

City of Culver City, California  
**City Council Agenda Item Report**

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| Meeting Date: 2/21/06                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  | Item Number: <u>J-1</u>                                                                           |  |
| <b>AGENDA ITEM:</b><br><b>Joint City Council/Redevelopment Agency Consideration to Waive Advertising For Bids and the Public Hearing and to Award a Tri-Party Contract to Viking Equipment Corporation for Asbestos Abatement and Building and Site Demolition of the Properties at 12811 and 12813 Washington Boulevard.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |                                                                                                   |  |
| Contact Person/Dept.: John Fisanotti<br>(CDD/Redev) / Andy O' Connell (PW)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  | Phone Number: (310) 253-5767<br>(310) 253-5606                                                    |  |
| Fiscal Impact: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |  | General Fund: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                 |  |
| Public Hearing: <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  | Action Item: <input checked="" type="checkbox"/> Attachments: <input checked="" type="checkbox"/> |  |
| Public Notification:<br>All proposing companies were notified by mail on February 9, 2006. Master Notification List (02/15/06)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |                                                                                                   |  |
| Department Approval:<br>Charles Herbertson (02/01/06)<br>Susan Evans (02/01/06)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |  | CAO Approval:<br>Martin R. Cole for Jerry B. Fulwood<br>(02/15/06)                                |  |
| City Controller Approval:<br>Marlee Chang (02/13/06)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                                                                                                   |  |
| <p><b><u>RECOMMENDATION:</u></b></p> <p>Staff recommends the City Council ("Council") determine that demolition and asbestos abatement of the two apartment buildings at 12811 and 12813 Washington Boulevard be deemed to be "of urgent necessity for the preservation life, health or property" pursuant to Section 1304 of the Culver City Charter; and to award a contract for asbestos abatement and demolition of the aforesaid properties to Viking Equipment Corporation for a cost of \$58,400.</p> <p><b><u>BACKGROUND:</u></b></p> <p>The Culver City Redevelopment Agency ("Agency") owns all of the properties on the north side of the block of Washington Boulevard from Meier Street to Moore Street. These properties were acquired for the purpose of eliminating blight in the area. The new use proposed for this block by Urban Equity Partners is 12 live/work units plus 12 loft housing units. The Agency will be required to deliver a cleared site to Urban Equity Partners under the terms of the Disposition and Development Agreement now being drafted. Towards this end, on October 24, 2005, the Council awarded a contract to Marcor Remediation, Inc., for the demolition of the Baldwin Motel at 12823 Washington Boulevard. The work was completed the following month.</p> <p>The structures that remain on the block are two four-unit apartment buildings (12811 and 12813 Washington Boulevard) and one multi-tenant commercial building 12803-</p> |  |                                                                                                   |  |

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07 Washington Boulevard). At about 3:30 am on January 22, 2006, a fire broke out in Apartment D at 12811 Washington Boulevard. The building had tenants occupying Apartments B and D. The tenants in A and C had been previously relocated. Fortunately everyone got out safely during the fire. The building was damaged and has been red-tagged by the City's Building Official. The fire damaged building has been boarded up and fenced as a precaution. The fire damaged building represents an obvious hazard that should be demolished as soon as possible. The adjoining apartment at 12813 Washington Boulevard was not damaged by fire. Although much of this building is boarded up, staff has had to remove homeless people from the site and there are at least three locations actively used by the homeless. This too represents a health and safety hazard, including a further risk of fire.

**DISCUSSION:**

The apartment that burned was purchased by the Agency 11 days prior to the fire, and an asbestos survey of the building had not occurred yet. In contrast, the apartment at 12813 Washington Boulevard was purchased on March 2, 2005. It has been sampled for asbestos and the report was made available to the proposing contractors. The proposing contractors will also be responsible for the proper abatement of the asbestos containing material. To achieve an economy of scale when obtaining proposals, and to eliminate health and safety hazards, staff is recommending that the demolition project encompass both buildings.

