



Midpeninsula Regional
Open Space District

R-12-90
Meeting 12-30
September 12, 2012

AGENDA ITEM 4

AGENDA ITEM

Authorization to Award a Contract to American Wrecking, Inc., for Construction Services for the Mount Umunhum Demolition Project at Sierra Azul Open Space Preserve

GENERAL MANAGER'S RECOMMENDATION

A handwritten signature in black ink, appearing to be "S. J. J.", written over the printed text of the recommendation header.

Authorize the General Manager to enter into contract with American Wrecking, Inc., of South El Monte, CA, for a not-to-exceed amount of \$1,457,400, which includes the bid amount of \$1,214,500 plus a 20% contingency amount of \$242,900, to complete the Mount Umunhum Demolition Project at Sierra Azul Open Space Preserve. This approval does not include the radar tower.

SUMMARY

A Request for Bids for construction services was issued on June 28, 2012. Seven (7) Bid Proposals were received and opened on Thursday, August 09, 2012. Evaluation of the bids revealed that the low bidder, American Wrecking, Inc., presented a complete and responsive bid package. Therefore, staff recommends awarding the contract for construction services for the Mount Umunhum Demolition Project (Project) to American Wrecking, Inc., for a total not-to-exceed amount of \$1,457,400, which includes the bid amount of \$1,214,500 plus a 20% contingency amount of \$242,900.

DISCUSSION

Background

In 1986, the Midpeninsula Regional Open Space District (District) acquired the former Almaden Air Force Station (Almaden AFS) and all of its remaining facilities on Mount Umunhum and Mount Thayer (refer to Report R-86-20) with the intent to restore the area to a natural condition and provide public access. In December 2009, the United States Congress appropriated \$3.2 million for cleanup of Mount Umunhum. Due to a favorable bidding environment in 2009/10, the initial hazardous materials cleanup work completed by the United States Army Corps of Engineers resulted in the expenditure of \$1,895,229 of the allocated federal appropriation. The remaining federal appropriation, \$1,304,771, was transferred to the District for demolition of structures on site. On August 10, 2011, the Board approved an award of contract to Grossmann Design Group for the preparation of demolition contract documents (refer to Report R-10-125).

These contract documents were completed in June 2012, and along with District Bid Documents, were included with the Request for Bids on June 28, 2012.

A separate, District-funded project, the Mount Umunhum Environmental Restoration and Public Access Project (Restoration Project), conducted the public planning and California Environmental Quality Act and National Environmental Policy Act (CEQA/NEPA) review processes, to develop the final Mount Umunhum site plan and project description, which includes the demolition of structures. On June 12, 2012, the Board approved the adoption of a Final Environmental Impact Report for the Mount Umunhum Environmental Restoration and Public Access Project, approved the Phase I Demolition (not including the Radar Tower) (refer to Report R-12-59), and approved the Mitigation Monitoring Response Plan for the Phase I Demolition.

Contractor Selection

The Request for Bids was issued on June 28, 2012, and was sent to contractors, subcontractors and consultants who had requested to be notified of the project and five (5) builders' exchanges. Legal notices were posted in the San Jose Mercury News and San Francisco Chronicle. The Invitation to Bid was also posted on the District website.

Two mandatory pre-bid meetings/site walks were held at the Project site on July 10, 2012, and July 20, 2012, and each was attended by twenty (20) contractors. Sealed bids were due on August 09, 2012, and seven (7) bids were received and opened with the results as follows:

Bidder	Location	Total Bid	Percent Difference from Engineer's Estimate of \$1,260,000
1. American Wrecking	South El Monte, CA	\$1,214,500	-3.6%
2. Randazzo Enterprises	Castroville, CA	\$1,529,855	21.4%
3. Ferma Corporation	Mountain View, CA	\$1,557,720	23.6%
4. Parc	Livermore, CA	\$1,665,750	32.2%
5. Evans Brothers	Livermore, CA	\$1,749,215	38.8%
6. Silverado Contractors	Oakland, CA	\$2,385,758	89.3%
7. NCM Demolition	Dublin, CA	\$2,460,350	95.2%

