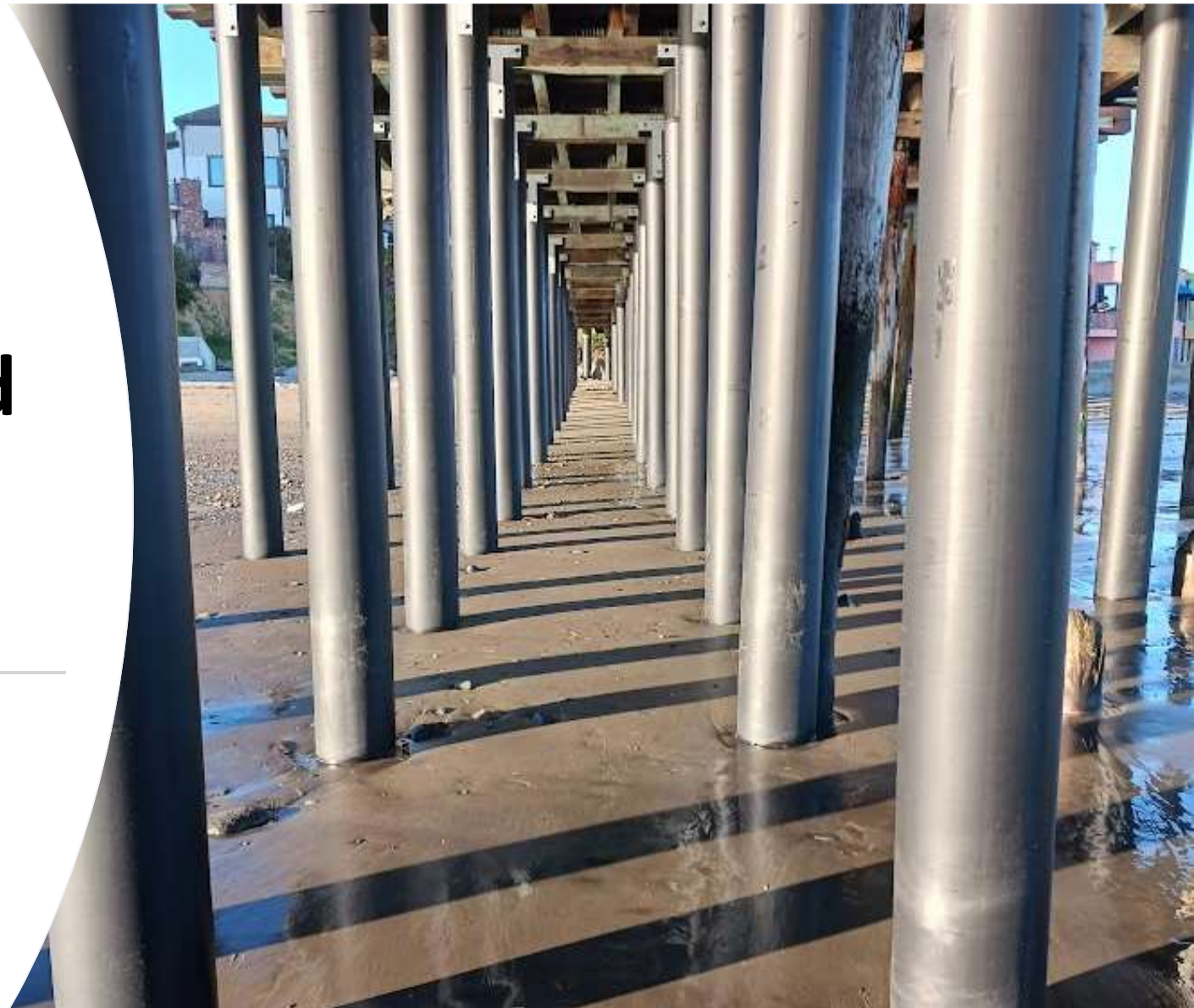




Wharf Resiliency and Public Access Project

City Council

February 27, 2024



Project Overview - Wharf Resiliency and Public Access



- Project Key Elements
 - Widening, piling fixes, deck replacement, restroom addition
 - Ensure the Wharf's long-term resilience
- Contractor: Cushman Contracting
- Commencement Date: September 2023

