



Midpeninsula Regional
Open Space District

R-21-88
Meeting 21-19
June 23, 2021

AGENDA ITEM 9

AGENDA ITEM

Award of Contract for the Agricultural Workforce Housing Project in La Honda Creek Open Space Preserve

GENERAL MANAGER'S RECOMMENDATIONS *den*

1. Authorize the General Manager to enter into a contract with SAE Consulting Engineering of San Jose, California, for a base contract amount of \$195,500.
2. Authorize a 10% contingency of \$19,550 to be reserved for unanticipated issues, bringing the total contract to a not-to-exceed amount of \$215,050.

SUMMARY

The recommended action will allow the Midpeninsula Regional Open Space District (District) to make repairs and improvements to the agricultural workforce housing residence (Residence) at 5711 La Honda Road located in La Honda Creek Open Space Preserve. The agricultural workforce housing project (Project) scope of work includes re-roofing, installing new siding and exterior paint, replacing damaged exterior doors, replacing a wood deck with a concrete patio, electrical and HVAC repairs and upgrades, structural repairs to the porch and garage, installing an oven hood and roof vent, and repairing exterior walkways and fencing. District staff issued a Request for Bids on March 29, 2021 and received three proposals on May 5, 2021, with SAE Consulting Engineering identified as the lowest responsive and responsible bidder. The General Manager recommends awarding a contract to SAE Consulting Engineering for a base contract amount of \$195,500 and authorizing a 10% contingency amount of \$19,550, for a total not-to-exceed amount of \$215,050. The project is currently pending San Mateo County approval of a \$100,000 forgivable loan through their Farmworker Housing Pilot Program. If approved by the County, the difference in costs would be covered by the District. Work is scheduled to begin in July 2021 and be completed in September 2021.

DISCUSSION

In June 2017, the Board of Directors (Board) approved replacing a single-family agricultural workforce residence deemed unsalvageable in 2016 due to the lack of a foundation and structural supports at La Honda Creek Open Space Preserve ([R-17-75, meeting minutes](#)). On May 15, 2019, District staff presented two options with costs to replace the agricultural workforce residence: (1) replace with a new modular or manufactured home or (2) repair an existing nearby house at 5711 La Honda Road and designate it as the agricultural workforce housing unit for La Honda Creek Open Space Preserve ([R-19-58, meeting minutes](#)). The 5711 La Honda Road residence had been temporarily utilized as the agricultural workforce residence for the grazing

cattle operation at the former Driscoll Ranch area of the Preserve since 2016. The Board selected the option to proceed with repairing the 5711 La Honda Road residence, which included adopting a resolution authorizing the General Manager to enter into a partnership agreement with San Mateo County (County) for a forgivable ten-year, no-interest Farmworker Housing Pilot Program Phase III loan for \$100,000.

San Mateo County is currently in Phase III of their Farmworker Housing Pilot Program (Program). The Program is facilitating the creation of new farmworker housing, the rehabilitation or repair of existing farmworker housing, and the replacement of existing dilapidated mobile farmworker home units.

In October 2019, District staff issued a request for proposals for design, permitting, and construction administration services for the repair of 5711 La Honda Road. The design contract was awarded to Hawk Design and Consulting of Half Moon Bay in November 2019. In May 2020, the Project was submitted to San Mateo County Building and Planning Department for building permits. In May 2020, the District also submitted a formal letter of interest to San Mateo County Department of Housing for the Farmworker Housing Pilot Program.

In February 2021, District staff met virtually with representatives from County Departments of Housing, Planning and Building, Environmental Health, and CalFire, as well as Supervisor Don Horsley and his staff to review the Project. The Project was determined to be appropriate for the Farmworker Housing Pilot Program. In April 2021, the District submitted all application documents to enter into the partnership loan agreement with the County, which is currently under review.

Scope of Work

The house at 5711 La Honda Road is a 3-bedroom single family home, approximately 1,000 square feet in size with an attached garage. The recommended actions will make the necessary repairs and improvements to maintain the house as an agricultural workforce housing unit in support of the lower La Honda cattle grazing operation. More specifically, the Project includes the following:

1. Replacing the existing roofing and repairing gutters and downspouts.
2. Repairing the front entry steps and landing, including adding foundations and guardrails.
3. Repairing the garage wall to prevent leaking and replacing the garage door.
4. Replacing and painting the exterior siding to match the existing appearance.
5. Installing an electrical subpanel, an HVAC system, and minor electrical repairs.
6. Installing a new microwave oven hood with roof vent; installing a new glass slider door; and replacing an existing toilet.
7. Replacing the existing deteriorated raised wood deck with a concrete patio on grade; repairing damaged and cracked concrete walkways; and repairing failing sections of the fence and gate.

