



Midpeninsula Regional  
Open Space District

R-19-138  
Meeting 19-27  
October 23, 2019

## AGENDA ITEM 7

### AGENDA ITEM

Award of Contract for the South Area Field Office Project

### GENERAL MANAGER'S RECOMMENDATIONS *deur*

1. Award a contract to Agbayani Construction Corporation of Daly City, California for a base contract amount of \$3,529,000, which includes bid alternates #5 and #7.
2. Authorize a 15% construction contingency of \$529,350 to be reserved for unanticipated issues, for a not-to-exceed total contract amount of \$4,058,350.
3. Separately authorize bid alternate #1 for \$75,000, for a total not-to-exceed contract amount of \$4,133,350, to be awarded if during demolition the south wall is deemed to require replacement; this fixed charge is excluded from the 15% contract contingency calculation.

### SUMMARY

In August 2019, Midpeninsula Regional Open Space District (District) received permit approval from the City of Campbell (City) to repurpose the industrial building located at 240 Cristich Lane in Campbell as the District's new South Area Field Office (SAO or Project). The main scope of work includes interior insulation and space reconfiguration, exterior building siding and roof repair, paving and parking restriping, new vehicular gate, site lighting, security fencing, drainage and utilities improvements, and material and equipment storage.

A Request for Bids was issued on August 27, 2019 and three bid proposals were received on October 2, 2019. Agbayani Construction Corporation is the lowest responsive and responsible bidder. The General Manager recommends awarding a contract to Agbayani Construction Corporation in the base amount of \$3,529,000; authorizing a 15% construction contingency of \$529,350; and separately awarding bid alternate #1 for \$75,000, for a not-to-exceed total contract amount of \$4,133,350. Bid alternate #1 is a fixed cost to replace the south building elevation. This bid alternate would only be used if site conditions warrant wall replacement based on inspections during demolition activities. Sufficient funds are included in the Fiscal Year budget. Depending on a possible construction schedule acceleration, a budget amendment may be recommended at a later time to adjust funds between Fiscal Year (FY) 2019-20 adopted and FY2020-21 projected. Work is anticipated to begin in November 2019 and conclude in September 2020.

### BACKGROUND

The District has long sought to locate a permanent staff facility in the southern reaches of its jurisdiction, providing a management presence and a staging area for tools, materials, and equipment to service its southern preserves. Operational needs for a larger and more functional

field office located in the southern area of the District continue to increase in part due to the opening of new preserve areas to public access (Mount Umunhum in 2017 and Bear Creek Redwoods in June 2019).

In March 2017, the Board of Directors (Board) approved the purchase of an industrial property at 240 Cristich Lane in the City of Campbell as the site of a new South Area Field Office (R-17-38). The new SAO will house staff from the Land & Facilities and Visitor Services Departments, serve as a storage and service center for field equipment, and allow the public to drop in to acquire information about the District. The property provides the following District benefits:

1. Central location with great access and reduced travel time to South Area Preserves (Sierra Azul, El Sereno, St Joseph's Hill and Bear Creek Redwoods).
2. Municipal utility services and infrastructure to support a field office/corporation yard.
3. Reuses a developed industrial site with an existing building for a similar purpose and avoids developing open space lands for this use.
4. Expedites bringing a new facility online.
5. Less costly alternative as compared to new development.
6. Potential for expansion, if needed, when adjacent industrial properties come up for sale.
7. Accessible location via multiple modes of transportation.
8. Opportunity for satellite office space for administrative staff.

In September 2017, the District acquired a Conditional Use Permit (CUP) from the City to use the property as a new field office and corporation yard. As Cristich Lane is a private street, the CUP requires the District to make an irrevocable offer of dedication for public street purposes and a public service easement prior to the issuance of any grading or building permits. The Board approved the Irrevocable Offers of Right of Way Dedication on May 15, 2019 (R-19-62).

In December 2017, the Board authorized the General Manager to enter into a multi-year contract with Terry Martin and Associates (TMA) for architecture/engineering design, permitting assistance, and construction administration services to prepare the detailed construction plans to repurpose the site for District use (R-17-130). These detailed plans were required to secure the necessary City permits for the site improvements and to solicit the construction bids for the project.