Wharf Resiliency Project –

Remaining Scope

- **Address Buildings:** Anticipated demolition
- **Head of Wharf:** Pile replacement and repairs
- **CWEP:**
 - Lighting and related electrical work
 - Furniture installation
 - Art, Fish station
- **Other Items:**
 - Signage project
 - Plaque replacement
 - Security gate installation
 - Landing and floating dock
- **Project Completion Projection** Fall 2023
- **Post-Project:** Future visioning exercises and public process for future development

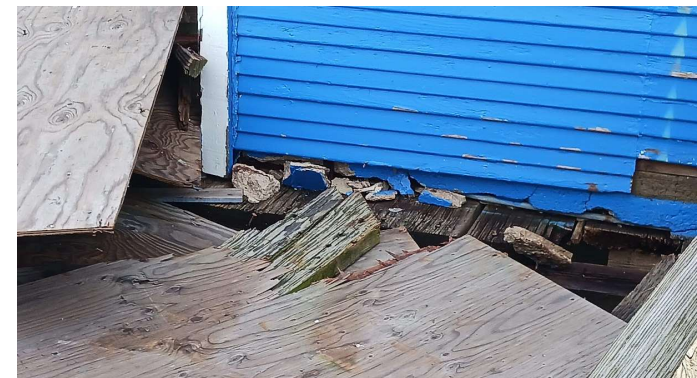


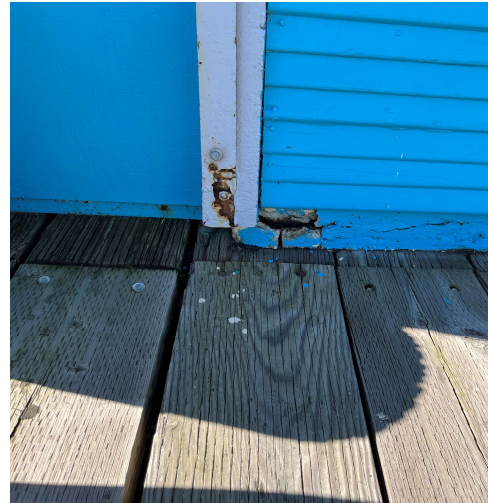


Building Assessments

Wharf House Restaurant

- Severe structural deficiencies
- Immediate hazard





Building Assessments

Bait Shop

- Severe structural deficiencies
- Confirmed by independent engineer

Building Demolition Process

- **Content Removal**
 - Streamlining removal of contents
 - Facilitating Boat and Bait content removal and storage
- **HazMat Challenges**
 - Addressing hazardous material issues
 - Conducting asbestos abatement
- **Building Demolition**
 - Completed under emergency permits
 - Inability to use typical heavy equipment due to wharf limitations
 - Reliance on manual labor to avoid debris entering the ocean
- **Debris Management**
 - Utilizing small trucks for transportation from head to base of the wharf
 - Employing smaller dumpsters near Wharf Road for efficient dumping
 - Ensuring proper disposal of debris

Building Assessments

- **Preserving buildings is not feasible due to:**
 - Extensive repairs needed, including lifting and rebuilding foundation
 - Addressing code non-compliance issues
 - Managing hazardous material concerns
- **Considerations**
 - High associated costs make these repairs financially impractical
 - Projected expenses are likely to exceed the cost of constructing a new building
 - Such repairs would hinder the necessary wharf repairs

February 22, 2024 Council Meeting

- Funding Gap
 - \$500,000 from CA Natural Resources Agency
 - Project still faces a deficit
- Cost-Saving Actions
 - Council's Directive: Remove Portland Loo for cost savings
 - Explore alternative bids for \$1M demolition work

Recommended Approach for Building Demolition and Repair within Resiliency Project

1. Obtain emergency permits for the demolition – in progress.
2. Initiate change order with the onsite mobilized contractor to include demolition of buildings in project scope.
3. Execute demolition of buildings, concurrently with Resiliency Project. Duration 6 – 8 weeks.
4. Conduct repairs under demolished buildings.
5. Upon completion of demolition and repairs, resume and finalize remaining repair work within overall Resiliency project.

