



REPORT NO. CCDC-08-04

DATE ISSUED: February 13, 2008

ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Docket of February 19, 2008

ORIGINATING DEPT.: Centre City Development Corporation

SUBJECT: North Embarcadero Visionary Plan Phase 1 – Columbia
Redevelopment District of the Centre City Redevelopment Project

COUNCIL DISTRICT: District 2

REFERENCE: None

STAFF CONTACT: Gary J. Bosse, Senior Project Manager – Construction
(619-533-7163)

REQUESTED ACTION: That the Redevelopment Agency (“Agency”) authorize Centre City Development Corporation (“CCDC”) to enter into an agreement with Project Design Consultants (“PDC”) for architectural and engineering design services for construction documents for Phase 1 of the North Embarcadero Visionary Plan (“NEVP”) for a fixed fee of \$4,158,441.

STAFF RECOMMENDATION: That the Agency authorize CCDC to enter into an agreement with PDC for architectural and engineering design services in the amount of \$4,158,441.

SUMMARY: On behalf of the Joint Powers Authority (“JPA”), CCDC staff issued a Request for Qualifications (“RFQ”) for Architectural and Engineering Design Services for Phase 1 of the NEVP on April 23, 2007. A total of 10 firms submitted their qualifications for review by City of San Diego (“City”), San Diego Unified Port District (“Port”) and CCDC staff. Four firms were short-listed and recommended for interviews. Staff is recommending a contract with PDC for Phase I of the NEVP for a fixed fee of \$4,158,441.

FISCAL CONSIDERATIONS: Funds in the amount of \$4,158,441 are available in the FY 2008 NEVP project budget. CCDC will be the lead contracting entity, but is sharing the costs equally with the Port. Per the JPA Agreement, the Port will fund a 50% share of the cost of this agreement in incremental payments to be made monthly over the duration of the agreement. The Port will be invoiced as CCDC receives the requisitions from the consultant for its \$2,079,220.50 share of the anticipated costs.

CENTRE CITY DEVELOPMENT CORPORATION RECOMMENDATION: On January 30, 2008, the CCDC Board will consider this item. The results of their action will be provided in staff's oral presentation.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: Outreach during the previous schematic design phase was extensive. Participation opportunities ranged from design team and staff presentations at JPA Member Agency meetings, to Open Houses with the design team and staff, to individual one-on-one meetings. Past outreach efforts have included other governmental agencies and franchise utilities such as the County of San Diego, San Diego Association of Governments, the United States Navy, and San Diego Gas & Electric. Residential and business focused groups such as the Little Italy Association, Downtown Resident's Group, Centre City Advisory Committee, and Port Tenant's Association have received presentations. Special interests groups have also been identified and kept informed such as the San Diego Bicycle Coalition, Citizens Coordinate for Century 3 (C-3), North Embarcadero Public Art Committee, Port of San Diego Accessibility Advisory Committee, the Civic Mile group, the Downtown San Diego Partnership, and several private developers with projects located within the limits of the NEVP. Throughout the schematic design process, and at its completion, the NEVP has enjoyed overwhelming positive support from most all of these stakeholders. The new Phase 1 design effort will continue to engage all of these groups throughout the design process.

KEY STAKEHOLDERS AND PROJECT IMPACTS: Currently, there are four private development projects in the planning and approval phase of implementation within Phase 1 of the NEVP limits. They include Lane Field San Diego Developers (Lane Field), the Irvine Company (700 W. Broadway), Bosa Development (yet to be named project) and Manchester Financial Group (Navy Broadway Complex). Timing for the design and construction of the NEVP public improvements and the required private development improvements is critical to the success of each of these projects and to the mitigation of construction impacts to downtown residents and waterfront businesses. Groups opposed to the Lane Field and Navy Broadway Complex redevelopment projects have recently begun to attend public NEVP JPA meetings and appear to be organizing to oppose the implementation of Phase 1. They most likely will question the adequacy of the NEVP Environmental Impact Report.

BACKGROUND

This proposed project advances the Visions and Goals of the Downtown Community Plan and the Objectives of the Centre City Redevelopment Project by:

- providing public improvements as amenities to eliminate blighting conditions;
- creating green open space, contributing to the residential environment of downtown's urban environment; and

- making downtown a more attractive place to have a business by enhancing the aesthetic quality of downtown's northern waterfront.

In February 2007, a new, second generation JPA Agreement was approved and executed by the City of San Diego ("City"), the Port, and the CCDC. The primary purpose of the JPA was to facilitate the design and construction of the first phase of the NEVP. The first phase of the NEVP was agreed to by CCDC and the Port in a joint meeting of their Boards in October 2005.

On behalf of the JPA, CCDC staff issued an RFQ for Architectural and Engineering Design Services for Phase 1 of the NEVP on April 23, 2007. A total of 10 firms submitted their qualifications for review by City, Port, and CCDC staff. Four firms were short-listed and recommended for interviews.

