



# CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

# R-31

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December 2, 2014

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Authorize the City Manager to execute the second amendment to Contract No. 32630, and any other documents necessary, with ENCON Technologies, Inc., of Santa Fe Springs, CA, for the rebuild of the Alamitos Bay Marina (ABM) Fuel Dock, to increase the amount by \$223,071 for a total revised contract amount not to exceed \$1,152,810; to amend Specifications No. R-6903 for the rebuild of the ABM Fuel Dock; and increase appropriations in the Marina Fund (TF 403) in the Parks, Recreation and Marine Department (PR) by \$239,104. (District 3)

## DISCUSSION

The City of Long Beach owns three full-service marinas, including the ABM, Long Beach Shoreline Marina (Shoreline Marina), and Rainbow Harbor/Rainbow Marina, which are operated by the Department of Parks, Recreation and Marine (PRM). These marinas provide economical boat mooring in a location that has rapid access to open water, prevailing winds, close proximity to Catalina Island and practically perfect sailing conditions year round. Both ABM and Shoreline Marina have historically provided fueling docks for the recreational vessels in the City's marinas, vessels launched from one of the City's launch ramps, vessels visiting the City from other areas, and vessels stored in private slips in the City.

On March 6, 2012, City Council awarded a contract to ENCON Technologies in the amount of \$743,789 for the rebuild of the ABM Fuel Dock. During the course of the project, it became evident that, due to regulatory requirements, the new/replacement underground storage tanks could not be installed in the same location as the current tanks. The analysis of the areas and applicable regulatory requirements conducted by the Long Beach Certified Unified Program Agency and Hazardous Material Project Management team identified a more viable location.

On April 23, 2013, City Council approved the revised plans and specifications for the rebuild of the ABM Fuel Dock, and authorized amendment one to Contract No. 32630 in the amount of \$185,950, the cost of the piping and trenching, electrical cable and wiring, soil excavation, and permit approval of the revised plans associated with the relocation, for a total revised contact amount of \$929,739.

Significant progress has been made on this project, including the completion of Phase I, which consists of the closure of three of the five underground storage tanks, the removal of all fueling equipment, and soil analysis of the USTs. However, due to the unanticipated timing required to close the tanks, obtain approval from the Coastal Commission, as well as an unforeseen planning issue, the project was significantly delayed. This delay has resulted in an increase in storage and equipment fees, material prices, and labor costs. The estimated cost for ENCON to complete the project is an additional \$223,071, which includes a contingency in the amount \$101,634 to cover future unanticipated cost increases. Contingency funds will only be used with the City's approval of authorized change orders. Additionally, an appropriation increase in the amount of \$239,104 is also requested to cover costs associated with the inspections, permits, and staff costs related to the completion of the project.

This matter was reviewed by Deputy City Attorney Kendra L. Carney on November 4, 2014 and by Budget Management Officer Victoria Bell on November 12, 2014.

### **Sustainability**

Keeping the Long Beach coastal environment and the public safe from the potential environmental hazards of operating fuel sites is of vital importance to the City. With the availability of a local fueling site, less fuel will be utilized by local boaters; thus, decreasing the amount of pollutants emitted into the environment.

### TIMING CONSIDERATIONS

City Council action to amend Contract No. 32630 is requested on December 2, 2014 to ensure that this project is successfully completed and compliant with the State's regulatory requirements.

### FISCAL IMPACT

Of the total project cost of \$1,637,765, \$1,398,661 is currently budgeted in the Marina Fund (TF 403) in the Parks, Recreation and Marine Department (PR). An appropriation increase of \$239,104 is required to fund the amended contract amount and the project support costs, including permits and project oversight. This increase will be funded by existing fund balance in the Marina Fund. The construction of this project is anticipated to result in a positive local job impact.

### SUGGESTED ACTION:

Approve recommendation.

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Respectfully submitted,



JOHN GROSS  
DIRECTOR OF FINANCIAL MANAGEMENT



GEORGE CHAPJIAN  
DIRECTOR OF PARKS RECREATION AND MARINE

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APPROVED:



PATRICK H. WEST  
CITY MANAGER