

FILE NUMBER: 2025-083

DATE: Tuesday, March 11, 2025

SUBJECT: Interior and Exterior Painting at Broadway Pier Port Pavilion

DESCRIPTION: Resolution 1) Finding the Board Action Exempt Under the California Environmental Quality Act (CEQA) Guidelines Section 15301, 2) Approving Transfer of Funds within the FY25 Major Maintenance Budget Appropriation from Major Maintenance Contingency to the Interior and Exterior Painting at Broadway Pier Port Pavilion in the Amount of \$87,500.00 Pursuant to BPC Policy No. 90, and 3) Approving Plans and Specifications and Awarding Contract No. 2024-03 to VARN Painting in the Amount of \$487,500.00 for the Interior And Exterior Painting At Broadway Pier Port Pavilion, San Diego, CA Project, as Authorized by the Board in the FY 2025 Major Maintenance Program.

EXECUTIVE SUMMARY:

The Broadway Pier Port Pavilion, opened in 2010, serves as a cruise ship terminal, event venue, and public gathering space, offering visitors a dynamic waterfront experience with stunning views of San Diego Bay. As a key revenue-generating asset and a prominent representation of the Port of San Diego, it is essential to maintain the Pavilion's structural integrity and aesthetic appeal.

Over time, significant rust and corrosion have developed on the Pavilion's exterior steel structural elements, necessitating comprehensive repainting to protect the structure from further deterioration. To date, major repainting efforts have not been completed. Given the Pavilion's exposure to the marine environment, delaying maintenance further could result in higher repair costs and potential safety concerns.

Staff recommends that the San Diego Unified Port District (District) Board of Port Commissioners (Board) approve the plans and specifications and authorize the award of Major Maintenance construction contract to VARN Painting, Inc. in the amount of \$487,500.00 for the Interior and Exterior Painting at Broadway Pier Port Pavilion.

RECOMMENDATION:

Adopt a resolution 1) finding the Board action exempt under the California Environmental Quality Act (CEQA) Guidelines Section 15301, 2) approving transfer of funds within the FY25 Major Maintenance budget appropriation from Major Maintenance contingency to the Interior and Exterior Painting at Broadway Pier Port Pavilion in the amount of \$87,500.00 pursuant to BPC Policy No. 90, and 3) approving plans and specifications and awarding Contract No. 2024-03 to VARN Painting in the amount of \$487,500.00 for the Interior and Exterior Painting at Broadway Pier Port Pavilion, San Diego, CA project, as authorized by the board in the FY 2025 Major Maintenance Program.

FISCAL IMPACT:

There is no fiscal impact caused by approval of this action.

This project is included in the FY 2025 Major Maintenance Projects Program budget. A budget amount of \$500,000 has been allocated for the project in the FY 2025 Major Maintenance program. Approval of this agenda will authorize the District to enter into a Construction Contract with VARN Painting in the amount of \$487,500.00 and will authorize the expenditure of \$587,500.00 for the Interior and Exterior Painting at Broadway Pier Port Pavilion which includes approximately a 20% construction contingency for costs of construction oversight and inspections.

Description	Cost
Construction Contract Award Amount	\$ 487,500.00
Contingency	\$ 100,000.00
Total Construction Cost	\$ 587,500.00

A transfer of \$87,500 will move from the FY 2025 MM Contingency into the FY 2025 Project Budget, for the allocation of proper contingency during construction.

Description	Cost
Original FY 2025 Project Budget	\$ 500,000.00
FY 2025 MM Contingency	\$ 87,500.00
Revised FY 2025 Project Budget	\$ 587,500.00

COMPASS STRATEGIC GOALS:

This agenda item supports the following Strategic Goal(s).

- A thriving and modern maritime seaport.
- A vibrant waterfront destination where residents and visitors converge.
- A Port that is a safe place to visit, work and play.
- A Port with an innovative and motivated workforce.

DISCUSSION:

The Broadway Pier Port Pavilion, opened in 2010, serves as a cruise ship terminal, event venue, and public gathering space, offering visitors a dynamic waterfront experience with stunning views of San Diego Bay. As a key revenue-generating asset and a prominent representation of the Port of San Diego, it is essential to maintain the Pavilion’s structural integrity and aesthetic appeal.

Over time, significant rust and corrosion have developed on the Pavilion’s exterior steel structural elements, necessitating comprehensive repainting to protect the structure from further deterioration. To date, major repainting efforts have not been completed. Given the Pavilion’s exposure to the marine environment, delaying maintenance further could result in higher repair costs and potential safety concerns.