In April 2019, the Board authorized the General Manager to complete the construction documents and permitting process, and solicit construction bids for the Project (R-19-41). The Board also provided Project related direction to reuse as much of the existing building metal panel and other material as possible, install public-facing signage, and install electric vehicle charging stations and bike racks. Bike rack installation is not part of the proposed construction contract, however, staff will identify a location for bike racks after construction activities conclude; the bike racks will be installed by District staff.

## **DISCUSSION**

The site for the new SAO is located in a light-industrial zone in the City of Campbell. The main building is a "butler" metal building constructed in the 1960's with a footprint of approximately 5,600 square foot. The building has served as a repair shop for buses and has had several unfinished and unpermitted interior upgrades throughout its life. The original enclosure of the building is galvanized corrugated metal with visible wear and tear on its windows, doors, roll doors and skylights. The structural integrity of the building was assessed as part of the site

feasibility study, focusing on the opportunity to refurbish rather than build new. Refurbishing the existing structure will maximize the 29,490 square foot lot, and save time and money compared to rebuilding a new structure. There is also one (1) semi-built, unpermitted equipment storage structure on the property.

Existing building conditions and site configurations are not suitable for District needs. Improvements are necessary to accommodate District operational functions, parking requirements, Americans with Disabilities Act (ADA) code upgrades, and to meet the Conditional Use Permit approval conditions. See Attachment 2 for Site and Architectural Plans. New site and building improvements include:

- Interior insulation and space reconfiguration
- Exterior building siding and roof repair (three sides are included in the base bid and one side is in bid alternate #1, for an amount of \$75,000)
- Storage for stockpile material and equipment
- Asphalt concrete paving and striping for 24 parking spaces
- Automatic vehicular gate
- Site lighting and security fencing
- Signage and flagpole
- Curb, gutter, and sidewalk
- Landscaping improvements
- Stormwater treatment
- Trash and recycling enclosure
- Enlarged mezzanine for storage
- Heating Ventilation Air Conditioning (HVAC) upgrades
- Electrical installation
- Sanitary sewer upgrades
- Domestic, fire, and irrigation water upgrades
- Security camera system installation (bid alternate #5, for an amount of \$30,000)
- Electric vehicle charging station setup (bid alternate #7, for an amount of \$10,000)

In August 2019, the City issued all necessary permits, including a Conditional Use Permit, Demolition Permit, Building Permit, and Encroachment Permit. Concurrently, a Request for Bids was developed and released by the District.

### Contractor Selection

A Request for Bids was issued on August 27, 2019 via BidSync and released to five builders' exchanges. Legal notices were posted in the San Jose Mercury News, Santa Cruz Sentinel, and the San Mateo County Times, and an Invitation to Bid was posted on the District website. Mandatory pre-bid site walks were held on September 11, 2019 and September 16, 2019 with 10 total contractors in attendance. The total base bid was used to determine the lowest bidder. The detailed breakdown of the three (3) bids received is as follows:

Bidder	Location	Total Base Bid (Exclusive of Bid Alternates)	% of Base Bid Estimate (\$3,500,000)
1. Agbayani Construction Corporation	Daly City, CA	\$3,489,000.00	-0.003%
2. CWS Construction Group, Inc.	Novato, CA	\$4,197,000.00	+20%
3. Fast-Track Construction Corporation	Culver City, CA	\$5,126,500.00	+46%

The bids submitted by Agbayani Construction Corporation and Fast-Track Construction Corporation each contained a minor irregularity in that neither attached copies of the signed addendum documents. However, these bids did acknowledge receipt of the addendum on the Bid Proposal form as required by the bid documents. When an addendum was issued, it contained additional instructions for attaching the signed addendum to the bids, even though the Bid Proposal form already included a provision for acknowledging addenda by number and date. This failure of two bidders to follow the directions in the addendum may be waived as a minor irregularity under these circumstances: 1) not attaching the separately acknowledged addendum could not have altered the amount of either bid, and 2) neither of these bidders gained an unfair advantage because all of the bidders were already bound by the acknowledgement on the Bid Proposal form. Because this irregularity did not affect the bid price or confer any competitive advantage on either bidder, it may be waived. Upon review of the Bid Proposals and confirmation of the contractors' qualifications, the General Manager recommends awarding the contract to Agbayani Construction Corporation, as the lowest responsive and responsible bidder.

