



**DATE:** January 23, 2024

**TO:** Mayor and City Council

**FROM:** Director of Maintenance Services

**SUBJECT:** Adoption of a Resolution Authorizing the City Manager to Negotiate and Execute an Agreement with Newton Construction & Management for the Cinema Place Parking Garage Project No. 07204 in an Amount Not-to-Exceed \$160,000 and Transfer and Appropriate \$160,000 From the General Fund to the Facilities Capital Improvement Fund

## **RECOMMENDATION**

That Council adopts a resolution (Attachment II) authorizing the City Manager to negotiate and execute a contract with Newton Construction & Management for the Cinema Place Parking Garage Project No. 07204 in an amount not-to-exceed \$160,000 and transferring and appropriating \$160,000 from the General Fund to the Facilities Capital Improvement Fund.

## **SUMMARY AND BACKGROUND**

The Cinema Place Parking Garage is located at 22695 Foothill Blvd, this parking facility is utilized by patrons of the Cinemark Century Theater and Downtown businesses. Built in 2007, this facility needs a series of capital repairs that have developed over the past 17 years of public use. During Facilities Management preventative maintenance inspection, staff identified a handful of locations which had fractured concrete infrastructure. Facilities Management contracted with a structural engineer to perform a structural and seismic assessment of the entire parking garage facility. The engineer's structural assessment identified and recommended the appropriate type of repair to the areas with failing structural concrete. The proposed scope of work will include the repairs to both existing staircases, as each show obvious signs of fracturing and are causing spalling (concrete failure).

## **DISCUSSION**

The Cinema Place Parking Garage, located at 22625 Mission Blvd, was constructed in 2007 as a three-level parking structure with 244 parking spaces. The Maintenance Services Facilities Management Division is tasked with all preventative maintenance and component replacement within this facility. Timely preventative maintenance and capital replacement schedules are

vital to maximizing the useful life of a facility's overall infrastructure, building systems, and components. The recommended repair scope to this facility includes:

- Concrete Spalling at Stair Landing to Building Column Connections – Carefully remove loose and spalled concrete to reach sound material, clean off rust on the exposed reinforcing steel and apply a concrete patching product. Install a new hot-dipped galvanized steel bracket at underside of the stair landing to supply a secondary means of support from the landing to the column and to confine the concrete patch.
- Concrete Spalling at Stair Connection to Second Floor Slab – Carefully remove loose and spalled concrete to reach sound material and clean off rust on exposed reinforcing steel. Apply a concrete patching product and epoxy injection at any joints to mitigate future water infiltration. Install a new hot-dipped galvanized piece of steel angle at the underside of stair to supply a secondary means of support for the stair and to confine the concrete patch.
- Concrete Cracking and Efflorescence at Underside of Stairs – Clean off efflorescence at underside of stairs, remove any loose concrete, and epoxy inject cracks to mitigate further water infiltration.
- Concrete Cracking Below Nosing Strips – Remove loose concrete to reach sound material and apply a concrete patching product and silicone sealant. Ensure that the nosing strip is firmly affixed to the concrete to prevent a tripping hazard.
- Weathering of Concrete Stairs and Steel Handrails – Apply an exterior paint system to the steel handrails.
- Remove and reinstall the existing light fixtures in the stairwells as needed to allow for structural repair and painting work.

Overall, once repairs are complete, the Cinema Place Parking Garage will have an improved appearance that is both safe and inviting for the patrons of Cinema Century Theater and visitors to Downtown businesses. This capital project is part of the Facilities' commitment to provide facilities for the public that are serviceable and in a good state of repair.

Maintenance Services is proposing to use Sourcewell, formerly the National Joint Powers Authority (NJPA), which competitively bids construction tasks with pre-set unit prices and specifications for general construction services including materials, equipment, and labor costs, to contract with Newton Construction Company for the renovations. Sourcewell previously went through a competitive bidding process and awarded a contract to Newton Construction and Management. California Government Code Section 6500 et seq. authorizes public agencies to enter into an agreement to jointly exercise any power in common to public agencies, including participating in cooperative purchasing agreements, while remaining within the City's adopted rules and procedures for purchasing. A job walk was held, and Newton Construction & Management submitted a proposal in the amount of \$139,786. Additionally, the City is requesting a project contingency in the amount of \$20,214. There is insufficient budget appropriation in the Facilities Capital Improvement Budget to cover the full cost of the \$160,000 contract with Newton Construction & Management, staff is requesting a \$160,00

General Fund transfer to Facilities CIP. Staff has reviewed this proposal and recommends a contract award not-to-exceed \$160,000.

### **FISCAL IMPACT**

This item will be funded through the General Fund and will have an impact of \$160,000. The City maintains the Cinema Place parking garage under a Parking Maintenance Agreement with the lease holder of Cinema Place. The lease holder is responsible for paying for upkeep and any capital upgrades to the garage. On January 8, 2024<sup>1</sup>, the City Council authorized the conveyance of \$8.6 million (\$8.5 million purchase price and \$100,000 for contingency/closing costs) from the City's General Fund to the Hayward Economic Development Corporation for purchase of 1069 B Street, LLC's leasehold interest in the Cinema Place property. As part of the purchase negotiations, the City has agreed to pay for the cost of the parking garage upgrades directly. The purchase price in the final conveyance agreement has been reduced by \$65,000 to reflect the costs of these needed repairs as the prior owner had 50% responsibility for maintenance costs at the garage. The reduction in purchase price does not include the contingency amounts identified in this report.

Staff is requesting a transfer and appropriation from the General Fund to the Facilities Capital Fund in the amount of \$160,000 to fully fund the contract.

<b><u>Cinema Place Parking Garage Repairs</u></b>	
General Fund Transfer to Facilities Capital Fund Project #07204	\$139,786
Contingency	\$ 20,214
<b>Project Total</b>	<b>\$160,000</b>

### **SUSTAINABILITY FEATURES**

The City of Hayward is committed to developing projects that are environmentally responsible. Therefore, staff will ensure that the work scope proposed by the contractor incorporates features that are in line with the City's sustainability guidelines.

### **STRATEGIC ROADMAP**

This agenda item supports the Strategic Priority of Improve Infrastructure.

### **NEXT STEPS**

If this item is approved, the City Manager will execute a contract with Newton Construction & Management for a not-to-exceed amount of \$160,000 to support Project 07204 and staff will transfer and appropriate \$160,000 from the General Fund to the Facilities Capital Fund.

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<sup>1</sup> [Hayward City Council Meeting - January 8, 2024 \(legistar.com\)](https://legistar.com/View/00000000-0000-0000-0000-000000000000)

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*Approved by:*



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Kelly McAdoo, City Manager