



Date: March 4, 2014

To: Mayor and Members of the City Council

From: Gary DeLong, Councilmember 3rd District *GD*
Suja Lowenthal, Councilmember, 2nd District *SL*

Subject: Alamitos Bay Marina Rebuild Project

RECOMMENDATION

Request status from the City Manager regarding the next steps in moving forward with the rebuild of Basins 2 and 3 within the next 30 days.

BACKGROUND

The Alamitos Bay Marina dock structure has outlived its useful life. Every year it becomes more difficult to maintain the existing docks. Although PRM maintenance staff has done an excellent job in attempting to make repairs in a timely manner, it is difficult to keep up with the continual problems and may only be a matter of time before someone sustains a serious injury due to the poor condition of the docks. Accordingly, the City has increased potential liability due to accidents that occur due to the poor conditions.

In February 2010, the City of Long Beach embarked on the rebuild of the Alamitos Bay Marina (ABM). Through the Request for Proposal process, the City selected Bellingham Marine Industries, Inc. (BMI), for the design, engineering, and construction of the project. Due to the magnitude of the ABM rebuild project, the Department of Parks, Recreation and Marine (PRM) and BMI agreed to segregate each basin rebuild into phases. To date, Basin 4 (Phase 1) and Basin 1 (Phase 2) have been completed, and Phase 3 (Basin 5) will be completed within the next several weeks.

NEXT STEPS

The next step in the rebuild process is to proceed with Basins 2 and 3.

Delaying this project will result in significant negative consequences to the City of Long Beach and our residents. Costs will increase dramatically.

If the City does not move forward at this time, demobilization costs of \$320,000 will be incurred, and remobilization costs of \$320,000 will be incurred when the project starts up again for a total additional cost of \$640,000.

The second and larger financial issue relates to dredging. BMI currently has a dredging permit that expires on October 31, 2015. Dredging costs under this permit are \$1.4 million for Basins 2 and 3, and \$500,000 for Basins 6 and 7. However, if we do not complete the dredging under this permit, it is likely that dredging costs will increase to \$15,800,000 and \$5,300,000 respectively (\$21,100,000 total), and could be higher if the soil composition requires special handling. Accordingly, the cost of dredging could increase by \$19,200,000 if we do not keep moving forward with the Alamitos Bay Marina rebuild.

This significant increase in dredging cost is due to having to move the dredged material upland, rather than using an offshore location.

FISCAL IMPACT

If City management does not keep the project moving forward, additional project costs of \$17,640,000 may be incurred.