The following four firms were interviewed:

- Kimley-Horn & Associates (with Sasaki);
- EDAW;
- SWA; and
- Project Design Consultants (with Civitas).

The selection criteria included the evaluation of the consultants' specialized experience and technical competence, personnel that would be assigned to the work, completeness of the qualifications proposal and the willingness to make meaningful subcontracting opportunities available.

The Selection Committee was comprised of:

Nancy Graham, President and Chief Operating Officer, CCDC
William Anderson, Director, City Planning & Community Investment, City of San Diego
Karen Weymann, Assistant Director, Real Estate, Port of San Diego
Sal Ochoa, Project Architect and Assistant Manager, Real Estate, Port of San Diego
Ernesto Medina, Associate Engineer, Real Estate, Port of San Diego
Dana Springs, Public Art Program Manager, City of San Diego Commission for Arts and Culture
Alexandra Elias, Advance Planning Manager, CCDC
Gary Bosse, Senior Project Manager – Construction, CCDC

Interviews were conducted on June 19, 2007. Based upon the written statement of qualifications, oral presentation and interview, and reference checks, the Selection Committee unanimously recommended that PDC be selected and a professional services agreement for Phase 1 be negotiated.

The PDC team is comprised of the following organizations and key principals:

- Project Design Consultants – Gordon Lutes (Project Management and Civil Engineering);
- Civitas – Mark Johnson (Urban Design and Public Outreach);
- Spurlock Poirier Landscape Architecture – Martin Poirier (Landscape Architecture);
- Cooper Robertson – Randy Morton (Concept Architecture Design);
- Joseph Wong Design Associates (Architecture);
- Leni Schwendinger Light Projects (Lighting);
- Pentagram Design (Signage);
- Value Management Strategies, Inc. (Value Engineering);
- J.T. Kruer (Cost Estimating);
- Linscott Law & Greenspan (Traffic Engineering);
- Utility Specialist (Underground Utility Coordination);
- R.W. Beck (Pump Station Design);
- Accessible San Diego (ADA Compliance Review);
- Terracosta Consulting Group (Geotechnical Engineering);
- Blaylock Engineering Group (Structural Engineering and Marine Structures); and
- LSW Engineering (Mechanical, Electrical and Plumbing).

Phase 1 is defined in the JPA Agreement as Harbor Drive between Broadway and B Street, with necessary transitions to the existing roadway to the north and south. The Broadway section was added to Phase 1 due to the development that is about to take place on three of the four parcels along Broadway. Phase I will provide coordination of the design of the publicly accessible spaces located on private developments along West Broadway, including: Lane Field (Lankford Development); 700 W. Broadway (The Irvine Company); Bosa Development; and the Navy Broadway Complex (Navy/Manchester Development). Coordination of the design of NEVP with the public improvements to be constructed by these private development projects was necessary to ensure a cohesive and unified approach to the Broadway design effort and to provide the direction necessary to the private development teams so that those projects could move forward. Attachment A identifies the geographic boundaries for the limits of work related to the scope of work.

The Port and CCDC staffs have developed a detailed scope of work for the design phase (Attachment B). PDC has reviewed the scope of work and has had the opportunity to provide input. The scope of work clearly defines the design process, the work product deliverables, and the project schedule (estimated at 17 months in duration). The primary elements of the services to be provided as detailed in the scope of work include:

- Validation and/or refinement of key components of the previously approved schematic design;
- Preparation of design development documents;
- Provide base mapping, surveys and technical studies;
- Evaluation and establishment of maintenance specifications, schedules and costs for Phase 1 improvements;
- Cost estimating and value engineering;
- Prepare 30%, 90%, and final construction documents (plans, specifications and estimates) suitable for public bid;
- Provide assistance with public presentations; and
- Project management and coordination of the design effort.

Several elements of the design are not well enough defined at this time to establish a reasonable and fair fee for preparing construction documents, including signage, sewer pump station design, and structure architecture. It is anticipated that once approval of the design development plans for Phase 1 by the JPA and the respective Boards of the Port, CCDC, and the City is accomplished, an amendment for the preparation of construction documents for the above-mentioned exclusions and construction administration services will be brought forward. Staff estimates the value of the amendment to be in the \$400,000 to \$450,000 range.

The fee above includes a \$100,000 design contingency that cannot be utilized without written authorization by JPA staff. In addition, it includes a reimbursable allowance for travel expenses and printing/reproduction. The hourly rates that have been used in the calculation of this fee proposal are locked for the duration of the Agreement.

The first phase of implementation for the NEVP will be the most challenging of this multi-phase public infrastructure and waterfront beautification project. There are challenges in this first phase that will not be encountered in other phases such as:

- Evaluation of options related to the potential elimination, relocation and/or consolidation of two sewer pump stations;
- Analysis of traffic generation and staging related to cruise ship operations on the Broadway and B Street piers;
- Reconsideration of the Broadway Pier terminus at Harbor Drive given the recently proposed cruise terminal building and the more intense cruise operations planned thereon;
- Validation/refinement of the previously approved schematic design, including selection of trees, paving system, lighting, etc., that will be used throughout the entire NEVP;
- Precedent legal, design and financial agreements related to the relocation of franchise utilities; and

- Coordination of design and schedule with four large, adjacent private development projects.

