



Legislation Text

File #: 2018-0293, **Version:** 1

DATE: August 14, 2018

SUBJECT:

STRUCTURAL REPAIRS TO NAVY PIER

- A) RESOLUTION APPROVING TRANSFER OF FUNDS FROM THE FY2018/19 CAPITAL MAJOR MAINTENANCE CONTINGENCY TO THE STRUCTURAL REPAIRS TO NAVY PIER PROJECT IN THE AMOUNT OF \$350,000.00 PURSUANT TO BPC POLICY NO. 90**
- B) RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND AWARDED CONTRACT NO. 2016-37 TO REYES CONSTRUCTION, INC. IN THE AMOUNT OF \$3,585,140.00 FOR THE STRUCTURAL REPAIRS TO NAVY PIER PROJECT AS AUTHORIZED BY THE BOARD IN THE FY2018/19 MAJOR MAINTENANCE BUDGET**

EXECUTIVE SUMMARY:

The Asset Management Program (AMP) identified Navy Pier as a priority. The AMP recommended maintenance repairs to Navy Pier in a five-year plan based on the deterioration level of the structural elements. The Structural Repairs to Navy Pier Project is in the first year of the five-year maintenance plan that addresses the most severely deteriorated structural elements. Design was budgeted and initiated in 2016 and construction was subsequently programmed in the FY2018/19 major maintenance budget.

The plans and specifications include the repair of concrete piles, underdeck concrete beams, pile cap structures, concrete soffits, and removal and replacement of the fender system at the west end of Navy Pier.

On June 26, 2018, the District received six (6) bids ranging from \$3,585,140.00 to \$6,507,800.00. The lowest responsive and responsible bid was submitted by Reyes Construction, Inc. in the amount of \$3,585,140.00. The low bid exceeds the project budget of \$3,300,000 for the current fiscal year. Increasing the project budget by \$350,000 will allow staff to address increased costs for Longshoreman Insurance and mobilization and provide a construction contingency within the project.

The recommended resolutions will approve a transfer of \$350,000 within the FY2018/19 Major Maintenance Capital budget appropriation and approve the plans and specifications, and authorize award of a construction contract to Reyes Construction, Inc. in the amount of \$3,585,140.00 for the Structural Repairs to Navy Pier Project.

Approval of the two resolutions will allow for successful completion of the project as planned.

RECOMMENDATION:

- A) Adopt a resolution approving the transfer of funds from the FY2018/19 Capital Major Maintenance contingency to the Structural Repairs to Navy Pier Project in the amount of \$350,000.00 pursuant to BPC Policy No. 90.
- B) Adopt a resolution approving plans and specifications and awarding Contract No. 2016-37 to Reyes Construction, Inc. in the amount of \$3,585,140.00 for the Structural Repairs to Navy Pier Project as authorized by the Board in the FY2018/19 Major Maintenance program.

FISCAL IMPACT:

The Structural Repairs to Navy Pier Project is included in the approved FY2018/19 Major Maintenance Capital program. Approval of the two resolutions of this agenda will authorize an increase in the project budget from \$3,300,000.00 to \$3,650,000.00 and a decrease in the Major Maintenance Capital Contingency budget by \$350,000. The total FY2018/19 Major Maintenance Program budget will remain unchanged, with no fiscal impact to the District.

COMPASS STRATEGIC GOALS:

Award of this construction contract will implement the Major Maintenance Program, approved by the Board to be in alignment with the District's vision, mission and strategic goals.

This agenda supports the following Strategic Goal:

- A Port that is a safe place to visit, work and play.

DISCUSSION:

This project is located at Navy Pier, San Diego, CA. The Asset Management Program (AMP) identified Navy Pier as a priority and recommended maintenance repairs over a five-year period. The Structural Repairs to Navy Pier Project represents the first year of the five-year maintenance plan that addresses the most severely deteriorated structural elements. Design was budgeted and initiated and construction was subsequently programmed in the FY2018/19 major maintenance budget.

The Project includes repair of concrete piles, underdeck concrete beams, pile cap structures, concrete soffits, and removal and replacement of the fender system at the west end of Navy Pier. Permit requirements for this project include Coastal Development Permits and Army Corps of Engineers Regional General Permit.

The Contract Documents including plans EM-2016-07 and specifications 2016-37 were issued for advertisement on May 10, 2018. On June 26, 2018, six (6) bids were received ranging from \$3,585,140.00 to \$ 6,507,800.00. The bid amounts are as shown in the table below.

