



Midpeninsula Regional
Open Space District

R-20-118
Meeting 20-25
October 28, 2020

AGENDA ITEM 4

AGENDA ITEM

Award of Contract for Engineering Services to Perform Above and Below Ground Site Investigations, Prepare Decommissioning Plans, and Assist with Securing Permits for Oil Well Decommissioning at Purisima Creek Redwoods Open Space Preserve

GENERAL MANAGER'S RECOMMENDATIONS

1. Authorize the General Manager to enter into a contract with Bonkowski & Associates, Inc., of Emeryville, California for a not-to-exceed base amount of \$59,330.
2. Authorize a 15% contingency of \$8,900 to be reserved for unanticipated issues, bringing the total contract to a not-to-exceed amount of \$68,230.

SUMMARY

Midpeninsula Open Space District (District) needs to prepare plans to decommission two oil wells at Purisima Creek Redwoods Open Space Preserve. A Request for Proposals (RFP) was issued on August 3, 2020 with three firms submitting proposals on August 12, 2020. Through a competitive selection process, Bonkowski & Associates, Inc., (Bonkowski) was deemed the most qualified firm to perform the work. Bonkowski's scope of work includes oil well and site investigations, subsurface analysis, permitting assistance, and construction document development for the decommissioning work. The General Manager recommends awarding a contract to Bonkowski for a base amount of \$59,330 and authorizing a 15% contingency of \$8,900 for unforeseen circumstances, such as additional geophysical assessments and more extensive permit coordination, and in light of the unknown depth or conditions of the oil well. There are sufficient funds in the Fiscal Year 2020-21 (FY21) budget for milestones completed through June 2021. Additional funding next fiscal year will be proposed as part of the annual Budget and Action Plan process to complete the work.

BACKGROUND

In 2019, the District acquired the 240-acre Purisima Upland Property (Upland Property) as an addition to the Purisima Creek Redwoods Open Space Preserve (R-19-70). The Upland Property is located on Verde Road, approximately 3 miles south of the City of Half Moon Bay, in unincorporated San Mateo County (County). Acquiring the Upland Property connects public lands between the Bay Area Ridge Trail and California Coastal Trail, and provides opportunities to pursue the Purisima-to-the-Sea Trail.

In June 2020, expecting a straightforward cleanup project, the District released a Request for Bid (RFB) to hire a contractor to provide demolition, remediation, oil well decommissioning, and site

cleanup services at the Upland Property. However, during the bidding process, it became apparent that additional information about the condition and depth of the oil wells and a plan for decommissioning is needed to secure reliable bids. In addition, during the pre-bid site walk, two special-status plants were unexpectedly observed within the Upland Property. The RFB was subsequently canceled to gather the additional information on the oil wells and conduct additional environmental review for newly-identified potential impacts to special-status plants (refer to separate Agenda Item for this same October 28, 2020 Board meeting for details on the special status species and environmental review).

DISCUSSION

Records indicate that the oil fields surrounding the Upland Property were explored circa 1900, and over nine oil and gas wells were discovered in the immediate area. Three oil wells were located on the Upland Property – Butts Well No. 1, Butts Well No. 2, and Debenedetti No. 1. Butts Oil Well No. 1, a dry well, was drilled in 1928 by the Shell Company to a total depth of over 3,000 feet and abandoned. Butts Well No. 2 was drilled circa 1932 by Thompson & McNickels and left abandoned at the site. The Debenedetti No. 1 oil well was drilled in the early 1960's and properly abandoned in 1999. The Oil Well Decommissioning Project (Project) includes work related to the Butts No. 1 and Butts No. 2 oil wells and is a part of the larger Purisima Upland Site Cleanup Project. See Attachment 1 for Project Map.

Oil well abandonment is governed by the California Department of Conservation, Geologic Energy Management Division (CalGEM, formerly DOGGR). In 2017, the District contacted CalGEM regarding the apparent oil wells on the Upland Property. CalGEM conducted a site investigation and concluded the following:

- Butts No. 1: The well was covered in thick vegetation and not completely visible during the site investigation. Brush clearing is required to locate the remaining surface features. Through available record documents, CalGEM determined that additional decommissioning work, such as minor grading and capping, need to be completed.
- Butts No. 2: The well does not appear to have been properly abandoned. The well contains a subsurface obstruction preventing proper abandonment. It is likely that the subsurface obstruction has plugged the well indefinitely. However, this is not an acceptable abandonment method under CalGEM guidelines. If a well is not properly abandoned, it may provide a pathway for hydrocarbons or other contaminants to migrate into the drinking water or to the surface. CalGEM will need to be consulted in developing and implementing an oil decommissioning workplan.