A 20% contingency amount is requested for this Project due to the potential for unforeseen conditions to be encountered during execution of the work. Although representative sampling was completed and determined no asbestos-containing materials were used under building slabs, there is the potential that some hazardous materials may be encountered during demolition. If hazardous materials are found, these materials will require appropriate abatement activities, which could incur additional cost and time to complete. In addition, once slabs are removed, the District will conduct soils sampling to determine if there are any contaminated soils that require treatment prior to rough grading and restoration activities. Another potential additional cost will be for removal of piping located deeper than five feet below grade. The existing record drawings did not include invert elevations. Given site conditions and topography, it is anticipated that the existing piping will not be located deeper than five feet. If pipes are deeper than five feet, its removal will require shoring. A unit cost was included on the bid form for pipe removal below five feet.

Upon review of the Bid Proposals, the contractors' relevant experience and qualifications, and discussions with the consulting architects, staff recommends awarding the contract to American Wrecking Inc., who is the lowest responsible and responsive bidder.

Bid Analysis

A demolition consultant was hired by the District to assist in developing an estimate for the demolition work. The demolition of all structures (except for the radar tower) was estimated to cost approximately \$1,193,160. In addition, an allowance of \$69,889 was budgeted for pothole patching on Mount Umunhum Road. The Demolition bid also includes removal of asphalt paving, tree removal, removal of utilities, and rough grading and site restoration. To facilitate detailed evaluation of the bids, the Bid Form included a cost breakdown of the work and unit pricing.

FISCAL IMPACT

The District's FY12-13 Action Plan and Budget includes \$1,608,380 for completion of the demolition project on Mount Umunhum, which is slated to cover the demolition cost estimate, allowances for contingencies and unforeseen conditions on site, and consultant fees for sampling, monitoring, testing and inspections. It is anticipated the project will be 80% complete in FY12-13 with the remaining amount of work to be executed and cost to be incurred in FY13-14.

In 2009, the District received a federal appropriation of \$3,200,000 for the cleanup and demolition work at the former Almaden Air Force Station on Mount Umunhum. In FY10-11, \$1,958,803 of the appropriation was expended on the Remediation Project, which was completed by the United States Army Corps of Engineers. The remaining appropriation amount, \$1,241,197, shall be applied towards the Demolition Project, which will cover most of the demolitions expense. The District will need to fund the remaining \$216,203 of the total demolition contract, as well as the balance of consultant fees and any required allowances. Project funds already included in the FY12-13 Budget are expected to be sufficient; no additional funds are expected to be requested. Given the economy of scale and the likely inability to secure additional outside funds to fully offset costs, staff finds it prudent for the District to move forward and cost-share to complete the demolition work.

BOARD COMMITTEE REVIEW

No Board Committee review is required for this portion of the Project.

PUBLIC NOTICE

Public notice of this Agenda Item was provided per the Brown Act. No additional notice is required.

CEQA COMPLIANCE

On June 12, 2012 (refer to Report R-12-59), the Board approved the adoption of a Final Environmental Impact Report for the Mount Umunhum Environmental Restoration and Public Access Project, approved the Phase I Demolition (not including the Radar Tower), and approved the Mitigation Monitoring Response Plan for the Phase I Demolition.

NEXT STEPS

Upon approval by the Board of Directors, the General Manager will be authorized to enter into a contract with American Wrecking, Inc., to perform construction services for demolition of all structures with the exception of the radar tower at Mount Umunhum. Activation of the contract is subject to the contractor meeting all District requirements, including required insurance and bonding. Once paperwork and contract signatures are in place, the Project is scheduled to begin in October 2012 and be completed by spring 2013.

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