



City of Oceanside

300 North Coast Highway,
Oceanside, California 92054

Staff Report

File #: 25-618

Agenda Date: 2/19/2025

Agenda #: 19.

DATE: February 19, 2025

TO: Honorable Mayor and City Councilmembers

FROM: Development Services Department

TITLE: COMPLETION OF EMERGENCY DEMOLITION WORK FOR THE HAMMERHEAD SECTION OF THE OCEANSIDE PIER AND THE RESTAURANT-KIOSK AND APPROPRIATE ADDITIONAL FUNDS FROM THE GENERAL FUND ASSIGNED INFRASTRUCTURE RESERVES ACCOUNT TO COVER THE FINAL CHANGE ORDER

RECOMMENDATION

Staff recommends that the City Council deem demolition work performed by Jilk Heavy Construction, Inc. ("JILK") to be complete; end the emergency work declaration for the demolition related to the hammerhead portion of the Oceanside Pier ("Pier") and removal of the fire-damaged restaurant and food kiosk; authorize the City Engineer to execute a contract change order in the amount of \$563,400 to cover the cost of additional Pier stringer removal; appropriate \$563,400 to the Pier Fire Recovery account from the General Fund Assigned Infrastructure Reserves; and authorize the City Engineer to file a Notice of Completion with the County Recorder's office.

BACKGROUND AND ANALYSIS

On April 29, 2024 the City Council authorized an Emergency Declaration for the Pier fire which occurred on April 25, 2024. At its September 25, 2024 meeting, the City Council took a number of actions to authorize commencement of emergency demolition work related to the hammerhead portion of the Pier, including removal of the existing restaurant building and food kiosk. Pursuant to City Code Subsection 28A.24(a)(3) and Public Contract Code Section 22050, the City Council approved continuance of the emergency demolition work during each subsequent City Council (October 9, 2024, October 23, 2024, November 6, 2024, November 20, 2024, December 4, 2024, December 18, 2024, January 8, 2025, January 22, 2025, and February 5, 2025). The emergency demolition work has concluded; therefore, staff recommends that the City Council deem the demolition work performed by JILK to be complete; end the emergency work declaration for the demolition; and, authorize the City Engineer to execute a contract change order and file a Notice of Completion for the project.

To date, the following items have been completed as part of the demolition activities:

1. Staff acquired all emergency regulatory permits from the California Coastal Commission, Regional Water Quality Control Board, Army Corps of Engineers (ACOE) and the San Diego

Air Pollution Control District.

2. Staff issued the Notice to Proceed on September 9, 2024 with subsequent actions including:
 - a. ACOE's approval of the required Marine Mammal Study.
 - b. Staff's review and approval of a scaffolding plan.
3. Staff received emails from individuals requesting to retrieve pier railing boards with the engraved names. Individuals wishing to retain the name plates are required to sign a liability waiver acknowledging the California Proposition 65 chemical warnings related to chemicals known to be present in the nameplate wood and additional chemicals may be present as a result of the fire.
 - a. JILK has kept a number of the rails in place during the demolition work to provide an added safety barrier. Staff has retrieved some of the rails and are currently storing them away from the demolition site and contractor yard.
 - b. Those names that were not destroyed by the fire have been secured with a list of recovered names compiled. The list is being checked against the current requests. Prior to disposal of any unclaimed names, staff will make one additional effort to reach out to the public. Any unclaimed name boards will be lawfully disposed.
4. Scaffolding delivery and assembly began October 7, 2024.
 - a. Debris management system installation began October 21, 2024
 - b. Preliminary demolition work began October 23, 2024
 - i. To allow for faster demolition, steel frame demolition work was scheduled in advance of the remaining building removal
 - c. Balance of building demolition commenced November 6, 2024
 - d. Restaurant and Kiosk were removed before Thanksgiving 2024
 - e. Pier decking removal was completed in early February 2025
 - f. As demolition work progressed, it became apparent that the Pier was constructed with more robust, sturdy, and durable materials than originally anticipated. As a result, decking removal took longer than expected (i.e., additional work was required to remove nail-plates at each plank joint and lag bolts for the building and pier connections to the substructure). Deck removal work has now been completed.
 - g. During decking removal, it became apparent that the stringers, which held the decking in place, all needed to be removed and replaced. The original scope of work anticipated that approximately 1,000 linear feet of stringers required removal/replacement. However, upon further evaluation of the Pier, an additional 6,260 feet of stringers were found necessary to be removed/replaced. This work requires the City Engineer to execute a contract change order in the amount of \$563,400.
 - h. Additional structural supports were installed as a temporary measure while repair plans are being finalized and permits obtained.
5. Structural engineers have been on-site to provide preliminary evaluations. With demolition complete, final evaluations are now underway. Current assessments show:
 - a. Most of the pier pylons are in good condition despite the fire char which has been determined to be within acceptable limits.
 - b. The pile caps remain in good condition but are being evaluated for actual structural damage and will be included in the evaluation report.