To proceed with oil well decommissioning, the District is in need of expert engineering services to conduct further site investigations, develop the decommissioning plans, and obtain the appropriate permits. More specifically, the proposed contract scope of work includes:

- Site investigations and subsurface analysis;
- Development of site access requirements for oil well decommissioning;
- Assistance in procuring permits to survey and decommission the well;
- Subsurface video survey;
- A plan and abandonment plan for Butts No. 2 well;

- A well profile and assistance in properly abandoning Butts No.1 well (may require its own plug and abandonment plan);

Consultant Selection

An RFP was directly emailed to four professional engineering firms on August 3, 2020 and staff received three proposals on August 12, 2020:

Bidder	Location	Proposal Price
Bonkowski & Associates	Emeryville, CA	\$59,330
Whitten Engineering	Long Beach, CA	\$63,750
Terra-Petra Environmental Engineering	Los Angeles, CA	\$70,565

Following a review of the proposals and consultant qualifications, District staff interviewed two firms and deemed Bonkowski as the most qualified firm to perform the work. Bonkowski demonstrated clear understanding of the project goals and submitted a high-quality proposal to perform the scope of work at a fair and reasonable price. For these reasons, the General Manager recommends entering into an agreement with Bonkowski to complete the Project.

FISCAL IMPACT

The FY21 adopted budget includes \$473,433 for the Purisima Upland Site Cleanup and Soil Remediation project MAA03-002. There are sufficient funds in the project budget to cover the recommended action and expenditures. Funding for future year budgets will be proposed as part of the annual Budget and Action Plan process.

Purisima Upland Site Cleanup and Soil Remediation MAA03-002	Prior Year Actuals	FY21 Adopted	FY22 Projected	FY23 Projected	TOTAL
MAA03-002 Total Budget:	\$110,584	\$473,433	\$27,000	\$0	\$611,017
Spent-to-Date (as of 09/24/2020):	(\$110,584)	(\$8,585)	\$0	\$0	(\$119,169)
Encumbrances:	\$0	(\$7,640)	\$0	\$0	(\$7,640)
Bonkowski & Associates, Inc., Contract:	\$0	(\$36,344)	(\$22,986)	\$0	(\$59,330)
15% Contingency:	\$0	(\$5,000)	(\$3,900)	\$0	(\$8,900)
*Ascent Environmental Contract including 10% Contingency:	\$0	(\$88,914)	\$0	\$0	(\$88,914)
Budget Remaining (Proposed):	\$0	\$326,950	\$114	\$0	\$327,064

* Ascent Environmental Contract is concurrently going to the Board for approval at the 10/28/2020 meeting

The following table outlines the Measure AA Portfolio 03 Purisima Creek Redwoods: Purisima-to-the-Sea Trail, Watershed Protection and Conservation Grazing allocation, costs-to-date, projected future project expenditures and projected portfolio balance remaining.

MAA03 Purisima Creek Redwoods: Purisima-to-Sea Trail, Watershed Protection and Conservation Grazing Portfolio Allocation:	\$7,608,000
Life-to-Date Spent (as of 09/24/2020):	(\$1,386,519)
Encumbrances:	(\$8,146)
*South Cowell Upland Land Conservation:	(\$4,750,000)

*MAA03-006 Title Insurance, Escrow Fees, and Other Miscellaneous Project Costs:	(\$50,000)
Remaining FY21 Project Budgets:	(\$326,950)
Future MAA03 project costs (projected through FY23):	(\$156,752)
Total Portfolio Expenditures:	(\$6,678,367)
Portfolio Balance Remaining (Proposed):	\$929,633

** South Cowell Upland Land Conservation acquisition is concurrently going to the Board for approval at the 10/28/2020 meeting*

The following table outlines the Measure AA Portfolio 03 allocation, projected life of project expenditures and project portfolio balance remaining.

MAA03 Purisima Creek Redwoods: Purisima-to-Sea Trail, Watershed Protection and Conservation Grazing Portfolio Allocation:	\$7,608,000
Projected Project Expenditures (life of project):	
MAA03-001 Purisima Uplands Lot Line Adjustment and Property Transfer	(\$425,114)
MAA03-002 Purisima Uplands Site Cleanup and Soil Remediation Assessment	(\$611,017)
MAA03-003 Purisima Creek Fence Construction	(\$169,190)
MAA03-004 Harkins Bridge Replacement	(\$516,916)
MAA03-005 Purisima Uplands Parking Area and Trail Connections	(\$156,130)
*MAA03-006 South Cowell Upland Land Conservation	(\$4,800,000)
Total Portfolio Expenditures:	(\$6,678,367)
Portfolio Balance Remaining (Proposed):	\$929,633

** South Cowell Upland Land Conservation acquisition is concurrently going to the Board for approval at the 10/28/2020 meeting*

BOARD COMMITTEE REVIEW

The Board approved the acquisition of the Purisima Upland property at the May 22, 2019 meeting (R-19-70). The Site Cleanup Project was approved as part of the annual Budget and Action Plan on June 24, 2020 (R-20-68).

PUBLIC NOTICE

Public notice was provided as required by the Brown Act.

CEQA COMPLIANCE

Retention of professional consultants to complete assessments and produce reports and estimates does not constitute a project under the California Environmental Quality Act (CEQA) as it will not result in a direct physical change in the environment [CEQA Guidelines Section 15060(c)(2)].

NEXT STEPS

If approved, the General Manager will execute a contract with Bonkowski & Associates. Their services will continue through 2022.

