

RESOLUTION NO. 2020-110

A RESOLUTION OF THE CITY OF MARINA AWARDING THE STOCKADE COMPLEX HAZARDOUS MATERIAL ABATEMENT AND BUILDING REMOVAL PROJECT TO RESOURCE ENVIRONMENTAL INC. OF LONG BEACH, CALIFORNIA FOR THE AMOUNT OF \$1,165,000.00, ACCEPTING THE PROJECT SPECIFICATIONS, AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT DOCUMENTS AND ALL CHANGE ORDERS ON BEHALF OF THE CITY SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY, APPROPRIATING \$2,050,000 IN FUNDS RECEIVED FROM THE FORMER FORT ORD REUSE AUTHORITY TO THE STOCKADE REMOVAL PROJECT (HSF2101), AND AUTHORIZING THE FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES

WHEREAS, on January 22, 2020, the City Council of the City of Marina adopted Resolution No. 2020-07, approving a Memorandum of Agreement between the City of Marina and the former Fort Ord Reuse Authority (FORA), for project management for the hazardous material and building removal of the City of Marina's stockade and ancillary buildings; and Authorizing City Manager to execute the Memorandum of Agreement on behalf of the City, subject to final review and approval by City Attorney.

WHEREAS, on June 9, 2020 the City Manager executed the Memorandum of Agreement between the City and FORA and the City received the funds in the amount of \$2,050,000.00, and;

WHEREAS, the City has received and deposited the \$2,050,000 into the FORA Dissolution Fund; and,

WHEREAS, On March 17, 2020, the City Council of Marina adopted Resolution 2020-24 approving advertising and call for bids for the Stockade Hazardous Material and Building Removal Project, and;

WHEREAS, the project was renamed to Stockade Complex Hazardous Material Abatement and Building Removal Project and sent out for bid solicitation on June 23, 2020, and;

WHEREAS on July 28, 2020, eight (8) sealed bids were received, opened, and publicly read via live video feed for the Stockade Complex Hazardous Material Abatement and Building Removal Project and;

WHEREAS, the lowest bid total is \$1,165,000.00 from Resource Environmental Inc. of Long Beach, California. This bid was received, reviewed, and found to be responsive. Staff checked references and feedback from previous customers are favorable and the company has extensive experience in hazardous material abatement and building demolition, and;

WHEREAS, the estimated cost to execute the work is \$1,804,100. This cost includes, \$1,165,000 construction cost, \$233,000 (20%) in construction contingency, \$331,100.00 for construction management and inspections, \$75,000 for project design, management and closeout, and;

WHEREAS, The City of Marina Planning Division determined that the award of a contract for the demolition of the stockade is not a project under CEQA guidelines §15060 and §15378. The activity of demolition of the stockade complex is a project and is exempt from CEQA pursuant to §15301 Existing Facilities. The project is also not subject to §15300.2. Exceptions, in that the stockade complex is not an eligible historic resource, as evaluated in the 1997 Fort Ord Reuse Plan Environmental Impact Report (SCH 96013022), and, therefore, the project will not impact historic resources.

As part of the continuing base reuse process, existing buildings containing asbestos and lead-based paint will be demolished, posing a potential hazard to people or animal populations in the immediate demolition area. It has been assumed that contaminated sites at former Fort Ord will be remediated to a level commensurate with proposed land uses. Clean-up levels are being determined subsequent to the site identification and characterization process outlined in the Other Physical Attributes Environmental Baseline Study (U.S. Army Corps of Engineers, Sacramento District 1992e). The results of the process are described in the Basewide RI/FS (Harding Lawson Associates 1994) and the Final Supplemental Environmental Impact Statement (U.S. Army Corps of Engineers, Sacramento District 1996).

