

R-15-75 Meeting 15-13 May 13, 2015

# **AGENDA ITEM 3**

## **AGENDA ITEM**

Contract for Completion of the Mindego Ranch Remediation and Demolition Project at Russian Ridge Open Space Preserve

# GENERAL MANAGER'S RECOMMENDATION



Authorize the General Manager to enter into a contract with Randazzo Enterprises, Inc., of Castroville, CA, for a not-to-exceed amount of \$180,055 to complete the Mindego Ranch Remediation and Demolition Project at the Russian Ridge Open Space Preserve. The not-toexceed amount includes a base bid of \$145,995 for demolition and remediation, a 15% contingency amount of \$21,900, and an allowance of \$12,160 for potential stand down time related to delays to protect the federally-endangered San Francisco garter snake, if encountered during construction.

### **SUMMARY**

The demolition of the former ranch residence and associated outbuildings, as well as the corrals and barn near the residence, was approved by the Board of Directors (Board) as part of the Mindego Ranch Use and Management Plan Amendment (R-14-21). A Request for Bids for remediation, demolition and site restoration at Mindego Ranch was issued on March 31, 2015. Three bid proposals were received and opened on April 11, 2015. The General Manager recommends awarding the contract for the Mindego Ranch Remediation and Demolition Project (Project) to the lowest responsive and responsible bidder, Randazzo Enterprises, Inc., for a total not-to-exceed amount of \$180,055. This amount includes an allowance for the protection and avoidance of the federally-endangered San Francisco garter snake (SFGS), which is known to inhabit the area. Funds for this work are provided through the District's General Fund, and included in the Fiscal Year (FY) 2015-16 Budget for the Planning Department. The Project is being implemented by the Operations Department.

## DISCUSSION

# **Background**

At the January 22, 2014 Board of Directors meeting (R-14-21), the Board approved a Use and Management Plan (U&M Plan) and adopted the Mitigated Negative Declaration and Mitigated Monitoring and Reporting Plan for purchase of the Mindego Ranch property. Approvals included demolition and removal of two houses, a barn, corral, fencing, and several outbuildings. R-15-75 Page 2

# **Contract Scope and the Protection of the San Francisco Garter Snake (SFGS)**

The contract encompasses remediation, demolition, recycling, salvage, and minor site grading at Mindego Ranch. The demolition actions are covered by the US Fish and Wildlife Service Recovery Permit and CA Department of Fish and Wildlife Memorandum of Understanding for the SFGS granted to the District. The demolition actions would occur in the upland habitat of the SFGS, and the SFGS has on occasion been observed beneath the structures. Demolition would be split into two distinct areas that have a lower and higher probability for encountering SFGS. An essential requirement of the project and Recovery Permit is that all site disturbance be substantially completed within the month of July, when SFGS are least likely to be present. An onsite, third-party biological monitor is separately under contract with the District through an oncall biological contract and would be present for the duration of the project. The contractor would closely coordinate their work and receive instruction and clearance from the biological monitor to proceed with individual demolition actions. Careful measures to survey, exclude, and entirely avoid SFGS are an essential part of the overall Project.

Should SFGS be discovered in the course of surveys, demolitions operations would cease (known as "stand down time"). Flushing or waiting for the SFGS to vacate on its own is only expected to last a short period of time. Since the frequency and probability of SFGS occupancy of the structures and demolition areas are impossible to predict, costs associated with these potential delays were not incorporated in the 'base bid'. The potential costs of SFGS avoidance are instead captured in the project allowance. Staff analyzed several alternative bidding strategies and used the services of a demolitions estimator to refine the bid strategy. The base bid incorporates standard demolition practices for Midpeninsula Regional Open Space District (District) projects, which include general and supplemental conditions that define working in biologically sensitive areas, and defines 'stand down time' whereby the biological monitor and contractor track delays due to the presence of SFGS by the minute. Hourly rates for equipment operators, the foreman, and laborers are then multiplied by the hours of stand down time accumulated each week and a change order would be issued against the project's allowance.

# **Waste Stream Diversion**

At the January 14, 2015 Board of Directors meeting (R-15-01), the Board approved the Construction and Demolition Waste Diversion Policy (Policy number 4.08). This policy directs the District project manager to review potential construction and demolition debris for recycle and salvage with the goal of diverting 100% of recyclable materials.

Each project occurs in a specific environmental context and contains a unique combination of materials. The District's preferred practice for concrete is to bury it on site to reduce off hauling costs and carbon emissions. Burying concrete requires additional time and work on site that would, in this instance, increase the potential risk of harm to SFGS. The base bid includes the off hauling and recycling of concrete. Moreover, the concrete foundations on site may be providing important habitat for the SFGS. As the project progresses, the project manager, biological monitor, and District biological staff will determine the most appropriate approach in the field, including retaining the exposed concrete on site, burying, or off-hauling.

#### **Contactor Selection**

A Request for Bids was issued on March 31, 2015, and was sent to all interested parties and five (5) builders' exchanges. Legal notices were posted in the San Jose Mercury News and the San Mateo County Times. An Invitation to Bid was also posted on the District website.

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A mandatory pre-bid meeting and site walk was held onsite on April 9, 2015 and was attended by eleven (11) demolition and remediation contractors. Sealed bids were due on April 21, 2015, and three bids were received and opened with the results as follows:

Table 1: Remediation and	<b>Demolition (Base Bid)</b>
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Bidder	Location	Total Base Bid	Difference from Cost Estimate of \$105,000
Pantano Excavation, Incorporated*	Vernalis, CA	\$142,560	36%
Randazzo Enterprises, Incorporated	Castroville, CA	\$145,995	39%
TKO Construction, Incorporated*	Woodside, CA	\$187,531	79%

# **Bid Analysis**

Upon review of the bid proposals, Pantano and TKO each failed to provide Bid Addendum #1 in their respective bid proposals and were deemed non-responsive. After reviewing the contractors' relevant experience and qualifications, staff recommends awarding the contract to Randazzo Enterprises, Inc., which is the lowest responsible and responsive bidder.

