

March 4, 2025

Honorable Mayor and City Council
City of Long Beach
California

RECOMMENDATION:

Recommendation to adopt Plans and Specifications No. R-7265 and award a contract to Environmental Construction Group, Inc. of Signal Hill, CA, for the Queen Mary Village Demolition Project, in the amount of \$1,172,231, authorize a 20 percent contingency in the amount of \$234,446, for a total contract amount not to exceed \$1,406,677; and, authorize the City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary subsequent amendments. (District 1)

DISCUSSION

City Council approval is requested to enter into a contract with Environmental Construction Group, Inc. (ECG) for the urgent demolition, abatement, and removal of existing structures located in the Old English Village (Village) adjacent to the Queen Mary (Project).

The Village, a former themed-shopping village located off Queens Highway and Windsor Way (see Attachment A, Location Map), has been vacant and unused for several years. The Village was previously the responsibility of the master lessee at the site but was not adequately maintained during the tenure of their oversight. This resulted in deteriorating structural conditions. The deterioration of the building has resulted in sizable holes in the roofing system, holes in the exterior and interior walls, and broken doors and windows. Ultimately, over time, this has led to water intrusion, which has contributed to the growth of mold, vermin infestation, and weakening of structural framing members. Further, unauthorized access has led to vandalism and destruction of remaining interior building elements.

These structures now pose a health and safety risk to guests, staff, and visitors of the Queen Mary property, Carnival Cruise Terminal, and special events held in the area. To mitigate these risks, the structures have been boarded up to prevent unauthorized access, and the City of Long Beach (City) Building and Safety officials have declared all structures unsafe for occupancy. In addition, severe risk is posed by individuals that may unknowingly access the site. Unauthorized access by those seeking shelter, or individuals that may intentionally desire to cause vandalism creates unnecessary liability for the City. Liabilities and risks could result from uncontrolled fires in combination with poor structural conditions, which may lead to entrapment. Because of the state of the building, fire suppression systems are not known to be active, and building egress options are limited due to disrepair from years of accumulating debris and vandalism. Despite efforts to secure the site, it experiences regular break-in and encampment attempts.

Through a partnership between the City and the Port of Long Beach for the improvement of the Queen Mary, the City and Port entered into an agreement to help address the most pressing issues at the Queen Mary and surrounding site. Funding was set aside to address various conditions at the property including the Village removal, removal of a ticketing building, and the planning and preliminary design for the removal of the abandoned submarine. As the Queen Mary and adjacent Village were the responsibility of a former master lessee, who ultimately became financially insolvent, operations and facility conditions after closure remained unclear. The conditions of the Village, including the existence of hazardous materials, the presence of high-risk utilities, and general accessibility and structural safety were unknown.

As part of the project, the City conducted underground utility investigations, sought the support of Building and Safety to help provide an assessment of the building's structural conditions, and performed hazardous materials testing to inform how the work would be implemented. The results of the various efforts revealed the presence of mold, lead and asbestos and mostly failing structural members and systems, which exacerbates the risk and urgency to remove the Village.

This demolition is considered urgent in nature and will eliminate current and present public hazards. Timely removal would not only help address safety concerns, but also prevent potential financial risks resulting from injuries or contract disputes with event organizers in the Village and Queen Mary area. Upon demolition and removal of the abandoned assets, the site will be utilized for additional parking and event space to support the Queen Mary and nearby operations.

The bid was advertised in the Long Beach Press-Telegram on February 11, 2025, and 433 potential bidders specializing in demolition were notified of the bid opportunity. Of those bidders, 19 downloaded the bid via the City's electronic bid system. The bid document was made available on the Purchasing Division's website at www.longbeach.gov/purchasing. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 44 local, minority-owned, and women-owned business groups. An optional pre-bid conference and job site walk through occurred on February 13 and 14, 2025. There were five bids received on February 21, 2025. Of those bidders, two were Minority-owned Business Enterprises (MBEs), one was a Women-owned Business Enterprise (WBE), two were certified Small Business Enterprises (SBEs), and none were Long Beach vendors (Local). Of the five bids which were evaluated, four were determined to be responsive and Environmental Construction Group, Inc. (ECG), of Signal Hill, CA, was determined to be the lowest, responsible bidder.

The project has been reviewed under the California Environmental Quality Act (CEQA) and found to be Statutorily Exempt pursuant to Section 15269 of the CEQA Guidelines under emergency conditions.

Local Business Outreach

To align with the City's outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Purchasing Division also assists businesses with registering on the Long Beach Buys platform to download bid specifications. Through outreach, 30 Long Beach vendors were notified to submit bids, of which four downloaded and none submitted a bid. The Purchasing

Honorable Mayor and City Council

March 4, 2025

Page 3

Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Principal Deputy City Attorney Erin Weesner McKinley on February 26, 2025, Administrative Analyst Tommy Ryan on February 21, 2025, and by Budget Management Officer Nader Kaamoush on February 23, 2025.

TIMING CONSIDERATIONS

City Council action to adopt Plans and Specifications No. R-7265 and award a contract concurrently is requested on March 4, 2025, to ensure the contract is in place expeditiously.

FISCAL IMPACT

The total contract amount will not exceed \$1,406,677, inclusive of a 20 percent contingency. The project has sufficient appropriation in the Tidelands Area Fund Group in the Public Works Department, which is funded by the City-Port Partnership agreement. Approval of this recommendation will provide continued support to the local economy, as the area can be better programmed for special events, which generate economic activity for the City.

This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. The number of additional local jobs created by this project will not be known until the contractors have completed their hiring and construction has commenced.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



Bo Martinez
Director
Economic Development

APPROVED:



THOMAS B. MODICA
CITY MANAGER



Eric Lopez
Director
Public Works