The Request for Bids included seven bid alternates, with responses as follows:

<b>Bid Alternate Item No.</b>	<b>Item Description</b>	<b>Agbayani Construction Corp</b>	<b>Fast-Track Construction Corp</b>	<b>CWS Construction</b>
1	Replace south building elevation existing standing-seam, prefinished sheet metal wall	\$ 75,000.00	\$ 54,000.00	\$ 80,000.00
2	Replace entire sanitary sewer line (approximately 76 linear feet) and cleanouts	\$ 60,000.00	\$ 68,000.00	\$ 80,000.00
3	Replace all existing site concrete paving	\$ 260,000.00	\$ 37,000.00	\$ 400,000.00
4	Furnish and install access control system at all exterior doors, except roll up doors	\$ 60,000.00	\$ 22,000.00	\$ 100,000.00
5	Furnish and install security camera system throughout entire perimeter of building	\$ 30,000.00	\$ 30,000.00	\$ 300,000.00
6	Planting of all owner furnished plants	\$ 30,000.00	\$ 18,000.00	\$ 75,000.00
7	Furnish and install Sema Connect, or District Approved EV charging system	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00

The General Manager recommends including bid alternates #5 (furnish and install a security camera system) and #7 (furnish and install a Sema Connect electric vehicle charging station) into the contract at a total cost of \$40,000 for these two items. These two items were selected because they add improved site security (camera system) and provide electric vehicle charging functionality. The General Manager also recommends authorizing bid alternate #1 (replace south building elevation with a prefinished sheet metal wall) as a fixed cost that is not included in the construction contingency calculation. Bid alternate #1 would only be awarded if, during

demolition, it is determined that the south wall requires replacement. Visual inspection during design did not identify major lifespan or structural/reusability issues, however, actual site conditions may warrant otherwise once demolition activities commence. Having the flexibility to issue bid alternate #1 would allow staff to replace the south wall in an expedited manner if deemed necessary.

The FY2019-20 and FY2020-21 multi-year capital improvement budget for the Project is \$4,467,302 and the apparent low bidder's (Agbayani Construction Corporation) total base contract amount is \$3,529,000, with an additional \$529,350 allocated as a construction contingency and \$75,000 as a separate allocation for bid alternate #1. The 15% construction contingency amount of \$529,350 is recommended for this Project to address unforeseen site issues that may be encountered during the execution of the work. Although the project site is in a built environment, it is an industrial site that was previously used as a bus yard and mechanic shop. Staff is concerned that issues relating to subsurface work (additional hazardous materials abatement and utility improvement demolition) may arise.

### FISCAL IMPACT

The recommended construction contract is within the overall project budget of \$4,467,302 for the South Area Field Office (project #31601). If the construction schedule can be accelerated this fiscal year, a budget adjustment may be recommended as part of the quarterly budget adjustment process to move a portion of the total project budget into the current fiscal year. The District anticipates sufficient funds next fiscal year to complete the work and close the contract.

Funding is available via the 2017 Parity Bond and/or in the Committed for Infrastructure Reserve Fund (total of \$4.1 million) and lease revenue from the SAO property (\$128,189). During the project design and permitting process, the District leased the property to the prior owner to secure lease revenue prior to entering into construction to offset project costs.

The table below shows the total project budget. The recommended actions are shown in the fiscal year they are expected to incur. As previously mentioned, a budget adjustment may be recommended to adjust funding between FY2019-20 adopted and FY2020-21 projected budgets in order to accommodate accelerated expenditures in the current fiscal year.

