



CITY COUNCIL STAFF REPORT



July 12, 2022

ITEM TITLE

Loma Verde Recreation Center: Authorize Construction of Segment 3 of the Loma Verde Recreation Center (CIP No. GGV0247) and the City Engineer to Approve Necessary Change Orders for the Project

Report Number: 22-0192

Location: 1420 Loma Lane

Department: Engineering

Environmental Notice: The Project qualifies for a Categorical Exemption pursuant to State CEQA Guidelines Section 15301 Class 1 (Existing Facilities), Section 15302 Class 2 (Replacement or Reconstruction), Section 15303 class 3 (New Construction or Conversion of Small Structures), and Section 15304 Class 4 (Minor Alterations to Land).

Recommended Action

Adopt a resolution authorizing construction of Segment 3 of the Loma Verde Recreation Center (CIP No. GGV0247) and authorizing the City Engineer to execute change orders necessary for the project.

SUMMARY

In accordance with Chapter 2.57 of the Chula Vista Municipal Code, the City issued a Request for Proposals (RFP) for Collaborative Design-Build services to a list of prequalified design-build firms for the renovation of the Loma Verde Recreation Center (Center) located at 1420 Loma Lane, Chula Vista. On April 7, 2020, the City Council adopted Resolution No. 2020-075 approving an agreement with EC Constructors, Inc. (Design-Builder) to provide design-build services (Phase 1) for Segments 1 and 2 of the Center. On August 10, 2021, the City Council adopted Resolution No. 2021-145 awarding the construction phase contract (Phase 2) to Design-Builder for Segments 1 and 2 of the Center.

On May 11, 2021, the City Council adopted Resolution No. 2021-083 appropriating funds for the design of Segment 3 of the Center, and authorizing City Staff to prepare an amendment to the Phase 1 contract for the design of Segment 3. On April 28, 2022, the Measure P Citizens' Oversight Committee's (COC) recommended approval of the amended Measure P Spending Plan allocating funds to the construction of Segment 3 of the Center. On May 24, 2022, the City Council adopted Resolution No. 2022-121 adopting the Capital Improvement Budget for Fiscal Year 2022-23 including funding for construction of Segment 3 of the Center. This proposed action would approve a change order authorizing the construction of Segment 3 of the Center.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed Project for compliance with the California Environmental Quality Act (CEQA) and has determined that the Project qualifies for a Categorical Exemption pursuant to State CEQA Guidelines Section 15301 Class 1 (Existing Facilities), Section 15302 Class 2 (Replacement or Reconstruction), Section 15303 class 3 (New Construction or Conversion of Small Structures), and Section 15304 Class 4 (Minor Alterations to Land). Thus, no further environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Measure P Citizens' Oversight Committee (COC)

On April 25, 2019, the Measure P Citizens' Oversight Committee (COC) recommended approval of the Measure P spending plan allocating funds to design Segment 1 of the Center. On June 4, 2019, City Council approved the Infrastructure, Facilities and Equipment Expenditure Plan allocating funds to improve public facilities, including recreation centers.

On October 22, 2020, staff presented information to the COC about the progress made on the design of the Center, and the need to design Segment 2 of the Center concurrently with Segment 1. The COC recommended approval of additional funds to design Segment 2, and on December 3, 2020 the additional funding was approved by the City Council.

On April 22, 2021, the COC recommended approval of the Measure P spending plan for fiscal year 2021/22 through fiscal year 2026/27 including appropriating funds to construct Segments 1 and 2 of the Center and to complete the design for Segment 3.

On April 28, 2022, the COC recommended approval of the amended Measure P spending plan for fiscal year 2021/22 through fiscal year 2026/27 including appropriating funds to construct Segment 3 of the Center.

DISCUSSION

The Center is among the busiest recreation centers in the southwestern area of the City and is in great need of replacement. On January 13, 2020, the City issued a Request for Proposals (RFP) for the demolition of the existing Center and construction of a new replacement Center. The RFP was issued to a list of prequalified Design-Build firms pursuant to the City's Municipal Code which governs the process for the Collaborative Design-Build/Progressive Design-Build process which is being used to develop the Center. One qualified company responded to the RFP. A three-member panel comprised of qualified City staff from the Departments of Engineering & Capital Projects, Community Services, and Development Services evaluated the proposal and recommended acceptance of the proposal and award of the Design and Pre-construction Phase 1 contract to the Design-Builder. City Council Resolution 2020-075, adopted April 7, 2020, awarded a contract for the Design and Preconstruction Phase (Phase 1) of the Center to the Design-Builder. The City's Collaborative Design-Build process utilizes two separate contracts generally referred to as Phase 1 and Phase 2. Phase 1 is for design and preconstruction and Phase 2 is for construction.

