



CITY OF COSTA MESA

77 Fair Drive
Costa Mesa, CA 92626

Agenda Report

File #: 23-1383

Meeting Date: 11/7/2023

TITLE:

LIONS PARK CAFÉ PROJECT

DEPARTMENT: PUBLIC WORKS DEPARTMENT/ENGINEERING DIVISION

PRESENTED BY: RAJA SETHURAMAN, PUBLIC WORKS DIRECTOR

CONTACT INFORMATION: SEUNG YANG, P.E., CITY ENGINEER, (714) 754-5633

RECOMMENDATION:

Staff recommends the City Council:

1. Authorize the City Manager and City Clerk to execute Amendment Number Five to the Professional Services Agreement (PSA) with Johnson Favaro, 5898 Blackwelder Street, Culver City, CA 90232, in the amount of \$130,250 with a three-year contract extension, and any future amendments.
2. Authorize the City Manager and City Clerk to execute Amendment Number Two to the PSA with STV Construction, Inc., 1055 West Seventh Street, Suite 2900, Los Angeles, CA 90017, in the amount of \$226,960 with a three-year contract extension, and any future amendments.
3. Authorize the City Manager to execute Change Order No. 2 to the Purchase Order with Tovey/Shultz Construction, Inc., 18261 Collier Avenue, Unit A, Lake Elsinore, CA 92530, in the amount of \$1,929,805, and any future amendments.
4. Create and/or amend the City's budget appropriations and allocations in the amounts and funds as needed to effectuate the changes identified above.

BACKGROUND:

On November 17, 2015, a PSA was awarded to Johnson Favaro in the amount of \$2,991,287 for architectural and engineering services for the design of The Lions Park Projects located at 1845 and 1855 Park Avenue. Amendment Number One to the PSA was processed on July 30, 2018, providing for a \$9,266 increase in compensation for additional security consulting services. Amendment Number Two was processed on January 15, 2019, providing for a \$6,600 increase in compensation for additional telecommunications consulting services. Amendment Number Three was processed on April 26, 2019, providing for a \$2,200 increase in compensation for design services for a donor recognition plaque system. Amendment Number Four was processed on November 16, 2020, providing for a two-year contract extension through December 31, 2022.

On August 2, 2016, a PSA was awarded to STV Construction, Inc. in the amount of \$2,894,056.21 for construction management services related to The Lions Park Projects. On March 24, 2021, Amendment Number One was issued in the amount of \$90,000 for additional services to address project delays due to COVID-19 related impacts.

On July 18, 2017, a Public Works Agreement (PWA) in the amount of \$28,739,822 was awarded to Tovey/Shultz Construction, Inc. for the construction of The Lions Park Projects. While the Café was designed and was included as an Additive Bid item, the City Council did not award the Café portion of the project. On February 8, 2022, Change Order Number One in the amount of \$209,562.50 was issued to implement the Community Center Capri Courtyard concrete, electrical, lighting, landscaping, and irrigation improvements.

The project site encompasses the Donald Dungan Library, the Norma Hertzog Community Center (NHCC), the Lions Park Event Lawn, and the area between the Costa Mesa Historical Society Building and Anaheim Avenue.

The improvements to Lions Park included the demolition of the pre-existing Neighborhood Community Center (NCC); construction of a new, two-story, 24,000 square foot (SF) LEED Gold library, and renovation of the pre-existing library to be repurposed as the new, 9,000 SF LEED Gold Norma Hertzog Community Center. Construction also included the new Lions Park event lawn, parking lot improvements, storm drain improvements, landscape and irrigation improvements, and off-site street improvements to Park Avenue and Anaheim Avenue.

Phase One of the project consisting of the demolition of the NCC, construction of the new Donald Dungan Library, and the event lawn was completed in May of 2019.

Phase Two of the project consisting of the renovation of the new NHCC was completed in November of 2020.

The City is in receipt of the \$1.2 million American Rescue Plan Act (ARPA) Grant Fund to construct the Café Building as the third phase of the project. Rendering and layout of the Lions Park Café as originally designed are included in Attachment 1.

ANALYSIS:

In order to implement Phase Three of The Lions Park Projects, project plans and specifications for the Café Building previously designed by Johnson Favaro are required to be updated to comply with the 2022 California Building Code (CBC) and submitted for Orange County Health Department approval.

Johnson Favaro has submitted an amendment request (Attachment 2) in the amount of \$130,250 to update the project plans to meet the new 2022 CBC, obtain Building Division and Health Department approvals, and provide engineering support services during construction, responding to requests for information, changes in scope due to material availability and site constraints, reviewing submittals, conducting site visits, and producing as-built plans. Johnson Favaro will be providing full structural, mechanical, electrical, plumbing, landscaping, lighting, food service/kitchen, information/technology, and security design support.

STV Construction, Inc., has submitted an amendment (Attachment 3) request in the amount of \$226,960 for construction management services. Services include inspection to ensure compliance with project plans and specifications, coordination with utility agencies and project stakeholders, change order review and recommendation, on-site project coordination, document control, quality management, and building commissioning.

Tovey/Shultz Construction, Inc., has submitted a change order request (Attachment 4) for the construction of the Café Building in the amount of \$1,929,805. The Café Building is designed to be approximately 1,000 square feet and includes a food storage and service area, concession counter, food preparation area, equipment and washing area, restroom, electrical room, storage room, and associated utility construction.

The total cost of design, construction management and construction for the Lions Park Café is now estimated at approximately \$2.3 million, exceeding the \$1.2 million allocation received through Supervisor Katrina Foley from County American Rescue Plan Act (ARPA) funds. Staff requests City Council authorization to appropriate \$1.1 million from prior fiscal-year surplus funds. The Finance, Investments, and Pension Advisory Committee (FiPAC) Staff will also work with the design consultant to conduct Value Engineering to determine ways to reduce costs as well scope of the project to lower the funding shortfall.

ALTERNATIVES:

The Council could direct staff to solicit services from new firms to design and construct the Lions Park Café Building. However, this action is not recommended as the current firms have an in-depth knowledge of the existing site, design and construction parameters, and firsthand experience with the design and construction of Phases 1 and 2 of the project. Soliciting new firms would also greatly impact the project schedule and cost.

Another alternative could be to redesign the site entirely with a reduced scope of work, footprint, and alternative building materials. This will require a complete re-design of the Café project, modification of utility stub-outs, and extended duration for project implementation. The actual cost savings, if any, cannot be determined.

The final alternative is to cancel the project and return the County ARPA funding of \$1.2 million. This will require the restoration of the Lions Park area by eliminating the stub-outs and creating space for temporary food trucks. Staff estimates that approximately \$200,000 is needed to clear all obstructions, remove existing fencing, and provide a food truck area.

FISCAL REVIEW:

This project has an existing allocation of \$1.2 million through County ARPA funds. Additional funding allocation of \$1.1 million from General Fund surplus monies for the fiscal year ended June 30, 2023 is being requested to fund the remainder of the project.

LEGAL REVIEW:

The City Attorney's Office has reviewed this agenda report and approves it as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This item supports the following City Council Goals:

- Strengthen the Public's Safety and Improve the Quality of Life
- Maintain and Enhance the City's Facilities, Equipment and Technology

CONCLUSION:

Staff recommends the City Council:

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