These complexities, each one of which could be a project unto themselves, combined with the addition of the design of West Broadway, have resulted in a fee estimate for Phase 1 construction documents in excess of previous estimates for design fees, which were for a smaller scope of services. The increased phasing and scope of work in Phase 1 should save time and money in the future as this project proceeds. CCDC will execute and administer the agreement with PDC, however, management of the project will be a joint effort shared by the Port and CCDC and with the inclusion of City staff.

The following provides a summary of the financial status of the Agreement:

Interim Agreement	(July 2007)	\$ 100,000
First Amendment	(Nov. 2007)	\$ 80,206
Paid to Date		<u>\$ 0.00</u>
Remaining Balance		\$ 180,206
Proposed Agreement		\$ 4,158,441
Amount Available Subsequent to the two Agreements		<u>\$ 4,338,647</u>

Firm Name: Project Design Consultants		
PRINCIPALS AND PRIMARY STAFF ASSIGNED TO CONTRACT	TITLE	PRIMARY CONTACTS
Gregory Shields, P.E. Gordon Lutes, P.E.	CEO Senior Vice President	Gordon Lutes

EQUAL OPPORTUNITY

Firm Name:			
SUBCONSULTING FIRMS	PRINCIPALS	FIRM CERTIFICATION AND PERCENTAGE CONTRACT	
Civitas	Mark Johnson	None	19%
Spurlock Poirier Landscape Architecture	Martin Poirier	SBE	6.8%
Cooper, Robertson & Partners	Randall Morton	None	5.5%
Pentagram Design, Inc.	Michael Gericke	None	3.1%
Linscott Law and Greenspan	John Keating	SBE	1.6%
Terracosta Consulting Group	Walter Crampton	SBE	2.2%
Joe Wong Design Associates	Joseph Wong	SMBE	2.0%
Accessible San Diego	Paul Bishop	SBE	0.2%
Value Management Strategies	Terry Hays	SBE	0.8%
R.W. Beck	John Christopher	None	1.2%
J.T. Kruer & Company	Johnathan Kruer	None	1.7%
Utility Specialists	Daniel Koser	None	2.5%
Blaylock Engineering	Matthew Martinez	SBE	2.4%
Leni Schwendinger Light Projects LTD	Leni Schwendinger	None	4.4%
USI Potholing Services	Michael Arme	None	1.0%
Air X	Ivan Fox	SBE	1.0%
LSW Engineering	Devin Abellon, John Littrel, Neal Alagia	None	1.5%

Environmental Impact – The North Embarcadero Alliance Visionary Plan Final Master EIR (NEVP MEIR) analyzed the infrastructure improvements outlined in the NEVP along with four subsequent redevelopment projects, including Lane Field Redevelopment. The NEVP MEIR was certified by the San Diego Unified Port District Board of Port Commissioners on April 25, 2000. On August 8, 2006, the Board adopted Resolution No. 2006-131, which determined the NEVP MEIR was legally adequate for purposes of “tiering” under the California Environmental Quality Act (CEQA). On April 23, 2007, the Port issued an Initial Study and Addendum to the MEIR for the Broadway Pier Cruise Ship Terminal and Infrastructure Improvement Project, concluding that the Broadway Pier project remains consistent with the NEVP and would further its implementation as part of the overall San Diego waterfront redevelopment plan. On October 24, 2007, the Port issued an Initial Study and Addendum to the MEIR for the Lane Field Development Project indicating that the potential environmental impacts associated with the proposed development at Lane Field were described in the NEVP as part of the Lane Field Development Project and adequately evaluated in the NEVP MEIR, with only the addendum necessary to address the minor changes to the Lane Field project. Thus, there have already been numerous reviews of the environmental impacts associated with development under the NEVP.

The approval of a funding mechanism for the design work that will be undertaken for development to implement the NEVP is not a "project" under CEQA and thus, no separate environmental document need be prepared prior to approval of the contract. "The creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant impact on the environment" are not "projects" under CEQA. (CEQA Guidelines, section 15378, subd. (b)(4); Pub. Resources Code, section 21065. This activity is not a project, and therefore not subject to CEQA per CEQA Guidelines Section 15060(c)(3).

CONCLUSION – Approval of this contract is the next step in redeveloping one of the last major urban waterfronts in North America. The team selected has the experience and capability to design San Diego’s front porch.

Respectfully submitted,

Concurred by:

Gary J. Bosse
Senior Project Manager - Construction

Nancy C. Graham
President

Attachments: A – Limits of Work for Phase 1 Design
 B – Consultant Team Scope of Work (DRAFT)