



Midpeninsula Regional  
Open Space District

R-13-68  
Meeting 13-17  
July 24, 2013

## **AGENDA ITEM 7**

### **AGENDA ITEM**

Authorization to Award a Contract to Engineering/ Remediation Resources Group (ERRG), General Engineering Contractor, for Construction Services for the Hicks Flat Mine Waste Remediation project at the Rancho de Guadalupe Area of the Sierra Azul Open Space Preserve

### **GENERAL MANAGER'S RECOMMENDATION**

Authorize the General Manager to enter into contract with ERRG, located in San Francisco, CA, for a not-to-exceed amount of \$108,929, which includes the bid amount of \$94,721 plus a 15% contingency of \$14,208, to re-grade and stabilize mine waste, within the Sierra Azul Open Space Preserve (Preserve). *SLD*

### **SUMMARY**

A Request for Bids for construction services was issued on June 10, 2013. One bid proposal was received and opened on Tuesday, July 9, 2013. Evaluation of the bid revealed that the bidder, ERRG, presented a complete and responsive bid package. Therefore, staff recommends awarding the contract for construction services for the Hicks Flat Project (Project) to ERRG for a total not-to-exceed amount of \$108,929 which includes the bid amount of \$94,721 plus a 15% contingency amount of \$14,208. The FY2013-14 Natural Resources Department Action Plan Budget includes sufficient implementation funds for this Project.

### **DISCUSSION**

#### **Background**

The Midpeninsula Regional Open Space District (District) acquired the 1465 acre Rancho de Guadalupe property, including the project site, in 1995. The project site was historically used as a waste rock disposal area for the Guadalupe Mines. Waste rock was dumped at the project site beginning in the late 1960's and extending through the early 1970's. Prior to District purchase, this previously dumped mine waste was graded for aesthetic purposes, with some of the waste being pushed over the edge of a steep slope above Hicks Creek, an intermittent creek and tributary to Guadalupe Creek. The Guadalupe Creek Watershed is subject to a Total Maximum Daily Load (TMDL) cleanup program for mercury contamination resulting from past mining practices.

Detailed studies conducted between 1990 and 1995 indicate that the mining waste rock at the site contain elevated levels of total mercury. Creek sediment samples collected during this same time period indicate some of the waste rock has spilled into Hicks Creek from a steep embankment in the southeast portion of the site. The primary risk from this site is to the Guadalupe River watershed resulting from erosion of mercury containing materials into Hicks Creek. Since sediment from Hicks Flat is entering Hicks Creek, which is a tributary to Guadalupe Creek, remediation of the known mercury source is of high priority.

Partnering with the Association of Bay Area Governments (ABAG), the District requested and was awarded \$315,000 in grant funds from the State Water Resources Control Board under the Federal Clean Water Act Section 319(h) – Nonpoint Source Implementation Grant Program for the remediation of mercury mining waste rock at Hicks Flat. The Board of Directors authorized the acceptance of these grant funds at the meeting of July 28, 2010 (R-10-87) and subsequent professional services contract at the meeting of January 26, 2011 (R-11-19). Construction costs are reimbursable through the grant. Per the grant timeline, the project must be completed this year, with a final project report submitted by November 30, 2013.

Construction services to implement the remedial grading will include:

- Removal of approximately 800 cubic yards of waste materials located directly adjacent to Hicks Creek
- Place removed waste rock at a stable onsite location (no off-site hauling) and shape to prevent future erosion and establish stable drainage
- Install erosion control measures
- Re-vegetate the site with native plant species

Work will be undertaken with strict dust control measures, including high-pressure water misting during grading. Contractors solicited were required to have hazardous substance removal certification (HAZ) through the State Contractor's Licensing Board, for familiarity working with contaminated soil. A certified industrial hygienist will monitor construction activities to ensure dust control measures are implemented correctly and effectively.

### **Contractor Selection**

The Request for Bids was issued on June 10, 2013 and was sent to sixteen (16) contractors and six (6) builders' exchanges. Notification was also sent to the Minority Business Development Agency and the Small Business Association. A legal notice (Invitation to Bid) was posted in the San Jose Mercury News on May 22, 2013 and May 29, 2013 preceding the release of the Request for Bids. The Request for Bids and all associated bid packet documents were also posted on the District website. Eight additional contractors contacted the District requesting the bid packet in response to notifications.

A mandatory pre-bid meeting was held at the Project site on June 19, 2013 and was attended by twelve (12) contractors. Sealed bids were due on July 9, 2013, and one bid was received and opened.

Upon review of the Bid Proposal and confirmation of the contractors' qualifications/ references, staff recommends awarding the contract to ERRG the lowest responsible and responsive bidder.

A 15% contingency amount is requested for this Project due to the potential for encountering unknown materials within the waste pile during grading activities. Although exposures from the three backhoe test pits, completed as a part of the geotechnical investigations, were free of unexpected contaminants or other materials, the remainder of the waste was not well-documented or professionally observed when initially dumped and graded.

**FISCAL IMPACT**

The FY2013-14 budget contains funds for this work. The construction project costs are reimbursable through the grant. The District has committed to a 27% “in-kind” match, which will largely be met by contributing staff time to the project.

**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. However, notification, including this report, will also be sent to adjacent and nearby property owners.

**CEQA COMPLIANCE**

Staff completed a Notice of Exemption (NOE) for the Project, which was filed with the Santa Clara County Clerk-Recorder on April 23, 2012. The NOE was posted for public and agency review by the Clerk-Recorder. No comments or inquiries were received during the required posting period.