The scope of the public works contract includes essential activities to preserve and restore the Port Pavilion, ensuring its longevity and structural integrity:

1. Washing: Pressure washing surfaces to remove dirt, salt buildup, and contaminants prior to surface preparation.
2. Surface Preparation: Cleaning and treating corroded steel elements to ensure proper adhesion of protective coatings.
3. Containment: Implementing full containment measures to prevent environmental impacts and comply with regulatory requirements.
4. Repainting: Applying a durable, high-performance coating system designed for marine environments.

Procurement Details:

The Contract Documents including Plans No. EM-2024-01 and Specifications No. 2024-03 were issued for advertisement on December 30, 2024. On February 10, 2025, eleven (11) bids were received ranging from \$487,500.00 to \$2,809,900.00. The bid amounts are as shown in the table below.

Company	Total Bid for Contract	Location
VARN Painting, Inc.*	\$487,500.00	Tujunga, CA
DTW Construction Inc.	\$525,311.00	San Diego, CA
Pacific Rim Painting Inc.	\$645,000.00	Fresno, CA
High-Point Painting	\$741,000.00	La Mesa, CA
Mariscal Painting	\$880,000.00	South El Monte, CA
Rosenex	\$927,855.00	San Diego, CA
Color New Co	\$967,000.00	Woodland Hills, CA
Harbor Coating & Restoration	\$986,000.00	Orange, CA
OPTIMUS CONSTRUCTION & PAINTING	\$1,267,000.00	Lancaster, CA
Michaels Discount Painting	\$2,595,000.00	Menifee, CA
A.J. Fistes Corporation	\$2,809,900.00	Long Beach, CA

*Deemed lowest responsive and responsible bidder.

Based on a review of the bids, the lowest responsive and responsible bid was determined to be submitted by VARN Painting at \$487,500.00. The engineer's construction cost estimate was \$800,000.

Representatives from the District's Procurement Department, Office of the General Counsel, and Engineering-Construction Department conducted a review of bids. In accordance with the California Public Contract Code Section 10180, Port staff determined the lowest responsive and responsible bid was submitted by VARN Painting, Inc. in the amount of \$487,500.00. Review of Bid (Attachment A) contains the checklist used for bidding qualifications and informalities.

Upon Board authorization, construction is expected to commence in *May 2025* and be completed by *August 2025*.

Staff recommends that the Board approve the plans and specifications and award Contract No. 2024-03 to VARN Painting in the amount of \$487,500.00 for the construction of the Interior and Exterior Painting at Broadway Pier Port Pavilion project.

General Counsel's Comments:

The Office of the General Counsel has reviewed this staff report as presented to it and approves it as to form and legality.

Environmental Review:

The proposed Board action, including without limitation adopting a resolution approving plans and specifications and awarding contact No. 2024-03 to VARN Painting in the amount of \$487,500 for the Interior and Exterior Painting at Broadway Pier Port Pavilion Project as authorized by the Board in the FY 2025 Major Maintenance Program, is categorically exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15301 (Existing Facilities) and Section 3.a. of the District's Guidelines for Compliance with CEQA because the project would consist of maintenance cleaning, repainting and refurbishment to an existing facility that would involve no expansion of use beyond that previously existing and would not result in a significant cumulative impact due to the continuation of the existing use. The District has determined none of the six exceptions to the use of a categorical exemption apply to this project (CEQA Guidelines Section 15300.2).

The proposed Board action complies with Section 87(a)(2) of the Port Act which allows for all visitor serving and commercial and industrial uses and purposes, and the construction, reconstruction, repair, and maintenance of commercial and industrial buildings, plants, and facilities. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the proposed Board action is consistent with the Public Trust Doctrine.

The proposed Board action is considered excluded development pursuant to Section 8.a. (Existing Facilities) of the District's Coastal Development Permit Regulations because the project would consist of maintenance cleaning, repainting and refurbishment to an existing facility that would involve negligible or no expansion of use beyond that previously existing. If the Board approves this action, District staff would notify California Coastal Commission (CCC) staff in accordance with Coastal Act Section 30717. The approval would become effective after the 10th working day after notification to CCC staff unless an appeal is filed with the CCC within that time frame.

Diversity, Equity, and Inclusion Program:

Due to limited Small Business vendor availability, no SBE goal was established for this opportunity.

PREPARED BY:

Hector Arias
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Attachment(s):

Attachment A: Vicinity Map
Attachment B: Bid Tabulation