Proposed Demolition Costs – Cushman Construction

<u>DESCRIPTION</u>	<u>LABOR COST</u>	<u>EQUIPMENT COST</u>	<u>SUBCONTRACTOR COST</u>	<u>TOTAL COST</u>
Staging Coordination and Traffic Control	\$7,500	\$2,700		\$10,200
Create Access for Demolition Operation	\$21,450	\$18,550		\$40,000
Preparation Of Building Demolition Site	\$43,000	\$23,250		\$66,250
Bait Shop Demolition	\$174,550			\$174,550
Hazard Abatement and Contents Removal – By Separate Contractor	\$6,000	\$2,000	\$66,250	\$74,250
Wharf House Demolition – By Separate Contractor			\$99,850	\$99,850
Coordination During Demolition to Continue Resiliency Project	\$69,000	\$28,750		\$97,750
Direct Mobilization Costs	\$80,375	\$18,813		\$99,188
<u>Total Direct Costs</u>	<u>\$401,875</u>	<u>\$94,063</u>	<u>\$166,100</u>	<u>\$662,038</u>

Proposed Demolition Costs – Cushman Construction

Site Preparation	\$116,450
Building Demolition	\$348,650
Project Coordination	\$97,750
Mobilization	\$99,188
Total Direct Costs	\$662,038

Proposed Demolition Costs – Cushman Construction

Total Direct Costs	\$662,038
Mark Up Labor 20%	\$80,375
Mark Up Material 15%	\$14,109
Mark Up Subcontractor 15%	\$24,915
<u>Subtotal</u>	<u>\$781,437</u>
1% for bond	7,814
1% for insurance	\$15,629
<u>Total Change Order for Demo</u>	<u>\$804,880</u>

Alternative Approach:
Engage Another Contractor

1. Cushman to complete site preparation work to facilitate demolition contractor access, incurring additional costs
2. Cease Cushman's work, incurring holding costs during demolition period
3. Execute demolition of buildings while temporarily pausing Resiliency Project. Duration 2-3 months
4. Cushman initiates repairs beneath demolished structures
5. Upon completion of both demolition and repairs, resume and finalize remaining Resiliency Project work

Alternative Demolition Costs – Demolition Contractor

<u>Description</u>	<u>Labor Cost</u>	<u>Equipment Cost</u>	<u>Subcontractor Cost</u>	<u>Total Cost</u>
Staging Coordination and Traffic Control	\$7,500	\$2,700		\$10,200
Create Access for Demolition Operation	\$21,450	\$18,550		\$40,000
Preparation of building demolition site	\$43,000	\$23,250		\$66,250
Bait Shop Demolition – by separate contractor			\$157,000	\$157,000
Hazard abatement and contents removal – by separate contractor	\$6,000	\$2,000	\$66,250	\$74,250
Wharf House Demolition – by separate contractor			\$99,850	\$99,850
Direct Mobilization Costs	\$19,488	\$11,625		\$31,113
<u>Total Direct Costs</u>	<u>\$97,438</u>	<u>\$58,125</u>	<u>\$323,100</u>	<u>\$478,663</u>

Alternative Demolition Costs – Demolition Contractor

Site Preparation	\$116,450
Building Demolition	\$331,100
Project Coordination	\$97,750
Mobilization	\$31,113
Total Direct Costs	\$478,663

Alternative Demolition Costs – Demolition Contractor

<u>Total Direct Costs</u>	<u>\$478,663</u>
Mark Up Labor 20%	\$19,488
Mark Up Material 15%	\$8,719
Mark Up Subcontractor 15%	\$48,465
<u>Subtotal</u>	<u>\$55,334</u>
1% for bond	\$5,553
1% for insurance	\$11,107
<u>Total Change Order for Demo</u>	<u>\$571,994</u>
Project Delay Costs*	\$680,000
<u>Total Change Order for Demo with Project Delay</u>	<u>\$1,251,994</u>

* Assumes 40 working day delay. Estimate from contractor is 40-60 working days.

