



Agenda Report

June 1, 2020

TO: Honorable Mayor and City Council
FROM: Department of Public Works
SUBJECT: **CONTRACT AWARD TO INTERIOR DEMOLITION, INC. FOR DEMOLITION OF FORMER BANNER BANK BUILDING LOCATED AT 717 EAST UNION STREET FOR AN AMOUNT NOT TO EXCEED \$100,000**

RECOMMENDATION:

It is recommended that the City Council:

1. Find the contract proposed herein to be categorically exempt under the California Environmental Quality Act (CEQA) Guidelines in accordance with Title 14, Chapter 3, Article 19, Section 15332, Class 32 – *In-Fill Development Projects* and that there are no features that distinguish this project from others in the exempt class, and therefore, there are no unusual circumstances;
2. i) Accept the bid dated May 12, 2020, submitted by Interior Demolition, Inc. in response to the project plans and specifications for the Demolition of the Former Banner Bank, ii) reject all other bids, and iii) authorize the City Manager to enter into contract for an amount not to exceed \$100,000 which includes the base contract amount of \$88,168, and a contingency of \$11,832 to provide for any necessary change orders.

BACKGROUND:

On January 8, 2018, City Council approved the purchase of the Banner Bank site located at 717 East Union Street to specifically address a park "gap" area in the Central District. On March 11, 2019, City Council approved the purchase of up to one-half of the City-owned 32,950-square-foot Union/El Molino parking lot. Combining the 9,750-square-foot Banner Bank parcel, the 2,730-square-foot adjacent City-owned parcel, and up to one-half of the Union/El Molino parking site yields up to a 28,995-square-foot (0.67 acres) site for the proposed Playhouse District Park and Parking Lot project.

The remaining portion of the Union/El Molino parking lot will retain a required minimum 48 parking spaces as directed by City Council and be designed to integrate with the proposed park to facilitate multi-use programming.

On August 29, 2019, Public Works Engineering staff entered into an agreement with AHBE/MIG for professional planning and design services of the park and parking lot.

To help guide and provide feedback to the project design team in developing a conceptual plan for the park, a Stakeholder Committee was formed comprised of representatives from the Playhouse District Association, Downtown Pasadena Neighborhood Association, local home owners associations, Council District liaisons, and City of Pasadena Public Works staff. On September 11, 2019, the first project stakeholder meeting was convened to discuss the Committee's charge and role and to establish the project's guiding design principles. The Committee convened for three more meetings during the public outreach process, including a site visit to various West Hollywood dog parks.

As part of the Planning Phase of the project, public outreach was initiated in October 2019. Public Works Engineering staff hosted three community workshops held at Pasadena Presbyterian Church as follows:

- October 2, 2019 – The first workshop focused on providing the community an overview of the design process and an opportunity for attendees to share ideas for the new park.
- November 12, 2019 - At the second workshop, AHBE/MIG presented conceptual design alternatives based on public input from the first workshop. Attendees worked in focus groups with consultant representatives to review and discuss the possible alternatives.
- December 4, 2019 - At the third workshop, a conceptual design was presented based on feedback received on the alternative designs. The public was provided an opportunity to discuss the proposed design elements with consultant staff and provide comments.

The conceptual design of the park and parking lot were further refined following the third community workshop.

On January 22, 2020, City staff and AHBE/MIG presented the refined concept to the Playhouse District Association (PDA) Board of Directors. The PDA Board voted unanimously to support the design concept as it was presented. On February 4, 2020, the concept supported by the PDA Board was presented to the Recreation and Parks Commission (RPC). The RPC voted to support the design as presented.

The preliminary construction cost estimate based on the presented concept design of the proposed park and parking lot is \$4.6 million. Council appropriated this amount to the project as part of the City's fiscal year (FY) 2021 Capital Improvement Project (CIP) budget. Design development and preparation of the project plans and specifications is

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underway, and anticipated to be completed Fall 2020, with construction to follow in early 2021.

The preparation of the project site for construction of the proposed park requires the demolition of the former Banner Bank building and its parking lot. The scope of work for this contract includes demolition of the existing two-story, 5,538-square-foot building and foundations; removal of site paving, curbs, and vegetation; backfill and rough site grading; as well as disconnecting and capping utilities. No new construction will be part of this contract scope.