6. Staff is working with OS Pier, LLC (the “Tenant”) to develop new restaurant and food kiosk plans as part of the reconstruction efforts. The hammerhead portion of the Pier will remain closed to the public while the redesign and construction efforts are being completed. Staff will return to City Council with an update as design nears completion with an anticipated construction schedule.

FISCAL IMPACT

The cost of completing the demolition project is \$1,917,923 and broken down as follows:

	Budget	Actual
Contract	\$ 880,971	\$ 880,971
Changed Conditions	110,552	34,330
Contingency	135,000	103,364
Change Order Work	563,400	563,400
Moffat-Nichols	75,000	30,000
Agency Permits	3,000	4,713
Monthly BMP	60,000	15,100
Stringer Replacement	90,000	130,680
	\$ 1,917,923	\$ 1,762,558
Moffat-Nichols is working on design elements; final costs to be submitted under Invoice		

Additional costs incurred under the initial scope of work totaled \$103,364 for such added costs as temporary shoring and temporary stringers.

An additional \$563,400 is needed to cover the costs for complete removal and replacement of the fire-damaged stringers. Staff is requesting to use reserves in the amount of \$563,400 and appropriate to the Pier Fire Recovery account 907194624501.5305.10600. This amount will cover the added costs needed to close out the demolition portion of the contract. Funding source is General Fund Assigned Infrastructure account 101.3020.0054 which has a current available balance of \$20.9M; therefore, sufficient funds are available. It is requested that City Council authorize a transfer in the amount of \$563,400 from 1101.6900.0501 to 907194624501.6800.0101 for the added costs needed to close out the demolition portion of the contract.

The City has received \$1,000,000 of insurance proceeds to date from the City’s insurance pool, Public Risk Innovation, Solutions and Management (PRISM). This amount was appropriated to the Pier Fire Recovery project account 907194624501.5305.10600 to partially fund the demolition work. In addition to the \$563,400 being requested to appropriation, staff also previously requested the use of infrastructure reserves for \$354,493 which was appropriated to the Pier Fire Recovery project account 907194624501.5305.10600. It is expected that insurance proceeds will be used to replenish the infrastructure reserves being used at this juncture.

It is possible that a significant portion of the unreimbursed costs incurred for this work will be reimbursed by the State of California Office of Emergency Services (“Cal-OES”). Staff is working

with Cal-OES and has included this project in the City's request for assistance with respect to the demolition and reconstruction of the Pier.

On November 1, 2024, the Governor of California signed a State of Emergency Proclamation which allows the City to seek reimbursement from Cal-OES and commits the agency to providing assistance, as appropriate, under the authority of the California Disaster Act, Government Code section 8680 et seq., and California Code of Regulations, Title 19, section 2900 et seq.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form. Emergency procurements are authorized according to the provisions of Section 28A.24(a) of the Oceanside City Code. Because it was necessary to begin the emergency work without giving notice inviting bids for the work, the City Council reviewed the emergency action at every regularly scheduled meeting following its emergency declaration as required by City Code Subsection 28A.24(a)(3) and Public Contract Code Section 22050.

Prepared by: Brian K. Thomas, City Engineer

Reviewed by: Darlene Nicandro, Development Services Director

Submitted by: Jonathan Borrego, City Manager