



Midpeninsula Regional
Open Space District

R-16-114
Meeting 16-22
September 14, 2016

AGENDA ITEM 6

AGENDA ITEM

Award of Contract and Related Professional Services Contract Amendment for the Sears Ranch Road Drainage Upgrade Project (Project) at La Honda Creek Open Space Preserve

GENERAL MANAGER'S RECOMMENDATIONS

1. Authorize the General Manager to enter into a contract with Grade Tech, Inc., of Castro Valley, CA, for a base contract amount of \$415,960.
2. Authorize a 10% construction contract contingency in the amount of \$41,596 to be reserved for unanticipated issues, thus allowing the total contact amount not-to-exceed \$457,556.
3. Authorize the General Manager to amend an existing professional services agreement with Tim Best, CEG, for additional design services to support the Project in the amount of \$2,594.
4. Adopt a Resolution approving a budget adjustment/increase in the amount of \$207,150 to the Fiscal Year (FY) 2016-17 District budget to fund the Project.

SUMMARY

A Request for Bids for the Sears Ranch Road Drainage Upgrade Project (Project) was released on July 11, 2016. The Midpeninsula Regional Open Space District (District) completed the bid process on Thursday, August 11, 2016 and identified GradeTech, Inc., as the apparent low bidder. The Project will repair and upgrade drainage on almost two (2) miles of ranch road to facilitate the opening of the former Driscoll Ranch area of the Preserve to public access in the Fall of 2017, and to improve the road for ongoing staff patrol and grazing tenant use. The Project will add rock to 1.3 miles of existing dirt roadway to reduce sediment transport into adjacent waterways. The General Manager recommends awarding the contract to GradeTech, Inc., for a total not-to-exceed amount of \$457,556, which includes a 10% contingency amount of \$41,596. In addition, a small increase to a professional services contract with Tim Best, CEG, who is providing engineering and special inspections support during the construction is required in the amount of \$2,594. An increase to the Fiscal Year (FY) 2016-17 Budget in the amount of \$207,150 is required to fund the project through construction and close-out.

MEASURE AA

The Board approved a 5-year Measure AA (MAA) Project List on October 29, 2014. This list includes Portfolio #7, *La Honda Creek: Driscoll Ranch Public Access, Endangered Wildlife Protection and Conservation Grazing*, with a total allocation of \$14.825 Million. This project was added at Midyear in FY2015-16 to prepare the Preserve for public access. As such, these

costs are eligible for Measure AA reimbursement and is designated as project MAA 7-10 (Sears Ranch Road Repair Phase III).

DISCUSSION

The District acquired the Driscoll Ranch portion of La Honda Creek Open Space Preserve (Preserve) in 2006. The existing road network is linked to the property's more than 100 year ranching history. The road network has been historically minimally maintained, resulting in erosion of the roadway and sediment delivery to the surrounding creeks. Repairs to the highest priority treatment sites along the main ranch road were completed in 2015 as part of the Driscoll Ranch Road Sediment Reduction and Pond Restoration Project. This road repair project, known as the Sears Ranch Road Drainage Upgrade Project, will repair two (2) additional miles of road that need attention.

The scope of work includes:

- Install and clean reverse grade dips
- Install and clean knicks (semi-circular, shaved-down edges of the outside road/trail)
- Install and clean inboard ditches
- Rock inboard ditches
- Rock drainage outlets
- Install ditch relief culverts
- Clean culvert inlets
- Rock the 12-foot wide roadway

Contractor Selection

The bid package was released to five (5) builders' exchanges. A legal notice was also posted in the San Mateo County Times, the Santa Cruz Sentinel, and the San Jose Mercury News, and an Invitation to Bid was posted on the District website. Finally, Staff contacted 20 contractors to notify them of this project prior to the bid. A pre-bid meeting was held on July 19, 2016. Six contractors attended the pre-bid tour.

Sealed bids were due on Thursday, August 11, 2016, and one bid was received as shown below:

| | Bidder | Location | Base Bid | Percent Difference from Base Bid Estimate of \$311,600 |
|-----------|------------------------|------------------------------|------------------|---|
| 1. | GradeTech, Inc. | Castro Valley, CA | \$415,960 | +33.5% |

Given the discrepancy between the estimate and the bid, the District retained Cumming Construction Management (Cumming) to perform a third party construction cost estimate of the Project on August 17, 2016. The estimate was done without the estimator's knowledge of the bid result, used the same information that was given to potential bidders, and took into consideration the unique factors characteristic of this project. Cumming estimated a total construction cost of \$396,671. Cumming's estimate is 27.3% above the Engineer's Estimate, and just 4.9% below the GradeTech, Inc., bid. The table below shows a summary and comparison:

| Source | Total Estimate or Bid | Percent +/- from Engineer's Estimate |
|-----------------------------------|----------------------------------|---|
| Engineer's Estimate | \$311,600 | 0% |
| Cumming Third Party Cost Estimate | \$396,671 | +27.3% |
| Grade Tech, Inc. Bid | \$415,960 | +33.5% |

The results of the third-party engineer's estimate indicate that the bid proposal received from GradeTech, Inc., represents a fair price given current construction market conditions. GradeTech, Inc., presented a complete and responsive bid package and has successfully completed similar projects for other public agencies, and is therefore deemed to be a responsive and responsible contractor. Additionally, GradeTech, Inc., submitted a competitive proposal that is just 4.9% above the third party cost estimate for the work and aligns with current market data for similar improvement work within the greater Bay Area. Therefore, the General Manager recommends awarding the contract for construction services for the Project to Grade Tech, Inc., in the base amount of \$415,960.

