



Midpeninsula Regional
Open Space District

R-18-74
Meeting 18-27
June 27, 2018

AGENDA ITEM 10

AGENDA ITEM

Award of Contract to Randazzo Enterprises, Inc. for the Twin Creeks Demolition Project

GENERAL MANAGER'S RECOMMENDATIONS *den*

1. Award a contract to Randazzo Enterprises, Inc. of Castroville, California for a not-to-exceed base contract amount of \$667,132.
2. Authorize a 15% construction contract contingency of \$100,069 to be reserved for unanticipated issues, thus allowing the total contract amount not-to-exceed \$767,201.

SUMMARY

The Twin Creeks Demolition Project (Project) will demolish and remove the existing structures and improvements on a recently purchased property in order to begin restoration of the site. The creek restoration will be completed through a separate project. The scope of work includes the installation of erosion and sediment control measures, routine asbestos and lead abatement, demolition of existing structures and foundations, and restoration grading of the areas where structures have been removed. Midpeninsula Regional Open Space District (District) staff issued a Request for Bids on May 31, 2018 and received two bid proposals on June 19, 2018. Randazzo Enterprises, Inc. is the lowest responsive and responsible bidder. Therefore, the General Manager recommends awarding a contract to Randazzo Enterprises, Inc. for a base amount of \$667,132 and authorizing a 15% contingency amount of \$100,069. Sufficient funds for the contract are included in the proposed Fiscal Year (FY) 2018-19 Budget. Work is scheduled to begin in July 2018 and be completed in September 2018.

DISCUSSION

In May 2018, the District approved the purchase of the 153.59-acre 23760 Alamos Road, LLC property (Property), located at 23760 Alamos Road, as an addition to Sierra Azul Open Space Preserve (Preserve). See report R-18-35. The Property offers high natural resource value, wildlife connectivity, trail connectivity, and the potential to recover sensitive riparian habitat through creek restoration work.

The Property is bounded on two sides by the 19,030-acre Sierra Azul Open Space Preserve (Preserve) and is visible from both the Preserve and Almaden Quicksilver County Park. The Property is situated at the confluence of Alamos and Barret Creeks, and drains into Almaden Reservoir. Purchase of the Property advanced Measure AA Portfolio #23 Sierra Azul Open Space Preserve: "Mt. Umunhum Public Access and Interpretation Projects," which includes the preservation of additional open space and completion of wildlife corridors in the Preserve. The

Property also facilitates future trail connections between the Preserve and the adjoining Santa Clara Valley Open Space Authority's Rancho Canada del Oro Open Space Preserve.

The Property contains a number of dwellings in poor condition. There are approximately 42 structures, consisting of 37 dwellings and accessory buildings. Most are located in very close proximity to Alamitos and Barret Creeks, with some cantilevering over the perennial creeks. There is also a large community swimming pool and separate children's pool on the site. Originally developed in the 1930's as a summer resort with rental cabins, the structures were extensively modified to serve as year-round residences in the 1960's and 1970's, and the property was held for rental income. Several bridges cross Alamitos and Barret Creeks to provide access to the dwellings and adjacent properties in Barret Canyon to the east.

Due to violations and habitability problems, the County recorded numerous building code violations against the Property in June of 2016. The County filed a "Notice and Order to Vacate Substandard Buildings" on January 19, 2017 and posted "Do Not Occupy Notices" at each occupied dwelling on February 21, 2017. All units were vacated by March 20, 2017. In addition, the County filed a complaint for nuisance abatement in Santa Clara County Superior Court on March 8, 2017 to gain compliance from the previous owner. In April 2018, the prior owner placed an order with PG&E to disconnect all electrical services to the vacated dwellings, and submitted applications to the County to properly abandon existing septic systems and demolish all structures. The County deemed the applications to be complete and issued demolition permits for the work on May 16, 2018. The prior owner demolished three structures under these permits before the District closed escrow on May 22, 2018. The demolition permits were assigned to the District upon transfer of title and are valid for six months from the date of issue. Based on the condition of the structures, poor maintenance practices, and health concerns associated with the proximity of multiple septic systems to the creeks, the General Manager recommends that all remaining structures be removed from the property

