Agenda Item No._____

File Code No. 570.03

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 14, 2010

TO: Mayor and Councilmembers

FROM: Facilities Division, Waterfront Department
Engineering Division, Public Works Department

SUBJECT: Contract For Construction Of The Marina One Replacement Project Phases II-IV

RECOMMENDATION: That Council:

A. Award a contract to Bellingham Marine Industries (BMI) in their low bid amount of $4,215,146 for construction of the Marina One Replacement Project – Phases II-IV, Bid No. 3612;
B. Authorize the Public Works Director to execute a contract, subject to approval as to form by the City Attorney, with BMI, and approve expenditures of up to $421,500 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment; and
C. Authorize the Public Works Director to execute a professional services agreement, subject to approval as to form by the City Attorney, with URS Corporation (URS) in the amount of $125,000 for construction support services, and approve expenditures of up to $12,500 for extra services of URS that may result from necessary changes in the scope of work.

DISCUSSION:

PROJECT DESCRIPTION

Marina One, containing 592 slips, is the largest of the four marinas in the Santa Barbara Harbor (see attached). The majority of Marina One, A - P fingers, was constructed in the mid-1970s. An engineering analysis of Marina One conducted in 2005 concluded that the concrete docking system on A - P fingers was nearing the end of its useful life. The assessment recommended replacing A - P fingers in 10 phases over a 10 -12 year period.

Council awarded a contract to construct Phase I in July 2009. Construction was completed the beginning of August 2010, and included the replacement of the main

headwalk, gangway, utilities, and significant shoreside electrical work serving Marina One. The Phase I construction contract was awarded to AIS Construction Company. AIS's subcontractor for the dock manufacture was Bellingham Marine Industries.

Phases II – IV will replace the docking system and their associated utilities for L - P fingers. The construction contract for Phases II-IV will extend to 2013. An escalation/de-escalation allowance of $350,000 is included as part of the contract to allow for changes in the economy that might affect labor and materials prices in the outlying years.

The Department of Boating and Waterways (DBAW) has approved a total loan amount of $5,501,000 for the construction of Phases I – IV, of which approximately $1,996,000 was used for Phase I. The Waterfront Department has received approval from DBAW to reduce the scope of work for the Project to Phases I-III to remain within the current loan amount. The Waterfront Department will apply for additional loan funds from DBAW to construct Phase IV. The construction contract provides that authority to proceed with Phase IV is dependent upon funding by DBAW and is at the discretion of the City. If funding is available, a special notice to proceed for Phase IV must be issued no later than 2012. If additional loan funds cannot be secured, the City has reserved the right in the contract to cancel Phase IV of the Project.

PROJECT BACKGROUND

Through a Request for Proposals (RFP) process, URS, a marine engineering firm, was selected to provide a conceptual design for the 10 phases and final design for Phases I - IV of the Marina One Replacement Project. Council authorized funds for this work in December 2006.

Staff did considerable research on marina construction projects throughout California and Washington prior to initiating the conceptual design work. Major dock construction projects in San Diego Bay, Long Beach, the Port of Los Angeles, and Channel Islands Harbor were visited and reviewed with staff. Much of what staff learned was applied to the conceptual design and specifications of the Marina One Replacement Project. A key finding was that the vast majority of docking systems construction projects in these marinas utilized a standardized, international quality management certification system called International Organization of Standardization ("ISO") 9001. URS recommends the use of this specification in all the projects they have designed for the past four years. URS specifically recommended use of the ISO 9001 certification for the Marina One Replacement Project. BMI, the subcontractor for the dock manufacture for Phase I, fabricates and constructs ISO 9001, certified docks. Use of docks manufactured in accordance with the ISO 9001 certification is preferred by the different ports and harbors to ensure high quality and very durable docking systems.

<u>Quality Management Information</u>

ISO 9001 is a series of standards for quality management systems. The standard provides a model for a manufacturer to develop and implement a quality

control/management system. Conformity to the standard must be verified by an independent auditor. ISO 9001 was developed in the United Kingdom in 1987. ISO 9001 certification is required for all public contracts in many European countries. Considering the significant expenditure of funds, critical importance of the docking system and problems with other docking systems in the marina, staff agreed with URS that for the Marina One Replacement Project, requiring the ISO 9001 certification for the dock manufacturer would ensure the highest quality docking system.

