



R-17



CITY OF LONG BEACH

DEPARTMENT OF PARKS, RECREATION & MARINE

August 9, 2011

2760 N. Studebaker Road, Long Beach, CA 90815-1697
(562) 570-3100 • FAX (562) 570-3109
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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"

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- 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.

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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.

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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,

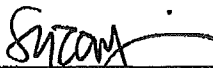


PHIL T. HESTER
DIRECTOR OF PARKS, RECREATION AND MARINE

PTH:MS:bjg

Attachment

APPROVED:



PATRICK H. WEST
CITY MANAGER