Because of the urgent, emergency nature of the work, staff obtained proposals without preparing a formal bid package or advertising for bids. Staff walked the site with four abatement and demolition companies (including the three which bid on the Baldwin Motel demolition last October) to assess the work to be done. Staff solicited four proposals in an attempt to obtain a competitive price.

Asbestos abatement in 12813 Washington Boulevard will be pursuant to the previously completed asbestos survey. Asbestos abatement in the fire damaged building at 12811 will be pursuant to SCAQMD approved Procedure Five plan, to be prepared by CTL Environmental. CTL Environmental is the consultant hired by the Agency to monitor the abatement of the asbestos such as during the demolition of the Baldwin Motel. CTL Environmental will again be providing abatement monitoring services and, in the case of the fire damaged apartment, will conduct a sampling survey, write the Procedure Five plan for abatement of asbestos containing materials within the building, and submit the plan to SCAQMD for approval.

The results of the proposals are shown on the following page.

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| <u>Name of Firm</u>                                    | <u>Cost Proposal</u> |
|--------------------------------------------------------|----------------------|
| 1. Viking Equipment Corporation, of Glendale, CA       | \$58,400             |
| 2. TEG/LVI Environmental, Inc. of Santa Fe Springs, CA | \$82,091             |
| 3. Marcor Remediation, of Cerritos, California         | \$86,598             |
| 4. K.G. Mullen, Inc. of Culver City, CA                | \$136,941            |

Staff recommends the Council award a contract to Viking Equipment Corporation, in the amount of \$58,400 for the abatement and demolition services as the lowest and most responsive cost proposal and also recommends that staff have authorization to approve change orders for unforeseen conditions not to exceed an additional \$15,000. Unforeseen conditions are common when demolishing structures because subsurface infrastructure in particular is difficult to identify beforehand. Also, in this instance, the final asbestos abatement process for the fire damaged building was not available to all proposing companies prior to submitting proposals.

The work is expected to commence within ten days of contract award and be completed within approximately 15 working days. Construction management will be performed by the Public Works Department and CTL Environmental will monitor the abatement process under an administratively approved contract.

The City and Agency are authorized by the Community Redevelopment Law to cooperate in carrying out the Agency's activities. Pursuant to Article XIII, Section 1304, of the City Charter, if four fifths of the City Council deems the work to be of urgent necessity for the preservation of life, health or property, the contract may be awarded without complying with the bidding procedures, including advertising and a public hearing, which otherwise would apply. Given the situation with the red-tagged, fire damaged building and the break-ins by homeless at the other building, staff recommends the Council make this determination. As part of the City's ongoing cooperation with the Agency to assist with the redevelopment of the community, staff recommends the Agency and City enter into a three-party agreement with Viking Equipment Corporation for the asbestos abatement and demolition of the above described structures. Pursuant to that agreement, the City will manage the contract and the Agency will pay for the contractor's satisfactory services.

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**FISCAL ANALYSIS:**

The cost of a contract with the proposed bidder is \$58,400. There is a balance of \$114,979.00 presently available in account number 55392630.710150 (Baldwin Motel Block – Demolition of Structures) to provide for this expense.

**ATTACHMENTS:**

1. Copies of the four proposals received

**MOTION:**

That the City Council:

**Four fifths (4/5) vote needed:**

1. Determine that the work is of urgent necessity for the preservation of life, health or property, and that the contract may be awarded without advertising for bids or conducting a public hearing,

**Majority vote needed:**

2. Award a tri-party contract to Viking Equipment Corporation in the amount of \$58,400 for the demolition and asbestos abatement of the buildings and site improvements at 12811 and 12813 Washington Boulevard;
3. Authorize the Public Works Director/City Engineer to negotiate any change orders at a total not-to-exceed amount of \$15,000; and
4. Direct the City Attorney to prepare the necessary documents and authorize the Chief Administrative Officer to execute the documents.

That the Culver City Redevelopment Agency:

1. Authorize the Assistant Executive Director to execute a tri-party contract with Viking Equipment Corporation; and
2. Authorize payments to the contractor pursuant to the agreement plus any change orders approved by the Public Works Director/City Engineer not to exceed \$15,000.