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marina to:

1. Adopt Resolution No. 2020-, awarding the Base Bid and Additive Alternate Bid for the Stockade Complex Hazardous Material Abatement and Building Removal Project to Resource Environmental Inc. of Long Beach, California in the amount of \$1,165,000, and;
2. Authorize the City Manager to execute contract documents and all change orders on behalf of the City subject to final review and approval by the City Attorney, and;
3. Appropriating \$2,050,000 in funds received from the former Fort Ord reuse Authority to the stockade removal project (project #HSF2102), and,
4. Authorize Finance Director to make necessary accounting and budgetary entries; and

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 21st day of August 2020, by the following vote:

AYES: COUNCIL MEMBERS: Berkley, O'Connell, Morton, Delgado

NOES: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

Bruce Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

**Stockade Complex Hazardous Material Abatement
and Building Removal**

THIS AGREEMENT, made and entered into this _____ day of _____, 20____, by and between Marina, a municipal corporation of the State of California, hereinafter called "City," and Resource Environmental Inc. , hereinafter called "Contractor,"

W I T N E S S E T H:

FIRST: Contractor hereby covenants and agrees to furnish and provide all labor, materials, tools, appliances, equipment, plant and transportation, and all other things required or necessary to be furnished, provided or done, and build, erect, deconstruct and complete the work at the time and in the manner provided, and in strict accordance with the plans and specifications therefore, for the **Stockade Complex Hazardous Material Abatement and Building Removal project** at the City of Marina, CA.

SECOND: It is expressly understood and agreed that this contract consists of the following documents, all of which are incorporated into this agreement and made a part hereof as fully and completely as if set forth herein verbatim, to wit:

- a. Notice Inviting Sealed Proposals;
- b. Instructions to Bidders and General Conditions;
- c. Signed and executed Bid and Proposal of Contractor, as accepted by City;
- d. Plans and Specifications for the project;
- e. Standard Plans and Standard Specifications, City of Marina, 2006 Edition
- f. Special Provisions of the Contract
- g. And this Agreement.

THIRD: That said Contractor agrees to receive and accept the following prices as full compensation for furnishing all materials and for doing all the work embraced and contemplated in this Agreement and as set forth in the Proposal adopted by the City of Marina, a true copy thereof hereto attached, also, for all loss or damage arising out of the nature of said work, or from the action of the elements or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until the acceptance thereof by the City of Marina and for all risk connected with the work, and for well and faithfully completing the work, and the whole thereof, in the manner and according to the said Plans and Specifications and the provisions of this Agreement, and the requirements of the Engineer under them, to wit: The prices as set forth in the Proposal of said Contractor for the work to be constructed and completed under this Agreement, which prices shall be considered as though repeated herein.

One Million One Hundred Sixty-Five Thousand Dollars (\$1,165,000.00)

The undersigned Contractor further agrees to so plan the work and to prosecute it with such diligence that said work, and all of it, shall be completed on or before the expiration of the time specified in the Special Provisions after execution of the contract on behalf of the City of Marina and the receipt from the City of Marina of a notice to proceed with the work.

FOURTH: The City of Marina hereby promises and agrees with said Contractor to employ, and does hereby employ, said Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to, for the price aforesaid, and hereby contracts to pay the same at the time, in the manner and upon the conditions set forth in the Specifications; and the said parties, for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.

FIFTH: No interest in this agreement shall be transferred by the Contractor to any other party, and any such transfer shall cause the annulment of this contract, so far as the City of Marina is concerned. All rights of action, however, for any breach of this contract are reserved to City.

SIXTH: Contractor shall keep harmless and indemnify the City of Marina, its officers and employees and agents, from all loss, damage, cost or expense that arises or is set up for infringement of patent rights of anyone for use by the City of Marina, its officers, employees or agents, of articles supplied by the Contractor under this contract, of which he is not entitled to use or sell. Contractor agrees to, at his own cost and expense, defend in court the City, its officers, agents and employees, in any action which may be commenced or maintained against them or any of them, on account of any claimed infringement of patent rights, arising out of this agreement.