To staff's knowledge, BMI is currently the only dock manufacturer on the west coast that possesses ISO 9001 certification. There are several concrete dock manufacturers with operations on the east coast that possess ISO 9001 certification. Staff is aware of two other dock manufacturers on the west coast that do not have the ISO 9001 certification. One company, Utility Vault, apparently held the certification several years ago, but did not maintain it, despite knowing the Marina One specifications required the ISO 9001 certification. The other dock manufacturer, IMF, refused to apply for the certification. These reasons were not sufficient for staff or URS to eliminate the ISO 9001 requirement from the Marina One Replacement Project and risk the possibility of a contractor supplying a potentially sub-standard docking system.

Contractor-Supplied Design

The Marina One Phases II-IV specifications also required a contractor supplied final design. Similar to Phase I, URS provided plans sufficiently detailed for a prospective contractor to develop detailed plans as part of their submittal requirements. Docking systems are somewhat complicated and it's common for the dock manufacturer to supply very detailed final drawings. Combining Phases II-IV into a single bid package eliminates duplicative pre-project design services that will be superseded by the manufacturer's submittal drawings. Furthermore, combining Phases II-IV into a single bid package ensures consistency of docking systems and construction.

Staff and the City Attorney's Office have discussed the contractor-supplied final design and the ISO 9001 requirement and agreed that both the California Public Contracting Code and the City Charter provisions have been met. Staff also met and discussed the proposed specifications for Phases II-IV with all of the prospective local contractors. All of these contractors had previous experience with similar contracts and were interested in submitting bids for Phases II-IV

CONTRACT BIDS

A total of three (3) bids were received for the subject work, ranging as follows:

	BIDDER	BID AMOUNT
1.	Bellingham Marine Industries Dixon, CA	$4,215,146.00
2.	Schock Contracting Corp. Goleta, CA	$4,836,892.00
3.	AIS Construction Company Carpinteria, CA	$5,928,761.60

The low bid of $4,215,146, submitted by BMI, is an acceptable bid that is responsive to and meets the requirements of the bid specifications.

The change order funding recommendation of $421,500, or 10%, is typical for this type of work and size of project.

The Harbor Commission reviewed the bids for the Marina One Replacement Project Phases II-IV and concurs with Staff's recommendations.

CONSTRUCTION PHASE CONTRACT SERVICES

Staff recommends that Council authorize the Public Works Director to execute a professional services agreement with URS in the amount of $125,000 for construction support services and up to $12,500 for extra services that may result from necessary changes in the scope of work. URS was selected as the design firm for the Marina One Replacement Phases I - IV Project by an RFP process and is experienced in this type of work.

PUBLIC OUTREACH

The Waterfront Department worked extensively with the boating community on Phase I of the Project. Special public meetings were held throughout the Phase I construction to keep the boating community up to date on major milestones and interruptions to service. In addition, signage and slip notices were issued with more detailed information during construction. This outreach will continue through Phases II – IV.

FUNDING

The Department of Boating and Waterways (DBAW) has approved a total loan amount of $5,501,000 for the construction of Phases I – IV of which approximately $1,996,000 was used for Phase I. The remaining $3,505,000, along with an anticipated loan

increase of $1,600,000, will be used to fund Phases II – IV. The authority to sign the loan documents by the City Administrator, Waterfront Director, or Finance Director, was approved by Council Resolution on March 27, 2007.

The following summarizes the expenditures recommended in this report:

CONSTRUCTION CONTRACT FUNDING SUMMARY

	Basic Contract	Change Funds	Total
BMI	$4,215,146	$421,500	$4,636,646
URS	125,000	12,500	$137,500
TOTAL RECOMMENDED AUTHORIZATION			**$4,774,146**

The following summarizes all Project design costs, construction contract funding, and other Project costs:

ESTIMATED TOTAL PROJECT COST (Phases II-IV)

Design Phases II – IV (by Contract)	$63,305
City Staff Costs	$22,000
Subtotal	**$85,305**
Construction Contract	$4,215,146
Construction Change Order Allowance	$421,500
Construction Support (by Contract)	$137,500
Subtotal	**$4,774,146**
Other Construction Costs (float inspection)	$15,000
Construction Management/Inspection (by City Staff)	$220,000
Subtotal	**$235,000**
TOTAL PROJECT COST	**$5,094,451**

SUSTAINABILITY IMPACT:

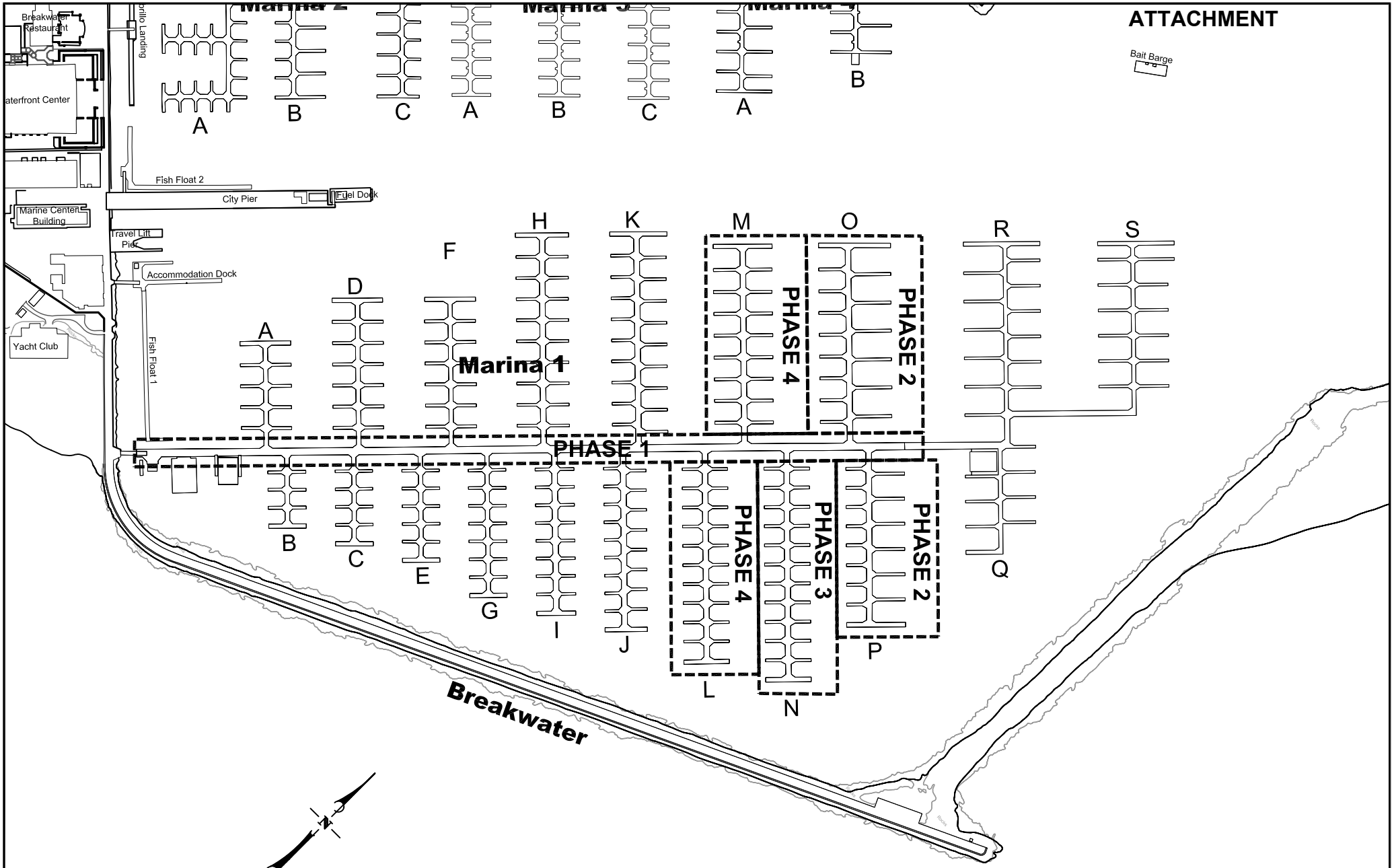
The demolition and construction materials generated by this project will be recycled locally. The project will also use recycled plastic instead of timber, where appropriate. The Waterfront Department will monitor practices and enforce construction-related requirements to ensure water quality is not adversely impacted by this Project.

PREPARED BY: Karl Treiberg, Waterfront Facilities Manager
Joshua Haggmark, Principal Civil Engineer/LS/mj

SUBMITTED BY: John Bridley, Waterfront Director
Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office

ATTACHMENT



Marina One Replacement Project
Phases 1 - 4

REVISIONS	DATE: 8/26/2010	APPROVED BY:	DRAWN BY: T. Lawler
	ADDRESS: Santa Barbara Harbor		SHEET NO. 1
	City of Santa Barbara Waterfront Department		DRAWING NO. 1010-085