PROJECT SCHEDULE WITH KEY MILESTONES

Milestones	Tentative Timeline
Archaeological Assessment and Environmental Review*	November 2020 to April 2021
Board certification of CEQA*	May/June 2021
Obtain Permits^	November 2020 to September 2021
Engineering Assessment & Coordination with CalGEM^	November 2020 to September 2021
Oil Well Field Investigations and Preparation of Decommissioning Plans^	September 2021 to November 2021
Bidding and Contract Award for Oil Well Decommissioning and Site Cleanup Project	November 2021 to July 2022
Onsite Oil Well Decommissioning and Site Cleanup	August 2022 to November 2022

* Items are part of the proposed contract with Ascent (refer to separate Agenda Item).

^ Items are part of the proposed contract with Bonkowski.

Attachments

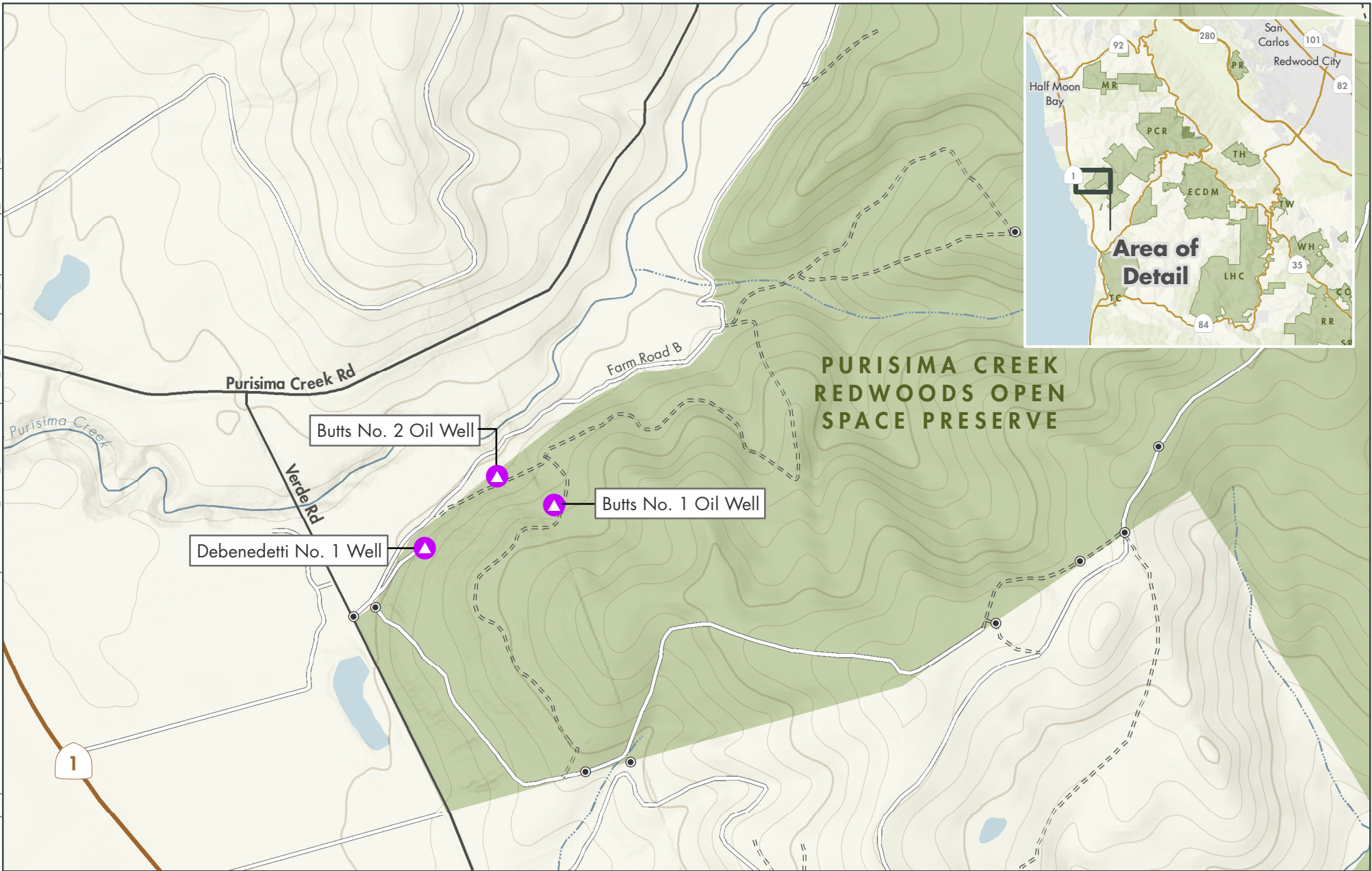
1. Project Map

Responsible Department Head:

Jason Lin, Engineering and Construction Department Manager

Prepared by:

Sean Smith, Capital Project Manager II, Engineering and Construction



Attachment A: Project Map

-  MROSD Preserves
-  Private Property
-  Oil Well

Midpeninsula Regional
Open Space District
(Midpen)
10/5/2020