Contractor Selection

A Request for Bids was issued on March 29, 2021 via BidSync and released to three builders' exchanges. Legal notices were posted in the San Jose Mercury News, San Mateo County Times, and the Half Moon Bay Review, and a link to the solicitation was posted on the District

website. Mandatory pre-bid site walks were held on April 7, 2021 and April 14, 2021 with 7 total contractors in attendance.

The District publicly opened the bids on May 5, 2021 and announced SAE Consulting Engineering as the apparent low bidder. The detailed breakdown of the three (3) bids received is as follows:

Bidder	Location	Total Base Bid	Percent +/- from Engineer's Estimate (\$225,000)
SAE Consulting Engineering	San Jose, CA	\$195,500	-13.1%
US Engineering, Inc.	Hayward, CA	\$195,800	-13.0%
Shellco General Contractor, Inc.	Patterson, CA	\$387,824	+72.4%

Upon review of the bid proposals and confirmation of the contractors' qualifications, in accordance with state law and current Board purchasing policy, the General Manager recommends awarding the contract to SAE Consulting Engineering as the lowest responsive and responsible bidder. Due to unknown material and framing conditions below the roofing and siding, a 10% contingency is requested to cover potential additional repairs.

FISCAL IMPACT

In April 2021, the District submitted application documents to enter into the partnership loan agreement with the County of San Mateo for the Farmworker Housing Pilot Program. The Farmworker Housing Pilot Program Phase III loan is a forgivable ten-year, no-interest loan for \$100,000. The FY22 adopted budget includes \$178,000 for the Agricultural Workforce Housing - La Honda Creek project VP07-002. A budget adjustment will be required during the first quarter review depending on whether the loan is approved as follows:

- If the loan is approved, a budget adjustment will be processed to reflect the loan amount and reduce the project budget by \$62,950. Current indications point to a high probability of loan approval.
- If the loan is not approved, a budget adjustment increasing the budget by \$37,050 will be required.

Agricultural Workforce Housing - La Honda Creek VP07-002	Prior Year Actuals	FY21 Amended	FY22 Adopted	FY23 Projected	Estimated Future Years	TOTAL
Total Budget:	\$37,273	\$167,000	\$178,000	\$0	\$0	\$382,273
Spent-to-Date (as of 06/01/2021):	(\$37,273)	(\$350)	\$0	\$0	\$0	(\$37,623)
Encumbrances:	\$0	(\$3,325)	\$0	\$0	\$0	(\$3,325)
SAE Consulting Engineering Contract:	\$0	\$0	(\$195,500)	\$0	\$0	(\$195,500)
10% Contingency:	\$0	\$0	(\$19,550)	\$0	\$0	(\$19,550)
Budget Remaining (Proposed):	\$0	\$163,325	(\$37,050)*	\$0	\$0	\$126,275

*Shortfall is removed if the forgivable loan with San Mateo County is approved.

The recommended action is not funded by Measure AA.

BOARD AND COMMITTEE REVIEW

In June 2017 ([R-17-75](#), [meeting minutes](#)), the Board approved the construction of agricultural workforce housing in La Honda Creek Open Space Preserve to support the conservation grazing program. At the same meeting, the Board adopted a resolution authorizing the General Manager to enter into a partnership agreement with the County for a forgivable fifteen-year, no-interest Farmworker Housing Pilot Program Phase III loan for up to \$150,000 to construct the new residence and permanently designate the residence as agricultural workforce housing. The Board also authorized the General Manager to amend the lease with AGCO Hay LLC, the onsite conservation-grazing tenant, to formalize the requirements of the Farmworker Housing Pilot Program Phase III between the District and the grazing tenant.

On May 15, 2019 ([R-19-58](#), [meeting minutes](#)) the Board reconsidered options for the agricultural workforce housing unit at the Preserve given a reevaluation of costs and selected to repair and permanently designate the 5711 La Honda Road residence as agricultural workforce housing. At the same meeting, the Board adopted a resolution authorizing the General Manager to enter into a partnership agreement with the County for a forgivable ten-year, no-interest Farmworker Housing Pilot Program Phase III loan for \$100,000 to complete the repairs of 5711 Honda Road.

PUBLIC NOTICE

Public notice was provided as required by the Brown Act. County Supervisor Don Horsley's office and the San Mateo County Farm Bureau have been consulted on this project per the requirements of the District's Coastal Service Plan.

CEQA COMPLIANCE

In accordance with the State CEQA Guidelines, the Project is categorically exempt from CEQA under section 15301.