All three bids received were substantially over the cost estimate of \$105,000 because remediation work was not included in the original cost estimate, but was made part of the Request for Bids. Remediation costs of approximately \$20,000 were appropriately included in each of the three bids and are reasonable project-related costs. Additional costs are related to coordinating the work around the SFGS restrictions and the cost of retaining the availability of the contractor to perform the work within the strict July schedule, which were difficult to account for in the cost estimate.

## **Contingency Amount**

A 15% contingency amount is recommended for this demolition project due to the high potential for unforeseen conditions that could be encountered, including but not limited to discoveries during subsurface excavation and hazardous materials. Although representative hazardous material sampling was completed, the potential exists for additional hazardous materials beyond those already known to be encountered during demolition and ground disturbance activities, which require appropriate and often costly abatement.

## FISCAL IMPACT

The proposed award of contract is for a not-to-exceed amount of \$180,055. The District's FY2015-16 Planning Department Budget includes \$363,000 to complete the remediation and demolition of Mindego Ranch. Remaining funds will cover additional costs, not included in this contract, including biological surveys and monitors, permits, and the demolitions estimator.

## **BOARD COMMITTEE REVIEW**

On November 13, 2012, the Use and Management Committee reviewed and recommended approval of the U&M Plan to the full Board.

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# **PUBLIC NOTICE**

Public notice of this agenda item was provided per the Brown Act. Adjoining property owners have also been mailed a copy of the agenda for this public meeting. No additional notice is required.

# **CEQA COMPLIANCE**

Awarding the bid and issuing a contract for the Mindego Remediation and Demolition is consistent with the Mitigated Negative Declaration and Mitigation Monitoring Program for the Mindego Ranch Use and Management Plan Amendment (R-14-21).

# **NEXT STEPS**

If the recommendation is approved by the Board of Directors, the General Manager will enter into a contract with Randazzo, Inc., to complete remediation and demolition of all structures and perform site restoration work. Activation of the contract is subject to the contractor meeting all District requirements, including required insurance and bonding. The permit process will begin immediately after contracting. Construction is anticipated to begin this July and be substantially complete by July 31.

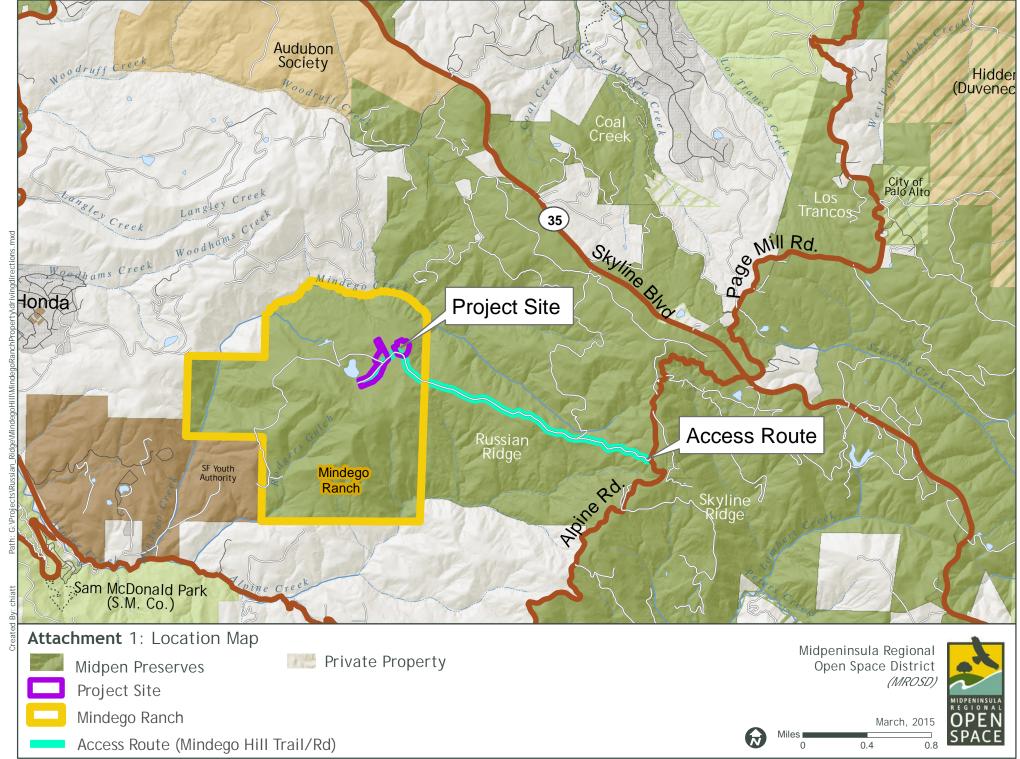
#### Attachments:

- 1. Location Map
- 2. Site Maps

Responsible Department Head: Jane Mark, AICP, Planning Manager

Prepared by: Aaron Hébert, Project Manager

Graphics prepared by: Michele Childs, GIS Technician



While the District strives to use the best available digital data, this data does not represent a legal survey and is merely a graphic flustration of geographic fleatures.

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1.10 - Fencing

Existing Water Tank