Alternative 2 Approach: Defer Demolition to End of Resiliency Project

1. Immediate Safety Measures:
 - Shore up Wharf House for safety
2. Partial Project Completion by Cushman:
 - Engage Cushman for project work up to Wharf House
 - Incomplete project due to safety concerns/need to shore up Wharf House
3. Demobilization of Cushman:
 - Cushman demobilizes after completing their scope, minus work around Wharf House
4. Engineered Plans and Permits:
 - Develop new engineered plans
 - Obtain new regulatory permits for demolition and Resiliency Project completion
5. Bid Process:
 - Bid out demolition and Wharf repair work.
6. Mobilization of New Contractor:
 - Award contract to selected contractor.
 - Mobilize new contractor, under new permit timing conditions

Alternative 2 Approach: Challenges

- Extends project completion by approximately 1 year
- Adds permitting and engineering costs
- Additional mobilization costs for new contractor
- Reduced economies of scale
 - Current pile/decking price would increase
- Unknown outcome of future bids
- Cost escalation

Proposed Change Order -
Cushman Contracting

The total contract cost exceeds the project construction estimate by 10.5%

* Not to exceed estimate only. Final CWEP design contingent on PC approval

Initial Contract (inclusive of January 2023 Storm Damage)	\$7,740,000
Change Order 1	\$104,300
Change Order 2	\$43,000
Change Order 3	\$213,700
Change Order 4 - Storm Damage (December 2023)	\$213,000
Current Contract	\$8,314,000
CWEP – Cushman Construction	\$313,000*
Building Demolition	\$805,000
Repair Work Under Buildings	\$500,000
Head of Wharf Repair	\$100,000
Credit for Portland Loo	(\$200,000)
Estimate of Change Order 5	\$1,518,000
Total Contract Amount	\$9,832,000

Project Budget

Coastal Conservancy Grant	\$1,900,000
HUD Grant	\$3,500,000
Measure F	\$2,500,000
Insurance from January 2023 Storm Damages	\$1,000,000
California Natural Resources Agency	\$500,000
FEMA	TBD
CWEP Fundraising	\$400,000
Total Project Funding	\$9,800,000
<u>Expenses</u>	
Cushman Contract w/ CO 1-5	\$9,832,000
CWEP – Non-Cushman Items	\$337,000
Estimated Project Costs	\$10,364,000
<u>Available Funds</u>	
Projected Deficit	\$369,000

Next Steps – Select Building Demolition Option

	Recommended Cushman Demolition	Alternative 1 Demolition Contractor
Site Preparation	\$116,450	\$116,450
Building Demolition	\$348,650	\$331,100
Project Coordination	\$97,750	
Mobilization	\$99,188	\$31,113
Total Direct Costs	\$662,038	\$478,663
Mark Ups	\$119,399	\$76,672
Bond and Insurance	\$23,443	\$16,660
Project Delay		\$680,000
Total Change Order	\$804,880	\$1,251,995

Next Steps

Project Completion Projection:

- Anticipated project completion in Fall 2023

Future Visioning and Public Process:

- Engage in future visioning exercises
- Initiate a public process to gather input on future wharf development

Recommendation

- Approve Change Order 5 to Public Works Agreement with Cushman Contracting for Wharf Project in an amount not to exceed \$1,518,000 (for a total contract amount of \$9,832,000)
- Adopt a resolution amending the FY 2023-24 Adopted Budget to allocate an amount not to exceed \$369,000 for additional project expenditures

