



Legislation Text

File #: 20-476, **Version:** 1

Staff report for a City of San Leandro City Council Resolution to Approve a Consulting Services Agreement with Griffin Structures, Inc. for Project Management of the Shoreline Park at the Marina Project No. 2020.3080 for an Amount not to Exceed \$586,248; to Authorize Individual Agreement Amendments up to 5% (\$29,312) and to Authorize Cumulative Agreement Amendments up to 15% (\$87,937)

SUMMARY AND RECOMMENDATIONS

Agreement will provide for management of consultants, budget, and schedule for the Shoreline Park project.

Staff recommends the following actions:

- Approve a consulting services agreement with Griffin Structures, Inc. (Griffin) for the project for a not to exceed amount of \$586,248;
- Authorize the City Manager to negotiate and approve individual amendments up to 5% (\$29,312) of the contract; and
- Authorize the City Manager to negotiate and approve cumulative amendments up to 15% (\$87,937) of the contract.

BACKGROUND

In the 1960's, San Leandro constructed a new marina on the shore of San Francisco Bay that included a harbor master's office, boat docks, a fueling station, parking lots, restrooms for the public and for boaters, and three restaurants: the Blue Dolphin, El Torito, and Horatio's. A golf course was across the street and shortly thereafter an expanded golf course with driving range, Marina Park, and the Marina Inn were added to the neighborhood. While the San Leandro Marina operated successfully for more than thirty years, by the year 2000, the Blue Dolphin was vacant and the Army Corps of Engineers had reduced their dredging to just the shipping channel out in the Bay. Dredging from the harbor to the shipping channel, and in particular the disposal of the dredged material, proved to be prohibitively expensive for the City and the last dredging of the harbor was performed around 1997.

As the Marina silted in and the water became shallower and less navigable, the conversation eventually turned to options for redevelopment of the area. The City solicited development proposals and in 2008, signed an exclusive negotiating agreement with Cal Coast Companies (Cal Coast) to redevelop the area. That same year, the City formed the Shoreline Citizens Advisory Committee (SCAC) to provide input and guide the design of the development. Over the next three years, dozens of public meetings were held and the community developed goals for the project. In 2012, the project scope was well defined, the SCAC was dissolved and a subgroup consisting of a portion of the original committee formed the Shoreline Advisory Group (SAG) to continue to provide input on the project. Cal Coast developed an initial plan in 2015 but subsequent conversations with the San

Francisco Bay Conservation and Development Commission (BCDC) revealed that significant work would be required to protect proposed improvements against sea level rise, rendering the plan too expensive. Cal Coast developed a second plan in 2017, which included a public park on the Marina jetties. Public meetings were held in late 2017 to get input on the park and negotiations began on an agreement with Cal Coast for the project. These negotiations culminated in a Disposition and Development Agreement (DDA) that was executed in 2020 and which specifies that Cal Coast will purchase a portion of the 9-hole golf course for approximately 200 homes and will lease land for an apartment building consisting of approximately 285 units as well as for a hotel consisting of approximately 210 rooms. Cal Coast will reconfigure the 9-hole golf course and build improvements to Monarch Bay Drive. The City will receive about \$29,000,000 for the land sale and, depending on the cost of park improvements constructed by the developer, may also receive park development fees. The City will also receive annual revenue from the lease of the property and hotel occupancy tax. The agreement obligates the City to deconstruct the Marina, construct a park along the Marina jetties, and construct a new Mulford-Marina branch library.

The City has four Associate Engineers assigned to the project development section of the Engineering and Transportation Department. These engineers primarily work to deliver Capital Improvement Projects on time, on budget, and with a high level of quality. Typical tasks include drafting contracts and staff reports, administering contracts with consultants and contractors, managing the project budget, leading a project team, building consensus among staff and outside parties, and providing technical input. The City has many ongoing Capital Improvement Projects, including the Mulford-Marina Branch Library and as such, there are no staff engineers available to manage the Shoreline Park and Marina deconstruction projects at this time.

Analysis

The City must deconstruct the obsolete and deteriorating components of the Marina and build a park on the jetties to satisfy the terms of the DDA. Although there are no deadlines for this work listed in the DDA, construction of the City's work before the private development is complete will make the area more attractive to hotel guests and potential residents. Additionally, the new park is a benefit for the public and the sooner the project is completed, the sooner the public can enjoy the park.

Use of a consultant for project management is likely more expensive than performing these tasks with City staff, but is recommended because it will enable faster completion of the project. The City could alternatively delay this project until such time as staff is available to perform the work or delay several current projects to make City staff available to manage the project. Staff has experience with park projects and shoreline permitting. Staff would likely hire an outside consultant for assistance with public outreach and any other specialty tasks. The proposed consultant will act as the City's representative and project manager through design and construction of the project allowing the continuation of existing projects and bringing specialty expertise to this unique project.

A request for proposal for staff Augmentation: Capital Improvement Project Manager was posted on the City's website and emailed to firms that have expressed interest in working with the City. This effort resulted in the receipt of nine proposal. Staff ranked the proposals and selected the three most qualified firms with extensive experience in boat harbors and waterfronts for video interviews. Griffin Structures, Inc. was selected based upon their demonstrated technical competence and the experience of their proposed staff.