South Area Field Office Project #31601	Prior Year Actuals	FY2019-20 Adopted	FY2020-21 Projected	FY2021-22 Projected	Estimated Future Years	TOTAL
Project #31601 Budget	\$324,978	\$1,302,976	\$3,164,326	\$0	\$0	\$4,792,280
Spent-to-Date (as of 10/07/2019):	(\$324,978)	(\$43,972)	\$0	\$0	\$0	(\$368,950)
Encumbrances:	\$0	(\$22,291)	\$0	\$0	\$0	(\$22,291)
Agbayani Construction Corporation Contract (including Bid Alternates #5 and 7):	\$0	(\$2,034,500)	(\$1,494,500)	\$0	\$0	(\$3,529,000)
15% Contingency:	\$0	(\$305,175)	(\$224,175)	\$0	\$0	(\$529,350)

Agbayani Construction Corporation Contract (Bid Alternate #1):		(\$75,000)	\$0	\$0	\$0	(\$75,000)
Budget Remaining (Proposed):	\$0	(\$1,177,962)	\$1,445,651	\$0	\$0	\$342,689

The project is not funded by Measure AA.

**PUBLIC NOTICE**

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

**CEQA COMPLIANCE**

District staff prepared a Categorical Exemption for the project and determined that the project would not result in any impacts to the environment. The District found that the proposed refurbishment and improvements at 240 Cristich Lane and its subsequent use as a field office and corporation yard are categorically exempt from CEQA pursuant to CEQA Guidelines Sections 15301, 15302, 15303, 15304, and 15311.

*Section 15301 – Existing Facilities:* The project proposes interior and exterior alterations to the existing industrial building that would involve a negligible or no expansion of use. The project will generate vehicle trips equivalent to the trips of the previous occupancy and would not result in any significant traffic impacts. The proposed modifications will not substantially change the site’s function as an industrial building with employees and surface parking.

*Section 15302 – Replacement or Reconstruction:* The project includes the demolition and removal of an unfinished wooden accessory structure, and construction of a new storage building (250 sf) and shed (700 sf) of substantially the same purpose and capacity at the same location.

*Section 15303 – New Construction or Conversion of Small Structures:* The project includes construction of new storage building (250 sf) and shed (700 sf), replacing an unfinished accessory structure at the rear of the site.

*Section 15304 – Minor Alterations to Land:* The project includes new landscaping and minor trenching and backfilling where the surface is restored. There will be no extensive grading on site.

*Section 15311 – Accessory Structures:* The project includes the placement of an on premise sign and flagpole that would be appurtenant to the District’s facility.

A Notice of Exemption was filed with the County of Santa Clara on July 21, 2017 and was posted for a period of 30 days in accordance with CEQA. As a Responsible Agency under CEQA, the City of Campbell concurred that the project qualified for a categorical exemption at the time the City issued the Conditional Use Permit.

**NEXT STEPS**

The table below lists the remaining project milestones.

<b>Upcoming Milestones</b>	<b>Target Dates</b>
October 23, 2019	Board Award of Contract at Public Meeting
October 24, 2019	Written Notice of Award of Contract
November 2019	Written Notice to Proceed issued by District
September 2020	Deadline for Substantial Completion
Fall 2020	Project Completion and Close Out

Attachment:

1. Project Site Map

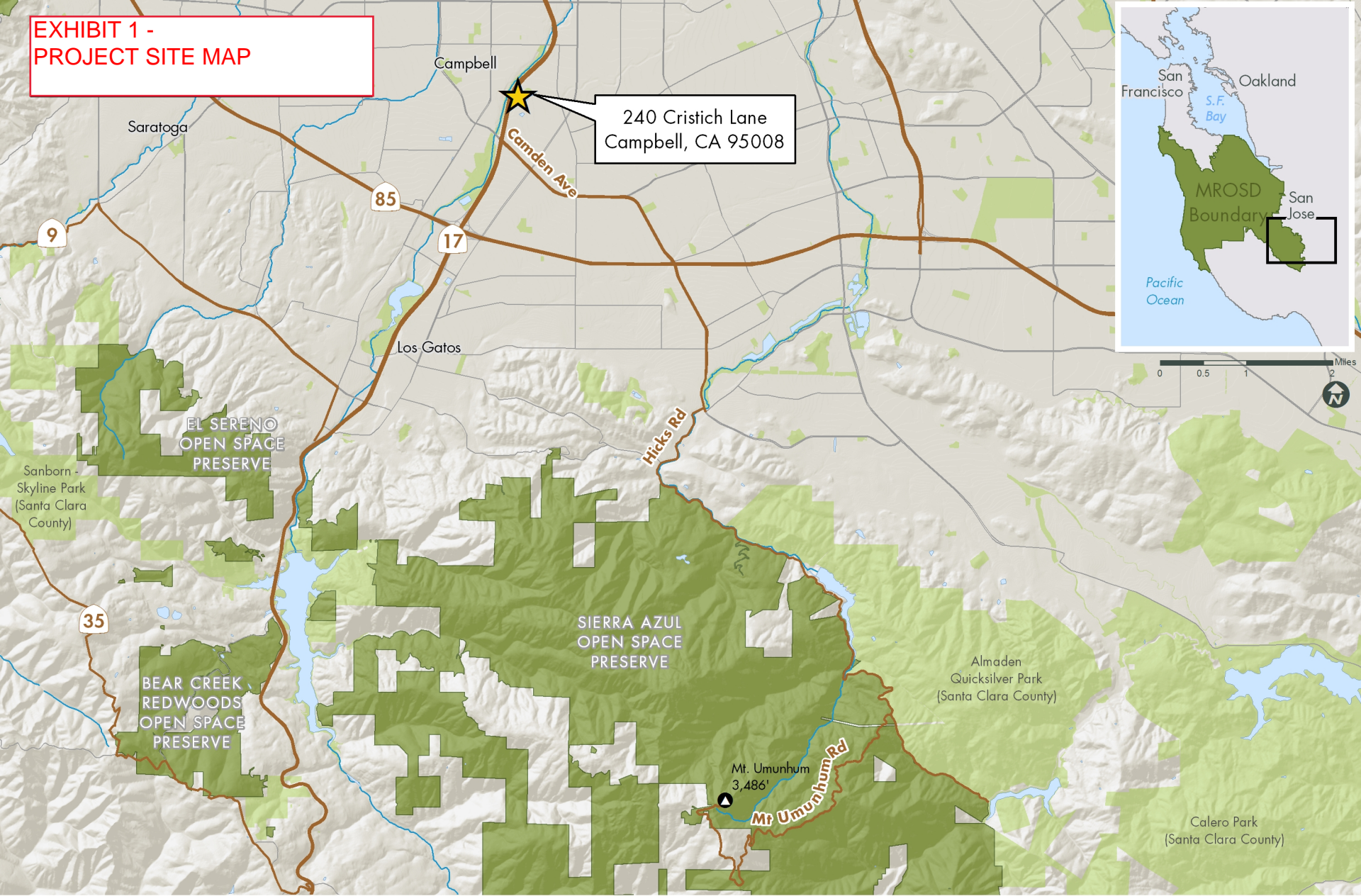
Responsible Department Head:

Scott Reeves, Acting Engineering and Construction Department Manager

Prepared by:

Tanisha Werner, Senior Capital Project Manager

**EXHIBIT 1 -  
PROJECT SITE MAP**



Campbell

240 Cristich Lane  
Campbell, CA 95008

Camden Ave

85

17

9

Saratoga

Los Gatos

Hicks Rd

EL SERENO  
OPEN SPACE  
PRESERVE

Sanborn -  
Skyline Park  
(Santa Clara  
County)

35

BEAR CREEK  
REDWOODS  
OPEN SPACE  
PRESERVE

SIERRA AZUL  
OPEN SPACE  
PRESERVE

Almaden  
Quicksilver Park  
(Santa Clara County)

Mt. Umunhum  
3,486'

Mt Umunhum Rd

Calero Park  
(Santa Clara County)