Due to funding constraints the project was divided into 3 Segments. Segment 1 is the recreation center. Segment 2 is the aquatic center showers, restrooms, and staff facilities. Segment 3 is the pool and associated facilities. Segments 1 and 2 were prioritized as the first orders of work.

Following award of the Phase 1 contract, the Design-Builder, in conjunction with City staff, developed the design of Segments 1 and 2 of the Center to the point that the construction portion of the project could be advertised for bids. On May 15 and 17, 2021, bid packages for the project were advertised by the Design-Builder. The City also provided notice of the project advertisement via Planet Bids. Subcontractor bids were received June 11, 2021. City staff oversaw the bidding and participated in the bid evaluation and subcontractor selection. On August 10, 2021, the City Council adopted Resolution No. 2021-145 awarding the construction phase contract (Phase 2) for Segments 1 and 2 of the Center to the Design-Builder.

Design work for Segment 3 began in May of 2021 following City Council adoption of Resolution No. 2021-083 which appropriated funds for and authorized the design of Segment 3 of the Center. The Design-Builder, in conjunction with City staff, developed the design of Segment 3 of the Center to the point that that portion of the project could be advertised for bids. On April 19, 2022, bid packages for the construction of Segment 3 of the Center were advertised by the Design-Builder. The City also provided notice of the advertisement via Planet Bids. Subcontractor bids were received May 11, 2022. City staff oversaw the bidding and participated in the bid evaluation and subcontractor selection. On May 24, 2022, the City Council adopted Resolution No. 2022-121 adopting the Capital Improvement Budget for Fiscal Year 2022-23 including funding for construction of Segment 3 of the Center.

The Design-Builder is in process of compiling the bids and will submit a revised contract Guaranteed Maximum Price (GMP) to include the Segment 3 construction work. City staff and City's construction management consultant (O'Conner Construction Management Incorporated) will review the proposed revised GMP, and work with the Design-Builder to revise it as necessary to ensure the GMP package is complete, reflective of the bids received, and within the project budget. Upon City Council authorization, the Segment 3 construction scope of work and the revised GMP will then be incorporated into the Phase 2 contract via change order.

Staff recommends adopting the resolution approving a change order authorizing the construction of Segment 3 of the Center. The City Engineer has the authority pursuant to CVMC Section 2.56.160(C)(2) to approve change orders up to the remaining CIP Budget to complete the Project.

DECISION-MAKER CONFLICT

Staff has reviewed the property holdings of the City Council members and has found no property holdings within 1000 feet of the boundaries of the property which is the subject of this action. Consequently, this item does not present a disqualifying real property-related financial conflict of interest under California Code of Regulations Title 2, section 18702.2(a)(7) or (8), for purposes of the Political Reform Act (Cal. Gov't Code §87100, et seq.).

Staff is not independently aware and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

There is no current-year fiscal impact to the General Fund or the Measure P Fund as a result of this action. Measure P Funds sufficient to construct Segment 3 were previously appropriated to GGV0247 for this purpose. The following is a summary of anticipated project costs:

PROJECT COSTS	
A. Segment 3 Construction	\$14,250,000
C. Contingencies (Approx. 2.5%)	\$ 370,000
D. Construction Management	\$ 225,000
E. Staff time, Inspection, etc.	\$ 215,000
F. Furniture Fixtures and Equipment & Other Costs	\$ 40,000
TOTAL	\$15,100,000

FUNDING SOURCE (ROUNDED)	
A. Available Project Budget (GGV0247)	\$ 1,000,000
B. Appropriated Funds (Approved by Council as part of the FY2022-23 CIP Program) - Measure P (GGV0247)	\$14,100,000
TOTAL	\$15,100,000

ONGOING FISCAL IMPACT

Upon the completion of the project, routine maintenance of the buildings will be required.

ATTACHMENTS

None.

*Staff Contact: Jonathan Salsman, Senior Civil Engineer, Engineering and Capital Projects
Patricia Ferman, Principal Landscape Architect, Development Services Department*