In addition, due to the potential for unforeseen construction and drainage issues with the Project, the General Manager is recommending a 10% contingency in the amount of \$41,596.

The contingency will not be included in the contract at this time, but will be authorized through change orders or contract amendments as warranted for any unanticipated conditions encountered during construction.

Professional Services Contract Amendment

At the Spring 2016 field review of the project site, staff identified additional sections of the roadway that are in need of repair. To include these additional areas as part of the engineering and special inspections work during construction, a contract amendment with Tim Best, CEG, in the amount of \$2,594 is necessary. Tim Best is the consulting engineer that has prepared the construction plans and provided engineering and permitting assistance for the Project.

ALTERNATIVE

To keep the Project within the FY 2016-2017 allocated budget, the Board may choose to instead phase the Project into two years and reduce the current scope. The first Phase would complete portions of the scope of work up to the budgeted amount and the second phase would follow in Fall 2017 to complete the remainder of the scope. Phasing the project may result in a higher total costs given the need for a contractor to mobilize twice and would require additional staff time.

FISCAL IMPACT

The FY2016-17 budget includes \$265,000 for completion of the project, which includes construction costs, allowances for contingencies and unforeseen conditions, consultant fees for general conditions, oversight, and construction administration, inspections and other soft costs. The recommended construction contract amount is greater than the \$253,000 amount budgeted for the road repairs. To fully fund the project, including amending an existing professional services agreement with Tim Best, CEG in the amount of \$2,594, a budget adjustment/increase

of \$207,150 is required. If the Board approves the General Manager's recommendation, it is anticipated the project will be 100% complete by November of 2016.

| | |
|--|---------------------|
| | |
| MAA 007 Portfolio Appropriation | \$14,825,000 |
| Spent to Date: | \$9,910,275 |
| Encumbrances: | \$41,529 |
| FY 2017 Sears Ranch Road Drainage Upgrade: | \$472,150 |
| Portfolio Balance Remaining (Proposed): | \$4,401,046 |

BOARD COMMITTEE REVIEW

No Committee review has occurred for the above project. The Master Plan was approved by the Board at the August 22, 2012 meeting (R-12-83).

PUBLIC NOTICE

Public notice for the award of bid was provided as required by the Brown Act. No additional notice is required.

CEQA COMPLIANCE

Awarding the bid and issuing a contract agreement to implement the Sears Ranch Road Drainage Upgrade Project is consistent with the Mitigated Negative Declaration and Mitigation Monitoring Plan for the La Honda Creek Master Plan, approved by the Board on August 22, 2012 (see Report R-12-83). No negative environmental impacts are anticipated from this project beyond what was analyzed in the MND/MMP.

NEXT STEPS

If approved, the General Manager will enter into a contract with Grade Tech, Inc., for implementation of the Sears Ranch Road Drainage Upgrade Project. Final contract signature is subject to meeting all District requirements, such as having all required insurance and bonding in place. Project construction is scheduled to begin in September 2016 and be completed by the end of November 2016.