A finding of compliance with the General Plan was previously made and is shown in the FY 2020 - 2024 CIP on page 8.12 – *Playhouse District Park and Parking Lot – Design Phase*.

The Department of Public Works prepared plans and specifications for the subject contract. In accordance with Section 4.08.070 of the Pasadena Municipal Code, bids were requested and received. The contract was advertised in the *Pasadena Journal* on April 23, 2020 and April 30, 2020. In addition, the Notice Inviting Bids was published in 11 trade publications and listed on the City's website which generated notices to 92 local vendors. Bid packages were obtained by 43 vendors, six of whom submitted bids for the project.

Following advertising, bids were opened on May 12, 2020 and are as follows:

Bidder	Amount (\$)
1. Interior Demolition, Inc., Montrose	\$ 88,168.00
2. Danny Ryan Precision Contracting, Inc., Anaheim	\$ 96,800.00
3. Dekan Construction Corporation, Santa Paula	\$ 99,871.32
4. Resource Environmental, Inc., Long Beach	\$ 100,381.32
5. AMPCO Contracting, Inc., Anaheim	\$ 132,021.32
6. National Demolition Contractors, Inc., Long Beach	\$ 174,855.00
Engineer's Estimate	\$ 100,000

It is recommended that Interior Demolition, Inc. be awarded the contract for this project as they are the lowest responsive and responsible bidder. The proposed contract with Interior Demolition, Inc. fully complies with the Competitive Bidding and Living Wage Ordinances. In addition, the proposed contract fully complies with the Prevailing Wage Law (Senate Bill 7) per Resolution 9406 adopted by the City Council on December 14, 2014.

The contractor has indicated that the award of this contract will result in two new hires to the present work force. A Local Hiring Provision to notify the labor unions of the goal to employ qualified Pasadena residents for 75 percent of the new labor work hours on the project was included in the project specifications.

Interior Demolition, Inc. has previously performed work for the City of Pasadena on the *Building and Site Demolition of Former Desiderio Army Reserve Center* project for an amount of \$396,925.03.

The contract will be set up as follows:

Base Bid	\$	88,168
Contingency Allowance	\$	<u>11,832</u>
Contract Not-to-Exceed Amount	\$	100,000

A contingency of 13 percent is allocated to this contract given possible unforeseen conditions that may be encountered.

It is anticipated that demolition will begin in August 2020, and the work will be completed in October 2020.

COUNCIL POLICY CONSIDERATION:

This contract is consistent with the City Council's goal to increase open space by developing a pocket park in an urban area. It is also consistent with the Green Space, Recreation and Parks Element Policy 6.2 (Neighborhood Parks), Policy 2.8 (Equitable Distribution of Community Devices and Amenities), Policy 2.13 (Parks), and Policy 21.10 (Neighborhood Parks and Open Space Amenities).

ENVIRONMENTAL ANALYSIS:

This contract has been determined to be categorically exempt from environmental review pursuant to the guidelines of the CEQA (Public Resources Code §21080(b)(9); Administrative Code, Title 14, Chapter 3, §15332, Class 32, In-Fill Development Projects. Class 32 exempts from environmental review projects characterized as in-fill development meeting the following conditions: (a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations; (b) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses; (c) The project site has no value as habitat for endangered, rare or threatened species; (d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality; and (e) The site can be adequately served by all required utilities and public services.

The demolition of the former Banner Bank building is the initial phase in constructing a new 0.67-acre urban park. There are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances.

FISCAL IMPACT:

The cost of this contract is \$100,000 and the total cost of this action will be \$110,000. Funding for this action will be addressed by the utilization of FY2021 budgeted appropriations in the *Playhouse District Park and Parking Lot* CIP project (budget account 78083). It is anticipated all costs will be spent in FY 2021.

The following table represents a contract summary.

Base Bid	\$	88,168
Contingency	\$	11,832
Contract Administration/Inspection	\$	10,000
Total Fiscal Impact	\$	110,000

Respectfully submitted,



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