

Newport Beach Civic Center Project Update: October 2010



Progress Report

The site excavation is well underway and has been progressing as planned. About 70% of the dirt has been removed and a portion is being stockpiled on site for use later in the project. The tall slope that once abutted Avocado to the east is now almost entirely down to the level of the Central Library.

Start of Project-May 2010



Excavation 70% complete-Sept 20, 2010



This fall, the project will move into the facility construction phase. The 450-space parking structure will be built first. The parking structure construction bids were received in July 2010 and the City Council approved selection of the lowest bidder, Bomel Construction, on September 14, 2010. Bomel's \$6.37 million bid is \$1.65 million less than the City's April 2010 cost estimate for the parking structure and \$4.65 million less than initial estimates prepared in late 2009, during the design development phase of the project. Construction of the parking structure is scheduled to begin in December or January.

Also in September, the City retained a private firm to help with the project's "plan check" task. Our purpose was two-fold. First, we want to keep the project on schedule to meet the Build America Bond deadline of December 31, 2010. Also, the company has staff in Orange County and San Francisco so they can work directly with our project team on site and our architect in Northern California. We also didn't want to disrupt our residents' plan check activity for homes and businesses – that could have happened if the Civic Center project was taking up our plan checkers' hours.

Schedule and Cost

The project is on schedule and is currently coming in at or below our projected budget. That budget is based on construction cost information received from two separate firms that specialize in construction estimation. They are monitoring construction industry activity and project bids statewide and regularly update the Civic Center cost estimates based upon the most current information. Those estimates will become locked-in costs when the remaining project component bids (the buildings and the park) are received this fall. Thus far, two major contracts have been let – one for excavation and shoring, and the other for the new parking structure. The bids for these components came in well under our conservative estimates (12% to 30% less). To date, there have been no cost overruns and no contingency funds have been used.

Project Oversight

There are several tiers of project review and oversight. The City Council has designated three of its members to serve on the Building Committee - Council Members Ed Selich, Don Webb, and Steve Rosansky. They review the recommendations of the City Manager and Public Works Director and provide direction. The full City Council also reviews and comments on the project each time an element of the Civic Center project is brought forward for the Council to discuss or approve. To date, the Civic Center project has been before the Council more than 14 times. The public is always welcome to attend these meetings and provide comment.

City Manager Dave Kiff and Public Works Director Steve Badum oversee the private-sector contractor that has been retained to manage the project. CW Driver, with its extensive expertise in construction management, beat out 24 other firms from across the state to win the contract for this project. The firm is responsible for managing the project's individual "subtrade" contractors – from landscape construction to steelwork to foundations. Driver is working under a "Construction Manager at Risk" contract with the City. This means that the firm has a monetary incentive to bring the project in under budget and on time. If they don't, they pay for the cost overruns. We believe this public-private project management approach is the right way to build a project of this magnitude. Our Public Works recently worked with a different private, construction management firm to bring in the OASIS Senior Center project on time and about \$3 million under budget.

The chart below illustrates the project oversight structure.

Who Oversees the Civic Center Project?



Please visit www.newportbeachca.gov/civiccenter for more information about the project.