Attachment

1. Sears Ranch Road Drainage Upgrade Project Map
2. Resolution Amending the Budget for Fiscal Year 2016-17

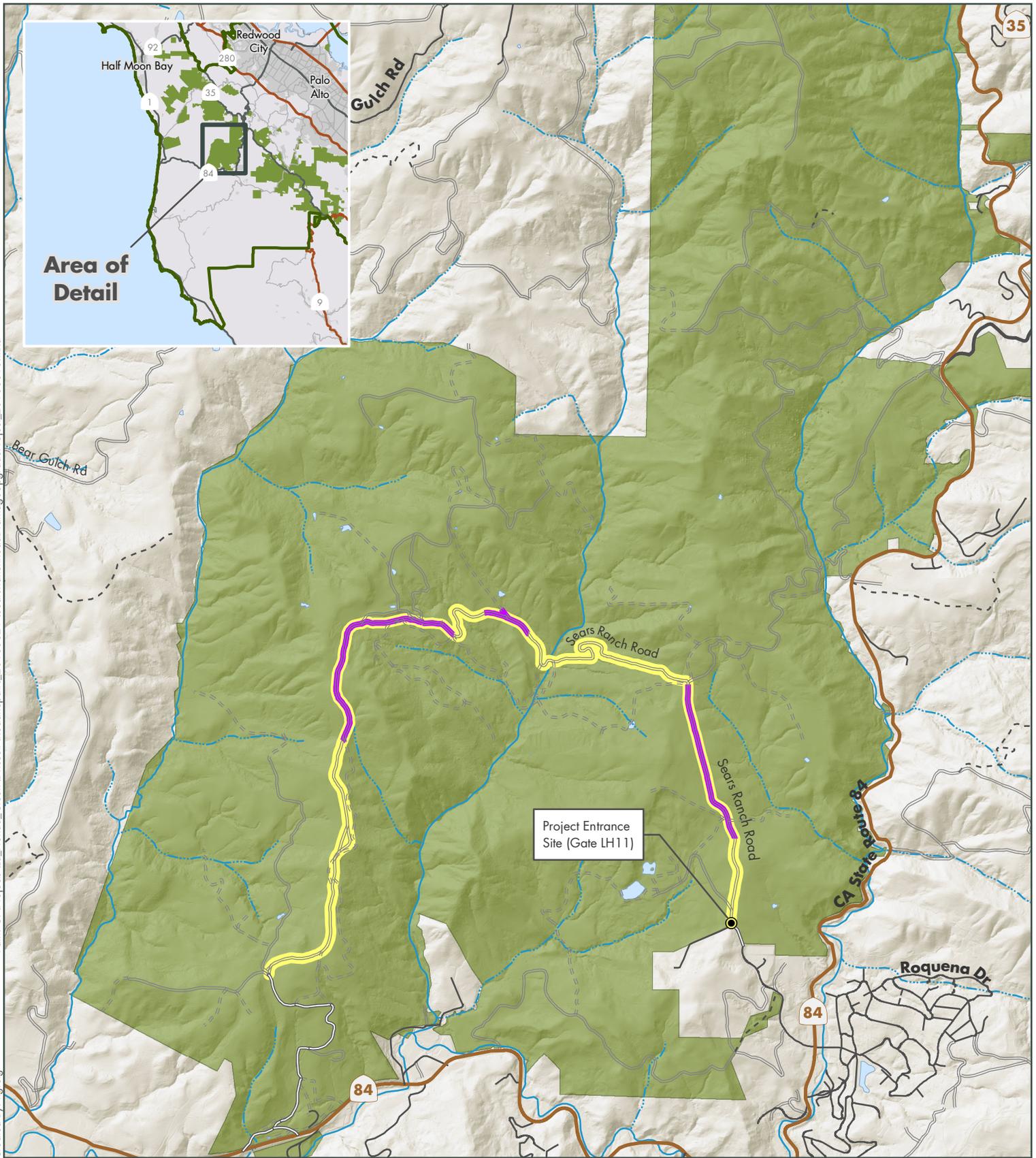
Responsible Department Head:

Jay Lin, Engineering & Construction Department Manager

Prepared by/Contact Person:

Dale Grogan, Capital Project Manager, Engineering & Construction

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Created By: ngreig



Sears Ranch Road Drainage Upgrade Project - Site Access and Project Site Map

- MROSD Preserves
- Private Property
- Drainage/Road Repair Project Sites
- LHC OSP Phase 1 - Main Ranch Road Open to Hiking/Equestrian Use
- Project Entrance Site (Gate LH11)

Midpeninsula Regional
Open Space District
(MROSD)
August 2016



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.

RESOLUTION NO. 16-___

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT AMENDING
THE BUDGET FOR FISCAL YEAR 2016-17**

WHEREAS, on June 22, 2016 the Board of Directors of the Midpeninsula Regional Open Space District adopted the Fiscal Year 2016-17 Budget and Action Plan; and

WHEREAS, unanticipated expenses associated with the **Sears Ranch Road Drainage Upgrade Project** have arisen and additional funds are required to complete the project; and

NOW, THEREFORE, The Board of Directors of the Midpeninsula Regional Open Space District does resolve as follows:

SECTION ONE. Amend the Budget and Action Plan for the Midpeninsula Regional Open Space District for the Fiscal Year 2016-17 as follows:

| Project Name | Current Budget | Revised Budget |
|-----------------------------------|----------------|----------------|
| Sears Ranch Road Drainage Upgrade | \$265,000 | \$472,150 |

SECTION TWO. Monies are hereby appropriated in accordance with said budget.

SECTION THREE. Except as herein modified, the FY 2016-17 Budget and Action Plan, Resolution No. 16-25 as amended, shall remain in full force and effect.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on September 14, 2016, at a Regular Meeting thereof, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

Secretary
Board of Directors

President
Board of Directors

APPROVED AS TO FORM:

General Counsel

I, the District Clerk of the Midpeninsula Regional Open Space District, hereby certify that the above is a true and correct copy of a resolution duly adopted by the Board of Directors of the Midpeninsula Regional Open Space District by the above vote at a meeting thereof duly held and called on the above day.

District Clerk