**NEXT STEPS**

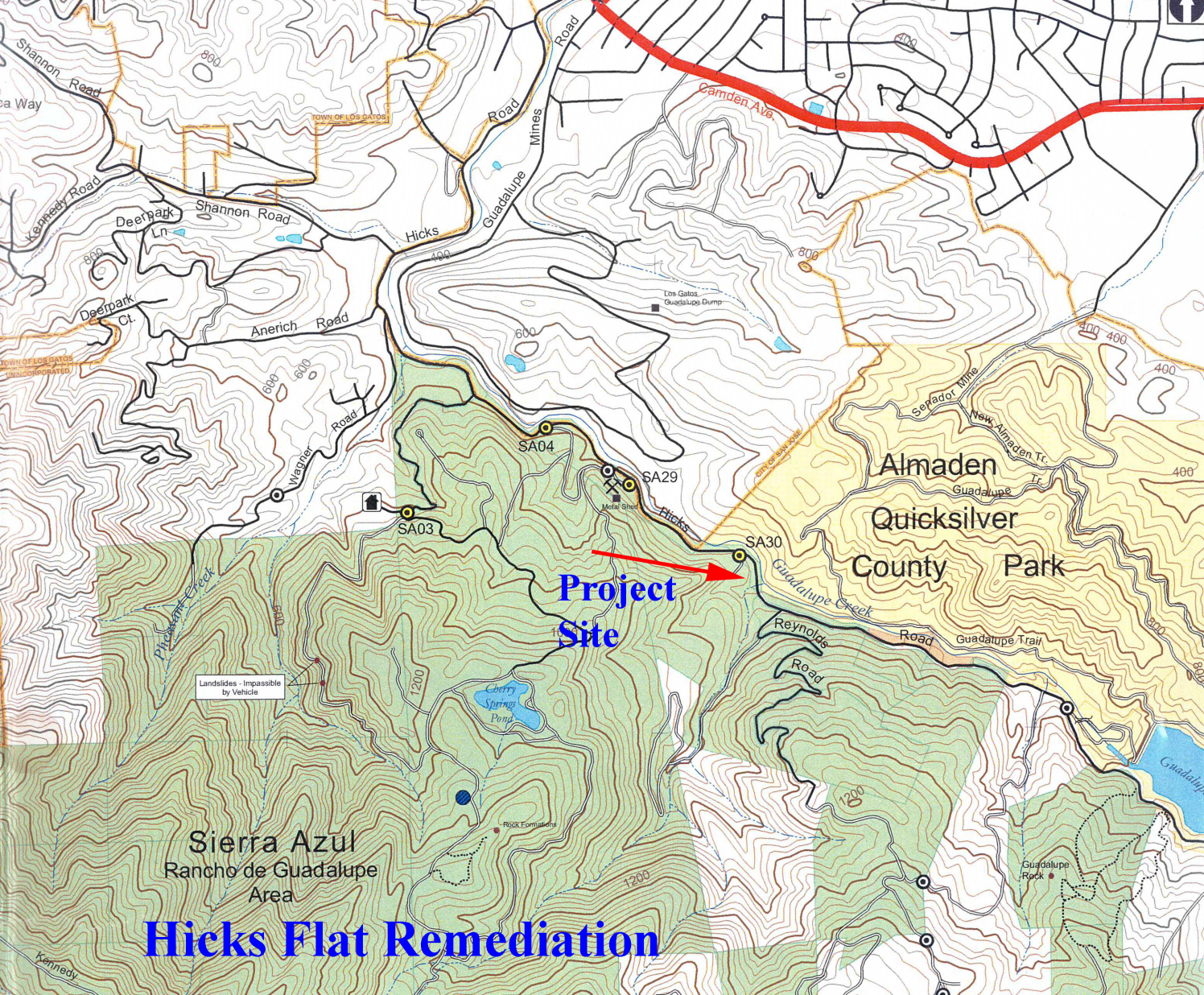
Upon approval by the Board of Directors, the General Manager will be authorized to enter into a contract with ERRG to perform construction services for the Hicks Flat Remediation Project. Activation of the contract is subject to the contractor meeting all District requirements, including required insurance and bonding. The Project is anticipated to begin in August, with construction anticipated to be completed by October 2013.

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# Hicks Flat Remediation

**Project Site**

Sierra Azul  
Rancho de Guadalupe  
Area

Almaden  
Quicksilver  
County Park

Landslides - Impassible  
by Vehicle

Cherry Springs  
Pond

Rick Tomlinson

Guadalupe  
Rock

Camden Ave

Almaden

Quicksilver

County

Park

Hicks

Anerich Road

Shannon Road

Deerpark Ln

Deerpark Ct.

Wagner Road

Hicks

SA04

SA29

SA03

SA30

Hicks

Guadalupe Creek

Reynolds Road

Road

Serador Mine

New Almaden Tr.

Guadalupe

Guadalupe Trail

Guadalupe

Shannon Road

Deerpark Ct.

Deerpark Ln

Deerpark Ct.

TOWN OF LOS GATOS (UNINCORPORATED)

Kennedy

Guadalupe

Guadalupe

Guadalupe

Guadalupe

Guadalupe

Guadalupe

Guadalupe

Guadalupe

Guadalupe

Guadalupe

Guadalupe

Guadalupe

Guadalupe

Guadalupe

Los Gatos  
Guadalupe Dump

Metal Shed

Rick Tomlinson

Guadalupe  
Rock

Serador Mine

New Almaden Tr.

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