Preliminary Use and Management Plan

A Preliminary Use and Management Plan (PUMP) was approved by the Board as part of the action to purchase the Property. The PUMP established the land management approach in the interim between purchase and completion of a subsequent long-term plan for the Property. The PUMP took effect at the close of escrow and remains effective until it is amended or a Comprehensive Use and Management Plan or Preserve Plan is approved for Sierra Azul Open Space Preserve. Per the PUMP, the District has secured the site and posted signage, and the District's biological consultant (H.T. Harvey) has provided resource management recommendations. This demolition and site cleanup contract is the next step of the PUMP. Other changes to the physical environment, such as future creek and riparian habitat restoration, will be subject to future design development and further environmental review.

This project will demolish all of the referenced dwellings and accessory structures that the County deemed uninhabitable. In summary, the scope of work under the recommended contract encompasses the following:

- Installation of erosion and sediment control measures
- Abatement of hazardous materials
- Demolition and removal of 42 structures including their adjacent improvements and septic systems
- Minor restoration grading

Public Notification

Staff has worked with nearby residents to keep them informed of the process and the plan for this contract. Upon approval, adjacent landowners will be made aware of the demolition schedule.

Contractor Selection

A Request for Bids was issued on May 31, 2018 and released to three builders' exchanges. A legal notice was posted in the Santa Cruz Sentinel and the San Jose Mercury News, and an Invitation to Bid was posted on the District website. A mandatory pre-bid site walk was held on Tuesday, June 5, 2018 with ten contractors in attendance. Two bids were received on June 19, 2018 as listed below:

Bidder	Location	Total Base Bid	Percent +/- from Engineer's Estimate (\$500,000)
Randazzo Enterprises, Inc.	Castroville, CA	\$667,132	+33%
Coleman Environmental Engineering, Inc.	Upper Lake, CA	\$478,866	-5%

In accordance to the Public Contract Code, Coleman Environmental Engineering, Inc.'s bid was not responsive for the following reasons:

- Bid was not filled out on the correct bid form
- Bid addendum was not properly acknowledged with signature

Staff recommends awarding the project to the only responsive and responsible bidder because reissuing the Request for Bids would not guarantee more or lower bids. In fact, during this bidding process many contractors indicated that they did not have the capacity to take on the project. Rebidding this project would add time to the project with no guarantee of more or lower bids.

Therefore, the General Manager recommends awarding the contract to Randazzo Enterprises, Inc., as the lowest responsible bidder who submitted a responsive bid. Randazzo Enterprises, Inc. has completed multiple projects with the District in the past as the low bidder and is familiar with District's contracts, policies, and requirements.

FISCAL IMPACT

The approved FY 2017-18 Budget holds \$2.845 million for the MAA 23-007 Twin Creeks Land Conservation project. The approved FY2018-19 budget includes \$1 million for this project, which is sufficient to cover the contract expenses in the upcoming fiscal year.

A 5-year Measure AA Project List was approved by the Board at their October 29, 2014 meeting and includes Portfolio 23, *Sierra Azul: Mt. Umunhum Public Access and Interpretation Projects* with a total portfolio allocation of \$27.972 Million. Funds for this contract are coming from key Action Plan Project budget MAA 23-007. The project budget for MAA23-007 covers all costs associated with the demolition and site restoration associated with the Property.