Company	Total Bid for Contract	Location
REYES CONSTRUCTION, INC.	\$3,585,140.00	POMONA, CA
R E STAITE ENGINEERING, INC.	\$3,986,274.00	SAN DIEGO, CA
SLATER WATERPROOFING, INC.	\$4,332,510.00	MONTCLAIR, CA
ABHE & SVOBODA, INC.	\$4,483,245.00	ALPINE, CA
VORTEX MARINE CONSTRUCTION, INC.	\$4,830,200.00	ANTIOCH, CA
WIER CONSTRUCTION CORPORATION	\$6,507,800.00	ESCONDIDO, CA

Based on a review of the bids, the lowest responsive and responsible bid was determined to be submitted by Reyes Construction, Inc. at \$3,585,140.00. The engineer's construction cost estimate was \$3,000,000.00.

The low bid exceeded the engineer's estimate by \$585,140.00. To evaluate this difference, District staff reviewed recently completed projects with similar scope. The District recently completed a similar project (Broadway Pier) which was the basis for many of the bid items. The difference in cost was mainly attributed to two bid items. Longshoreman Insurance bid prices received from the six (6) bidders ranged from \$5,000.00 to \$340,840.00. The \$20,000 engineer's estimate for Longshoreman Insurance was based on the recently completed project with similar scope. Reyes Construction, Inc. bid price on Longshoreman Insurance is \$217,000.00. Bid prices on mobilization & demobilization cost also contributed to the increase which ranged from \$62,363.00 to \$360,000.00 compared to the engineer's estimate of \$20,000. Reyes Construction, Inc. bid price on mobilization & demobilization is \$100,000.00.

Since the project budget is \$3,300,000 for the current fiscal year, a transfer request for \$350,000.00 from Major Maintenance Capital contingency will be used for construction costs and allow for a construction contingency.

Upon Board authorization, construction is expected to commence in September 2018 and be completed by June 2019.

Staff recommends that the Board approves the transfer of funds from Major Maintenance Capital contingency and approve the plans and specifications and award Contract No. 2016-37 to Reyes Construction, Inc. in the amount of \$3,585,140.00 for the construction of the Structural Repairs to Navy Pier project.

General Counsel's Comments:

The Office of the General Counsel has reviewed the bid specification and contract documents and approves as to form and legality.

Environmental Review:

In accordance with the California Environmental Quality Act (CEQA) statutes and guidelines, on June 7, 2018, the California Coastal Commission (CCC) approved a Coastal Development Permit (CDP) for the repair of structural concrete components of the underdeck of Navy Pier (CDP 6-18-0282). CDP 6-18-0282 and its accompanying staff report acts as a CEQA substitute document pursuant to

CEQA Section 21080.5 and CEQA Guidelines 15252, et seq. The District is a Responsible Agency pursuant to CEQA and is relying on CDP 6-18-0282 and its accompanying staff report pursuant to CEQA Guidelines Section 15253. The requirements of CEQA Guidelines Section 15253 (b) are met because the District approval is for the same project, the CCC was the first agency to grant a discretionary approval, the District had the opportunity to review the property in a manner designed to inform the District of any environmental concerns, a consultation period was established for as long as required for public review of a CEQA exemption and the CCC exercised the powers of a Lead Agency. The District has considered the CCC-approved CDP and its accompanying staff report and finds that they are sufficient for the proposed Board action. Therefore, no further CEQA review is required.

This Board item complies with Section 87 of the Port Act, which allows for the establishment, improvement, and conduct of a harbor, and for the construction, reconstruction, repair, maintenance, and operations of wharves, docks, piers, slips, quays, and all other works, buildings, facilities, utilities, structures, and appliances incidental, necessary, or convenient, for the promotion and accommodation of commerce and navigation. The Port Act was established by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the proposed project is consistent with the Public Trust Doctrine.

The project site is located in an area that has not been incorporated into the Port Master Plan and is therefore not within the District's CDP jurisdiction. The project site is within the CDP jurisdiction of the CCC. On June 7, 2018, CCC staff approved CDP 6-18-0282 for the repair of structural concrete components of the underdeck of Navy Pier. No additional action under the California Coastal Act is required at this time.

Equal Opportunity Program:

Based on subcontracting opportunities and availability of small businesses that perform work associated with this contract, a 5% SBE goal was established. Reyes Construction, Inc. exceeds the goal with an SBE subcontractor.

PREPARED BY:

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