



Midpeninsula Regional
Open Space District

R-14-115
Meeting 14-26
September 24, 2014

AGENDA ITEM 6

AGENDA ITEM

Authorization to Reject All Bids Received August 12, 2014 for the Mount Umunhum Interim Radar Tower Repair Project located in Sierra Azul Open Space Preserve

GENERAL MANAGER'S RECOMMENDATIONS

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1. Authorize the General Manager to reject all bids received to complete the Mount Umunhum Interim Radar Tower Repair Project at Sierra Azul Open Space Preserve.
2. Authorize the General Manager to re-evaluate the Project scope and solicit new bids to complete the Mount Umunhum Interim Radar Tower Repair Project at Sierra Azul Open Space Preserve.

SUMMARY

The purpose of the Mount Umunhum Interim Radar Tower Repair Project (Project) is to complete structural and safety repairs and improvements to facilitate public access around the exterior base of the structure. The Project consists of code-required repairs to bring the structure up to "collapse prevention", as well as safety improvements, including sealing of all exterior wall openings, sealing of all interior floor and shaft openings, and replacement and upgrades to roof and stair railings. After completing the Request for Bids process, two bids were received on August 12, 2014. The apparent low bid was 158% higher than the amount budgeted. The General Manager therefore recommends rejecting all bids, re-evaluating the project scope, revising bid documents, and soliciting new bids to complete the project.

DISCUSSION

Background

In 1986, the Midpeninsula Regional Open Space District (District) acquired the former Almaden Air Force Station located at the summit of Mount Umunhum as an addition to Sierra Azul Open Space Preserve (R-86-20). The Mount Umunhum Environmental Restoration and Public Access Project (Public Access Project), which was approved by the Board in 2012, included an evaluation for the long-term use and management of the Radar Tower (R-12-59, R-12-91). Following a robust public outreach process, the Board approved implementation of Interim Action A: Near-term repairs and securing of the structure while considering external partnerships (R-12-104). In May 2013, the Board awarded a contract to Grossmann Design Group to prepare the contract documents for the Project (R-13-52).

Bidding Process

The Request for Bids was issued on July 15, 2014, and was sent to contractors, subcontractors and consultants who had requested to be notified of the project, as well as 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.

A mandatory pre-bid meeting and site tour was held at the Project site on July 22, 2014 and was attended by seven (7) contractors. A second tour was conducted, at the request of several bidders, and was attended by eleven (11) contractors and subcontractors. Sealed bids were due on August 12, 2014, and two (2) bids were received and opened with the results as follows:

Bidder	Location	Total Bid	Percent Difference from Engineer's Estimate of \$300,000
1. Joseph Murphy Construction	Livermore, CA	763,425	+153%
2. R.C. Benson & Sons	Mountain View CA	1,013,100	+238%

Upon review of the Bid Proposals, staff determined that the bid from R.C. Benson & Sons was non-responsive because the bidder had not completed pricing for several of the alternate bid items. Therefore, only the bid by Joseph Murphy Construction was deemed responsive.

Bid Analysis

Staff evaluated the bid submitted by Joseph Murphy Construction to determine what factors contributed to the substantially high bid. The Project estimate had been initially prepared in 2010, updated in 2012, and adjusted to 2014 cost escalation. From approximately 2010 through 2012, escalation was relatively flat. Recently, escalation has spiked dramatically higher than anticipated due to a robust construction market. Other factors that contributed to the high bid are the remoteness of the site, the lack of available utilities, and the relatively small size of the project. The District estimate did not take into account the difficulty in bringing concrete to the site, the special inspections required, the lack of water on site, and the requirement to complete spot abatement of lead paint where new repair work is completed. In addition, two necessary scope items were added after the original cost estimate was prepared: a) cleaning the structure interior of rodent droppings and dead birds; and b) removing two catch basins and a storm drain pipe.

Proposed Re-Bid

Staff is evaluating opportunities for Project scope reduction with the architect and structural engineer. Potential scope modifications, which would provide cost-savings may include:

- Reducing the first floor concrete infill to just the openings on the east side where the most severe earthquake damage has occurred and where concrete is structurally required; infilling all other first floor openings with galvanized sheet metal panels;
- Where deemed feasible, leaving all existing openings already filled with metal intact and not replacing with new sheet metal;
- Removing the clean-up scope from the scope of work; proposals can be obtained directly from rodent control companies to complete this work separately;
- Removing the catch basin & storm drain work from the scope of work; work can be completed at a later date with either District crews or as a component of the future summit restoration project;

- Re-evaluating the special inspection requirements to determine if the scope can be reduced or the design modified to limit the number of special inspections;
- Assessing the completion of spot abatement of lead paint under a separate contract directly with the District.

These potential scope modifications will be further evaluated to determine which combination, and what other modifications, are most appropriate for the Project without compromising the goals of the interim repair. The Project goals are to complete near-term repairs that secure and stabilize the structure to provide members of the community who are interested in preserving the radar tower an opportunity within five years (as of the 2012 Board action) to seek partnerships and to develop viable preservation options for the radar tower before the Board makes a final long-term decision on the radar tower (refer also to attached Board Resolution). In addition, staff will assess the impacts of proposed scope reductions on the overall project cost, including costs for re-design, cost for additional regulatory reviews, and the cost of schedule delay associated with completing the scope reductions and re-issuing the bid package. Project scope modifications will be reviewed and approved by the General Manager prior to reissuing the Request for Bids.

FISCAL IMPACT

Rejection of bids results in no fiscal impact to the District's capital budget.

BOARD COMMITTEE REVIEW

This item was not previously reviewed by a Committee. As noted above, the full Board approved the completion of interim repairs for the radar tower in 2012.

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 (R-12-59), the Board approved the adoption of a Final Environmental Impact Report for the Mount Umunhum Environmental Restoration and Public Access Project, which included an environmental analysis of the radar tower interim repairs.

NEXT STEPS

Upon approval by the Board of Directors, the General Manager will reject all bids and direct staff to proceed with scope reductions and re-bid the Project.

Attachments

1. Board Resolution 12-40

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