MAA23-007	PRIOR YEAR ACTUALS	FY17-18	FY18-19	FY19-20	FY20-21	FUTURE YEARS	TOTAL
Twin Creeks Land Purchase Project Budget	\$0	\$2,845,000	\$1,000,000	\$500,000	\$500,000	\$1,000,000	\$5,845,000
Spent-to-Date (<i>as of 6/12/2018</i>):		\$2,877,137					\$2,877,137
Encumbrances:		\$43,492					\$43,492
Proposed Award of Contract (including 15% contingency) :		\$0	\$767,201				\$767,201
<i>Less Approved GBMF Grant:</i>		(\$750,000)					(\$750,000)
Budget Remaining (Proposed):	\$0	\$674,371	\$232,799	\$500,000	\$500,000	\$1,000,000	\$2,907,170

The following table outlines the Measure AA 23 Portfolio budget, costs-to-date, and the fiscal impact related to the Twin Creeks Demolition Project.

MAA 23 Portfolio: Sierra Azul: Mt. Umunhum Public Access and Interpretation Projects Allocation	\$27,972,000
Life-to-Date Spent (<i>as of 6/12/2018</i>):	\$21,766,496
Encumbrances:	\$324,863
Proposed Award of Contract for Twin Creeks Demolition Project (includes 15% contingency):	\$767,201
<i>Less Approved GBMF Grant:</i>	(\$750,000)
Balance Remaining (Proposed):	\$5,863,440

BOARD COMMITTEE REVIEW

The purchase of the property was approved by the Board at the April 11, 2018 meeting. (R-18-35)

PUBLIC NOTICE

Public notice of this Agenda Item was provided as required by the Brown Act.

CEQA COMPLIANCE

The determination of compliance to the California Environmental Quality Act (CEQA) to demolish all structures and return the Property to a natural state was made by the County of Santa Clara Planning and Development Department under their authority to review demolition applications for compliance with all applicable statutes and issue necessary permits. Work identified in the contract awarded to Randazzo Enterprises, Inc. including the installation of erosion and sediment control measures, abatement of hazardous materials, demolition of existing structures and foundations, and restoration grading of the areas where structures have been removed, will be conducted in compliance with County Permit #65660 & #65661.

NEXT STEPS

If approved, the General Manager will enter into a contract with Randazzo Enterprises, Inc. Final contract signature is subject to meeting all Midpen requirements, such as having all required insurance and bonding in place. The contractor will begin construction in July 2018 and complete the work in September 2018.

Attachment

1. Project Site Map

Responsible Department Head:

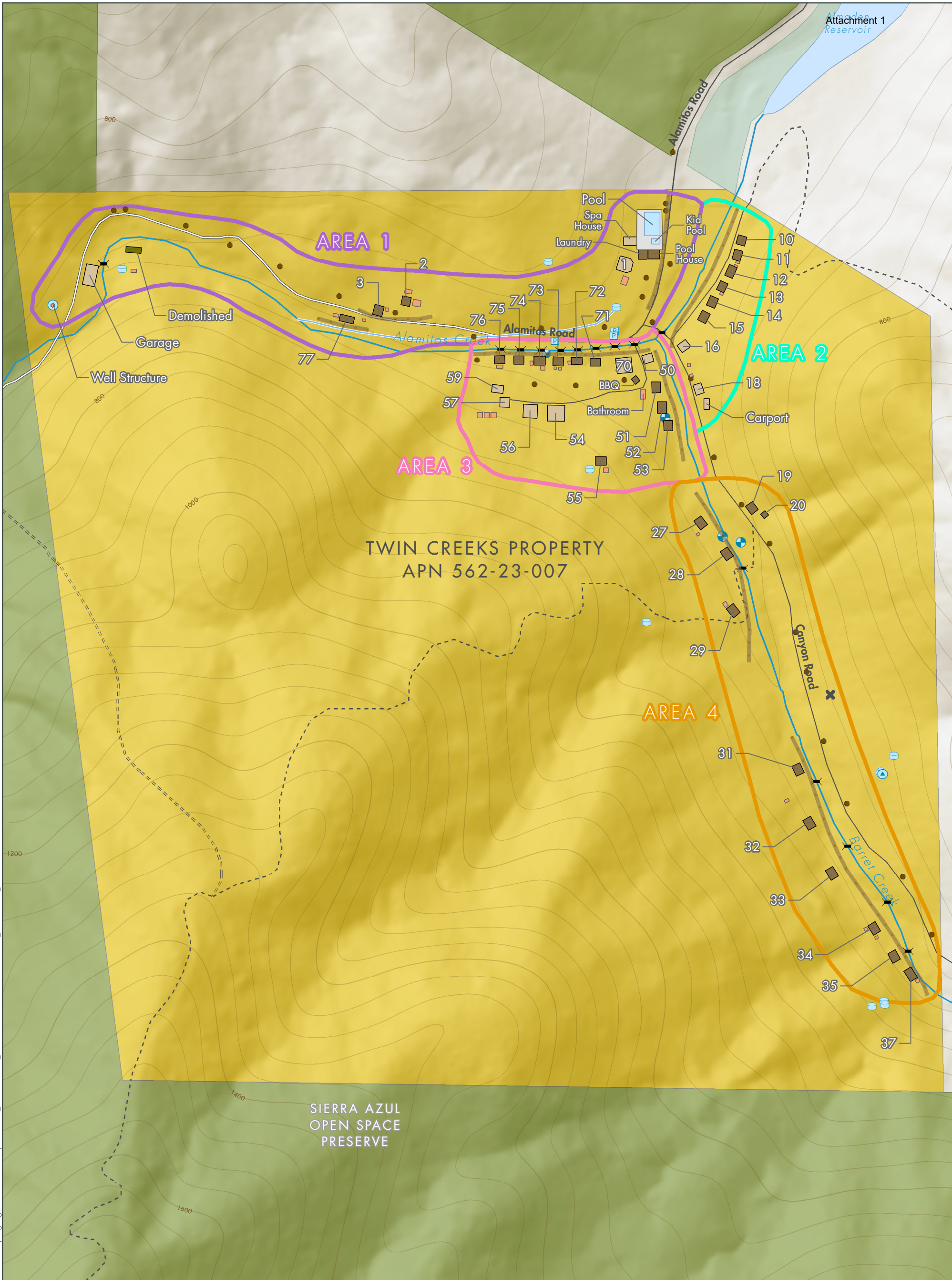
Jason Lin, Engineering & Construction Department Manager

Prepared by:

Matt Brunnings, Senior Capital Project Manager, Engineering & Construction Department

Graphics prepared by:

Nathan Greig, GIS Analyst

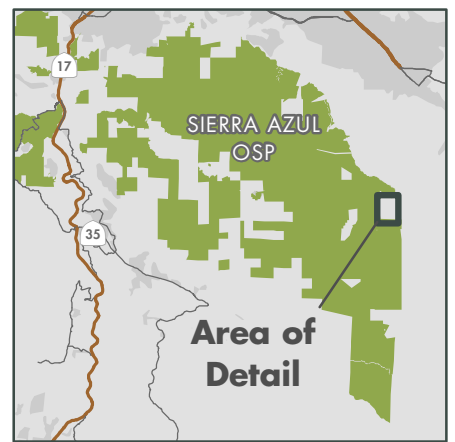


Path: G:\Projects\Sierra_Azul\Alamos_Road\DemolitionPermit\TwinCreeks_Infrastructure_20180417.mxd
Created By: ngreig

Twin Creeks Property Infrastructure

- | | | |
|--|---------|--------------|
| Structure (Post and Pier Foundation) | Fitting | Bridge |
| Structure (Slab Foundation) | Valve | Dump Site |
| Shed and Other Out Building (Post and Pier or No Foundation) | Meter | Power Pole |
| Pool | Pump | Water Line |
| Pool Deck | Tank | Straw Waddle |
| Demolished | Well | |

Midpeninsula Regional
Open Space District
(MROSD)
May 2018



While the District strives to use the best available digital data, these data do not represent a legal survey and are merely a graphic illustration of geographic features.