



City Council Agenda Item

City Council Meeting Date: September 17, 2019

TO: Jim Throop, City Manager

FROM: Christos A. Stoyos, Senior Civil Engineer
c_stoyos@ci.lompoc.ca.us

SUBJECT: Award of Project No. FY-17-B-1, Municipal Pool Demolition; Award Construction Contract to American Wrecking, Inc.; Adoption of Resolution No. 6276(19) Approving Supplemental Appropriations

Recommendation:

Staff recommends the City Council take the following actions:

- 1) Adopt the Plans and Special Provisions for Project No. FY-17-B-1, Municipal Pool Demolition (Project), as required by Section 22039 of the Public Contract Code (copies of the Plans and Special Provisions are on file in the City Engineer's Office)¹;
- 2) Award the Construction Contract in the amount of \$317,650.00 to American Wrecking, Inc.;
 - a. Authorize the City Manager, or designee, to execute the necessary agreements for that Contract, and
 - b. Authorize the City Engineer, or designee, to approve additional construction costs and construction contract change orders in an amount not to exceed \$35,000.00; and
- 3) Adopt Resolution No. 6276(19) to approve supplemental appropriations in Fiscal Year (FY) 2019-20 to fund the Project (Attachment 1).

Background:

The existing Municipal Pool Structure opened its doors to the public in 1954. There were several additions and revisions to the pool complex over the years with the most recent occurring in 1984. In May 2000, after many years of service as the cornerstone of the City's aquatic program, the pool was closed indefinitely, due to structural deficiencies and earthquake safety concerns. There are three structural engineering reports reflecting the main building's deficiencies to withstand earthquakes.

At that time, staff considered alternatives such as structurally retrofitting the pool building and deconstructing the roof and portions of the walls, or leaving the pool intact and installing over it a stressed membrane structure. Given the facility's age and condition, all options were determined to have a cost greater than the resulting benefit, and not in the best interest of the Lompoc community.

The decision was then made to pursue demolition of the structure and study the feasibility of building a new aquatic center. All utilities were disconnected and the old pool has remained unused and vacant since 2000. The present-day Lompoc Aquatic Center, which was built in 2006, replaced the old pool and provided the City with broader aquatic recreation activities.

In 2008, staff began planning the demolition of the old pool complex and developing recommendations concerning the site's future uses. They prepared a comprehensive Asbestos and Lead Paint Report and in November of the same year, the City Council adopted a Mitigated Negative Declaration (MND) prepared for the demolition project. No project materialized during this period. A Single-Purpose Committee was created by the City Council in 2011. Findings of that committee were presented to the City Council at the May 21, 2013, City Council meeting.

Due primarily to financial concerns, the City deferred any action on the old pool complex until January 3, 2017, when the City Council adopted Resolution No. 6086(17) and approved options to finance demolition of the facility of up to \$750,000 with Banc of America Public Capital Corporation. The same year, the Engineering Division engaged a professional cost estimator for a limited level of effort and obtained a concept estimate for the demolition of the pool complex, which the estimator projected to cost more than the amount allotted by the finance option.

The current demolition attempt was initiated by the City Manager, who after touring the vacant facility in October 2018, directed the Engineering Division to develop plans and solicit construction bids for demolishing the pool complex.

Given the facility's outdated 2008 Asbestos and Lead Paint Report findings and its prolonged use as storage for many old pool chemicals, paints and other materials, the Engineering Division solicited and conducted a comprehensive Hazardous Materials Assessment to identify and quantify building demolition costs and other risks associated with those types of projects. Engineering staff endeavored to prudently address each unique challenge of the Project in a way that allowed bidding contractors to most cost-effectively perform the work. Plans, specifications and cost estimates have been developed by the Engineering Division.

Discussion:

Construction Advertisement

The Project was noticed, advertised, and bid in accordance with the procedures of the Uniform Public Construction Cost Accounting Act (Public Contract Code sections 22000-22045), which has been incorporated into the Lompoc Municipal Code (LMC) within LMC Chapter 3.36.025 Procurement of Public Projects (see Attachment 2 for location map). The Office of the City Clerk was available to receive bids for the Project until 2:00 p.m., Thursday, August 8, 2019, at which time eight bids were publicly opened and read. The bids received ranged from \$317,650 to \$613,000 (see Attachment 3). The Engineer's construction cost estimate prepared during design was in the range of \$550,000 to \$650,000. Engineering Division staff reviewed the bids and found them to be responsive. American Wrecking, Inc., submitted the lowest bid at \$317,650. Staff finds that bid to be responsive and the bidder to be responsible.

