2009.

TIMING CONSIDERATIONS

City Council action is requested on February 16, 2010, in order to enter into the contract with Bellingham Marine Industries, Inc., so that they may complete the design and engineering, and begin the construction of Basin 4 in the Alamitos Bay Marina.

FISCAL IMPACT

There will be no impact to the General Fund; liability for the DBW loan is solely borne by the marina enterprise through a gross pledge of marina revenue (slip and concession fees) without General Fund backing. The combination of a \$6,800,000 loan from DBW and \$5,000,000 from unallocated funds accumulated in the Marina Fund will fund the final design, engineering, and construction of Basin 4 in the Alamitos Bay Marina. An appropriation increase of \$11,800,000 in the Marina Fund (TF403) in the Department of Parks, Recreation and Marine (PR) is requested to utilize this funding.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,




PHIL T. HESTER
DIRECTOR OF PARKS, RECREATION AND MARINE

PTH:MS:bjg

Attachment

APPROVED:



PATRICK H. WEST
CITY MANAGER





**ALAMITOS BAY MARINA REBUILD PROJECT
PHASE 1 – CHANGE ORDER LIST****Dry Boat Yard Design** **\$46,493**

The California Coastal Commission permit requires that the City build an additional dry vessel storage yard with 100 spaces and public access. This change order will cover the cost for design of that facility.

Waste Oil Design **\$16,606**

The California Coastal Commission permit requires the City to implement best management practices regarding waste oil removal and disposal. This will result in the addition of secure waste oil deposit facilities in the marina. This change order will cover the cost of that design.

Biological Monitor **\$22,232**

The California Coastal Commission requires expert monitors to monitor environmental impacts during construction. This change order will cover the cost of that monitor.

On-dock Pumpouts **\$44,045**

The California Coastal Commission permit requires on-dock pumpouts for slips 30 feet or larger. This is a green initiative, and this change order will cover the cost of that system for Basin 4.

LED Lights **\$12,300**

This change order covers the cost to install environmentally friendly LED lights in the dock lights.

Restroom HazMat Abatement **\$21,136**

Asbestos was found in the Basin 4 and Boathouse Lane restrooms, and must be handled as a hazardous waste for removal and disposal. This change order covers that added cost.

Fence Change for Public **\$7,140**

The contractor fenced the marina parking lot when construction started. However, residents were concerned that Long Beach Yacht Club events would cause an adverse impact to residential parking. As a result, an agreement was brokered to add a gate, new fence, and signage to open the lot for the public during construction. This change order covers that cost.

Over-Dredge **\$37,260**

Dredge quantities are estimated. Regulatory permits normally allow for a two-foot over-dredge, recognizing that dredging, particularly when using a clamshell, is not exact. This change order represents payment for the dredge spoils that were actually dredged over the design depth.

Underground Wire HazMat **\$4,249**

Electrical wiring containing asbestos was discovered when relocating palm trees as part of the project. This material must be handled and disposed of as hazardous waste. This change order will cover those costs.

Long Beach Yacht Club Parking Lot **\$204,386**

The Long Beach Yacht Club paid the City \$1 million for the rebuilding of the longdock adjacent to the Club, which was deposited in the Marina Fund (TF 403). The cost of the longdock was \$795,614. The differential is to be used to upgrade the parking lot adjacent to the Club in the same manner as the parking lot upgrades in the adjoining parking lots. This change order will cover those costs.

Water Pipe Replacement **\$101,000**

While connecting the dock water to the existing lateral water line, pressure changes were noted, indicating subterranean water leaks. A sinkhole near the edge of the seawall further confirms those leaks. This change order reflects the cost of replacing that line, from the seawall to the street.

Hazardous Waste at Eelgrass Mitigation Site **\$25,000**

While digging up the dirt at the eelgrass mitigation site, an odor was discovered in 30 cubic yards of material. This material needs to be treated and disposed of as hazardous waste. This change order reflects those costs.

TOTAL CHANGE ORDERS: \$541,847