Griffin has experience managing park and marina projects. They are familiar with the permitting process, the nuances of working in and adjacent to the waterfront and building consensus for shoreline projects. Their experience includes working on a park and marina for Newport Beach as well as the Avila Beach development in San Luis Obispo County.

The scope of this contract is project management during the pre-design, design, and permitting portion of the project and is anticipated to require 18 months of effort. The effort required is difficult to quantify and will vary depending on outside factors such as the level of interest in the project among the neighborhood, the quality of the plans prepared by the design consultants, or conditions imposed by regulatory agencies. As a result, Griffin's work under this contract will be on a time and materials basis. Changes to the scope of work may be necessary to respond to new information and/or to include additional items of work necessary for a complete product. In order to resolve these issues in a timely fashion and avoid delaying work, staff requests authorization to issue individual agreement amendments to the contract up to 5% and cumulative agreement amendments up to 15% of the original contract.

Current Agency Policies

- Advance projects and programs promoting sustainable economic development, including transforming San Leandro into a center for innovation
- Maintain and enhance San Leandro's infrastructure
- Support and implement programs, activities and strengthen communication that enhances the quality of life and wellness, celebrates the arts and diversity and promotes civic pride

Previous Actions

- On April 20, 2020 through Resolution 2020-039, City Council rescinded Resolution 2020-020 and approved and approved a DDA with Cal Coast Companies LLC, Inc. to develop the Shoreline area and committing the City to installing this project.
- On February 24, 2020 through Resolution No. 2020-020, City Council approved a DDA with Cal Coast Companies LLC, Inc.
- On February 24, 2020 through Resolution No. 2020-019, City Council adopted an addendum to an Environmental Impact Report (EIR) that includes the work of this project.
- On July 20, 2015 through Resolution No. 2015-125, City Council certified an EIR that includes the work for this project.

Applicable General Plan Policies

- **Goal LU-9.** Reinforce the San Leandro Shoreline as a regional destination for dining, lodging, entertainment, and recreation, while creating a new waterfront neighborhood with housing, retail, and office uses.
- **Policy LU-9.1 Waterfront Enhancement.** Enhance the San Leandro waterfront as a distinguished recreational shoreline and conservation area, with complementary activities that

boost its appeal as a destination for San Leandro residents and visitors. Future development at the Shoreline should be compatible with the area's scenic and recreational qualities.

- **Policy LU-9.3. Public Amenities in Shoreline Development.** Ensure that future development at the Shoreline includes complementary amenities that benefit San Leandro residents and current shoreline users, such as improved park space, restaurants, pedestrian and bicycle paths, and access to the Bay Trail.

Permits and/or Variances Granted

This project will require permits from the Water Board, the Army Corps of Engineers, California Department of Fish and Wildlife, SF Bay Conservation and Development Commission, and the San Leandro Building department.

Environmental Review

This project is included in the work covered by an EIR certified in 2015 and amended in 2020.

Board/Commission Review and Actions

On February 6, 2020 through Resolution No. 2020-002 the Planning Commission recommended a General Plan Text Amendment, General Plan Map Amendment, Zoning Map Amendment, and an EIR Addendum for the Shoreline Development.

Summary of Public Outreach Efforts

Numerous public meetings were held with the Shoreline Citizens Advisory Committee between 2008 and 2011.

Six public meetings were held with the Shoreline Advisory Group between 2012 and 2020.

Public meetings to collect input on the Shoreline Park at the Marina were held in November and December 2017. An additional round of public meetings will be held as part of this agreement's scope of work.

Fiscal Impacts

The estimated project cost is shown below. Refinement of the project scope and cost is one of the initial tasks for the project manager.

Design and Bid:	\$3,000,000	to\$4,000,000
Marina Deconstruction and Park Construction	\$27,000,000	to\$34,000,000
Project Contingency	\$7,000,000	to\$8,400,000
Utility company fees and permits	\$500,000	to\$600,000
<u>Construction Management and Inspection:</u>	<u>\$2,500,000</u>	<u>to\$3,000,000</u>
Total	\$40,000,000	to\$50,000,000

Park Development Fees and General Fund revenue may be used for this project. Staff will apply for

any grants for which this project qualifies. The annual income from property lease and hotel transfer tax will offset any General Funds used for construction.

Budget Authority

<u>Account No.</u>	<u>Source</u>	<u>FY/Approp. Date</u>	<u>Amount</u>
210-57-203	General Fund	FY17-18	\$4,700,000
210-57-203	General Fund	FY 18-19	\$2,300,000
210-57-203	General Fund	Reso 2019-184	(\$2,455,000)
<u>210-57-203</u>	<u>General Fund</u>	<u>*Scheduled 11/2/2020</u>	<u>(\$1,500,000)</u>
Total Project Appropriation:			\$3,045,000

*Resolution # not available at the time of this writing.

Attachment to Related Legislative File

- CSA Griffin Shoreline

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