If awarded, then the Project should begin construction in October 2019 and should be completed in November/December 2019.

Environmental Review

Environmental Review of the proposed Municipal Pool Demolition was conducted on the original demolition project in 2008, pursuant to the California Environmental Quality Act (CEQA). The following potential environmental factors were identified: biological resources, hazards and hazardous materials, noise and air quality. Mitigation measures were recommended to address asbestos and lead paint removal, dust control, hours of operation and planting of replacement trees. With implementation of the proposed mitigation measures, the demolition was determined not to have a significant adverse impact on the environment.

The City Council adopted the MND on November 18, 2008. A review of the proposed demolition award in relation to the adopted 2008 MND has been conducted by the City's Senior Environmental Coordinator. It has been determined no subsequent or supplemental MND document is required, as: i) no substantial change has been made in the project description; ii) no new or more severe significant environmental impact will result; and iii) no major revisions to the adopted MND are required. An addendum documenting the minor changes in the project description has been prepared (Attachment 4).

Chemical Collection, Transportation & Disposal Services

In order to best control the costs of the prime demolition contract bids, Engineering Division staff separated out the work of collection, transportation and disposal of all regulated pool chemicals and household hazardous wastes stored in the pool facility over the years.

The cost of the “lab pack service” is estimated between \$10,000 and \$20,000 as will be determined by the complete hazardous material profile to be obtained during the collection process.

Final decision on what will be done to the property on which the pool currently sits, will come back to the City Council at a future meeting. Currently, it is proposed to be a basic grass area with some park benches, and landscaping. Staff is reviewing the possible submission to the Proposition 68 Park funds for grants. However, given its small parcel size, immediate proximity to a State Highway, and location in more of a business/commercial zone than residential, it will most likely not score enough points to be funded.

Fiscal Impact:

The Project budget is as follows:

	<u>Amount</u>
Construction Contract	\$317,650
Construction Contract Contingency	35,000
<u>Engineering Division Staff Time</u>	
a. Project Development	40,000
b. Contract Administration	40,000
Construction Support Consultants & Contingencies	40,000
 Total	 <u>\$472,650</u>

The Municipal Pool Demolition project was financed in February 2017 for \$750,000. The City has been paying on the debt service and has a remaining balance outstanding of \$578,460. These funds can only be used for this Project and require the supplemental appropriation of \$472,650 from the General Fund Restricted Fund Balance as outlined below, to budget them for expenditure by the Project.

The distribution of funds and the recommended supplemental appropriations and budget adjustments are as follows:

Table 1 – Project Funding Summary				
Program	Acct. No.	Account Description	Source	Use
General Fund	110BFQ-720110	Demo of Municipal Pool	\$472,650	\$472,650
		Total =	\$472,650	\$472,650

Supplemental Appropriations			
Account No.		Account Name	Amount
From	110-321100	Restricted Fund Balance	\$472,650.00

To	110BFQ-720110	Municipal Pool Demolition	\$472,650.00
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Conclusion:

Staff recommends City Council award the construction contract and authorize all associated costs for the demolition of the old municipal pool complex as to remove the risks imposed by the abandoned structure and its contents, adopt Resolution No. 6276(19) approving the supplemental appropriations, in order to prepare the site for future beneficial use.

Respectfully submitted,

Christos A. Stoyos, Senior Civil Engineer

APPROVED FOR SUBMITTAL TO THE CITY MANAGER:

Michael Luther, P.E., Public Works Director

Dean Albro, Management Services Director

APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

Jim Throop, City Manager

Attachments: 1) Resolution No. 6276(19)
2) Location Map
3) Bidders List
4) Addendum to 2008 Mitigated Negative Declaration

¹ Plans, Specifications, and Special Provisions for Project will be available at the City Council meeting and on file in City Engineer's Office.