NEXT STEPS

If approved, the General Manager will enter into a contract with SAE Consulting Engineering. Final contract signature is subject to meeting all District requirements, such as having all required insurance and bonding in place. Work is scheduled to begin in July 2021 and be completed in September 2021.

Attachment

1. Project Location Map.

Responsible Department Head:

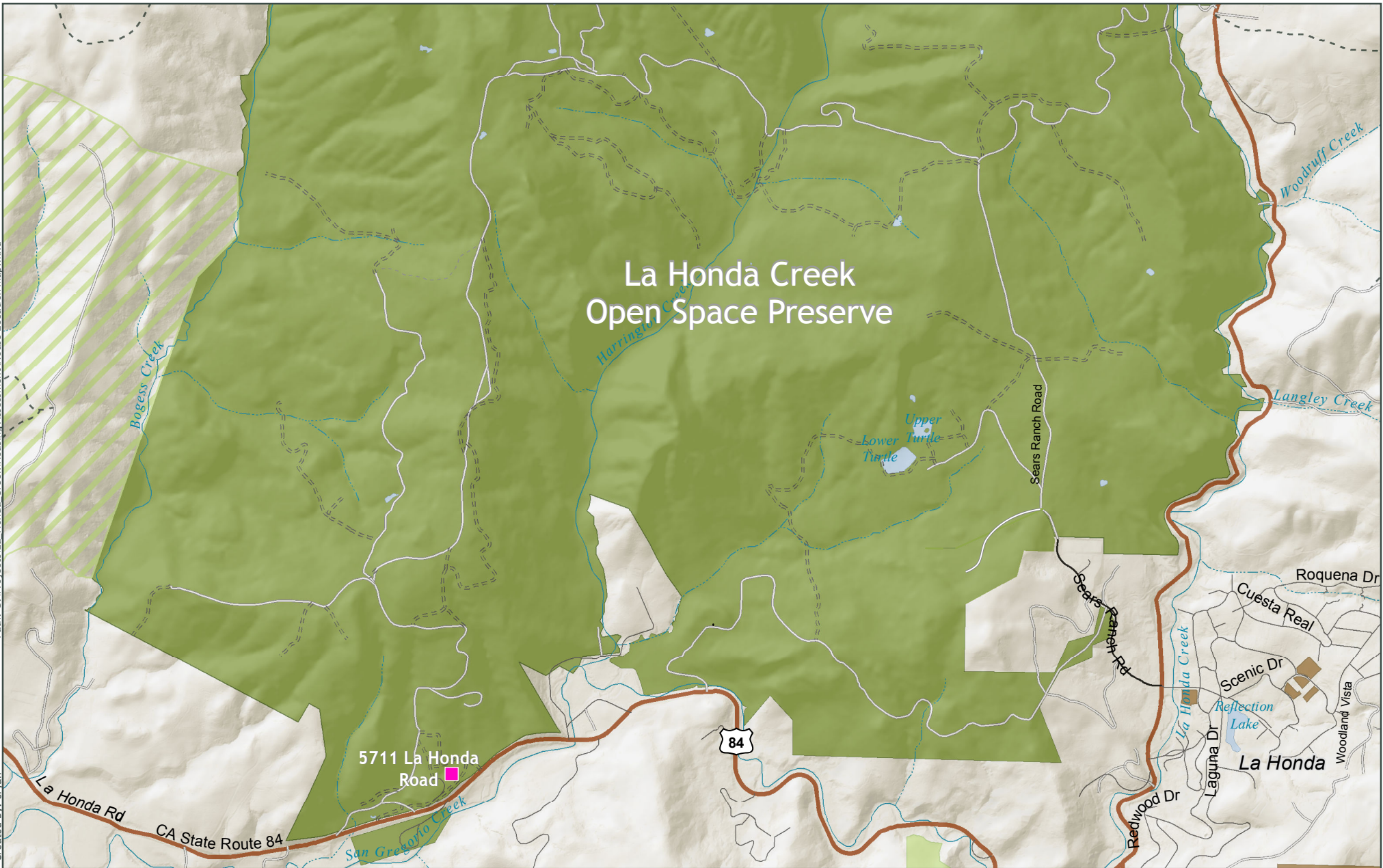
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Prepared by:

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Graphics prepared by:

Jamie Hawk, GIS Administrator



La Honda Creek Open Space Preserve

5711 La Honda Road

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La Honda Creek OSP - Agricultural Workforce Housing Location

- MROSD Preserves
- Other Protected Open Space or Park Lands
- Private Property
- House Location

Midpeninsula Regional
Open Space District
(MROSD)

ATTACHMENT 1



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