SEVENTH: The Contractor agrees to immediately repair and replace all defective material and workmanship discovered within one year after acceptance of final payment by Contractor and to indemnify said City of Marina against all loss and damage occasioned by any such defect, discovered within said year, even though the damage or loss may not be ascertained until after the expiration thereof. Provided, however, that if such failure of the Contractor to perform should not, by reasonable diligence, be discoverable or discovered within said one year, then the obligation of the Contractor to repair and replace said defective material or workmanship shall continue until one year after the actual discovery thereof.

EIGHTH: The Contractor agrees at all times during the progress of the work to carry with insurance carriers approved by the City of Marina full coverage workmen's compensation and public liability insurance. Such insurance policy shall contain an endorsement that the same shall not be canceled nor the amount of coverage be reduced until at least 30 days after receipt by the City of Marina by certified or registered mail of a written notice of such cancellation or reduction in coverage.

NINTH: Contractor agrees to comply with all applicable federal, state and municipal laws and regulations, including but not limited to California Labor Code Division 2, Part 7, Chapter 1.

TENTH:

(a) The City is subject to laws relating to public agencies which are part of this contract as though fully set forth herein.

(b) Contractor shall comply with City of Marina Municipal Code Chapter 13.02 Local Hiring for Public Works.

(c) Contractor shall comply with laws relating to the work.

ELEVENTH:

(a) Other than in the performance of professional services by a design professional, which shall be solely as addressed by subsection (b) below, and to the full extent permitted by law, Contractor shall indemnify, defend (with independent counsel reasonably acceptable to the City) and hold harmless City, its Council, boards, commissions, employees, officials and agents ("Indemnified Parties" or in the singular "Indemnified Party") from and against any claims, losses, damages, penalties, fines and judgments, associated investigation and administrative expenses, and defense costs including but not limited to reasonable attorneys fees, court costs, expert witness fees and costs of alternate dispute resolution (collectively "Liabilities"), where same arise out of the performance of this Agreement by Contractor, its officers, employees, agents and subcontractors, excepting only to the extent same result from the sole negligence, active negligence or willful misconduct of City, its employees, officials, or agents.

(b) To the fullest extent permitted by law (including without limitation California Civil Code Sections 2782.8), when the services to be provided under this Agreement are design professional services to be performed by a design professional, as that term is defined under said section 2782.8, Contractor shall indemnify, protect, defend (with independent counsel reasonably acceptable to the City) and hold harmless City and any Indemnified Party for all Liabilities regardless of nature or type that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Contractor, or the acts or omissions of an officer, employee, agent or subcontractor of the Contractor, excepting only to the extent liability arises from the sole negligence, active negligence or willful misconduct of City.

(c) All obligations under this section are to be paid by Contractor as incurred by City. The provisions of this Section are not limited by the provisions of sections relating to insurance including provisions of any worker's compensation act or similar act. Contractor expressly waives its statutory immunity under such statutes or laws as to City, its employees and officials. Contractor agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subcontractor, sub tier contractor or any other person or entity involved by, for, with or on behalf of Contractor in the performance or subject matter of this Agreement. In the event Contractor fails to obtain such indemnity obligations from others as required here, Contractor agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder.

(d) If any action or proceeding is brought against any Indemnified Party by reason of any of the matters against which the Contractor has agreed to defend the Indemnified Party, as provided above, Contractor, upon notice from the City, shall defend any Indemnified Party at Contractor's expense by counsel reasonably acceptable to the City. An Indemnified Party need not have first paid for any of the matters to which it is entitled to indemnification in order to be so defended.

(e) This obligation to indemnify and defend City, as set forth herein, is binding on the successors, assigns, or heirs of Contractor and shall survive the termination of this Agreement or this Section.

TWELFTH: In the event of any controversy, claim or dispute relating to this Agreement, or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees and costs.I

N WITNESS WHEREOF, the parties to these presents have hereunto set their hands the year and date first above written.

CONTRACTOR

CITY OF MARINA

By:_____

By:_____

Layne P. Long, City Manager

Print Name:_____

Date:_____

Address: _____

Date:_____

APPROVED AS TO FORM:

By:_____

By:_____

Robert Wellington, City Attorney

Date:_____

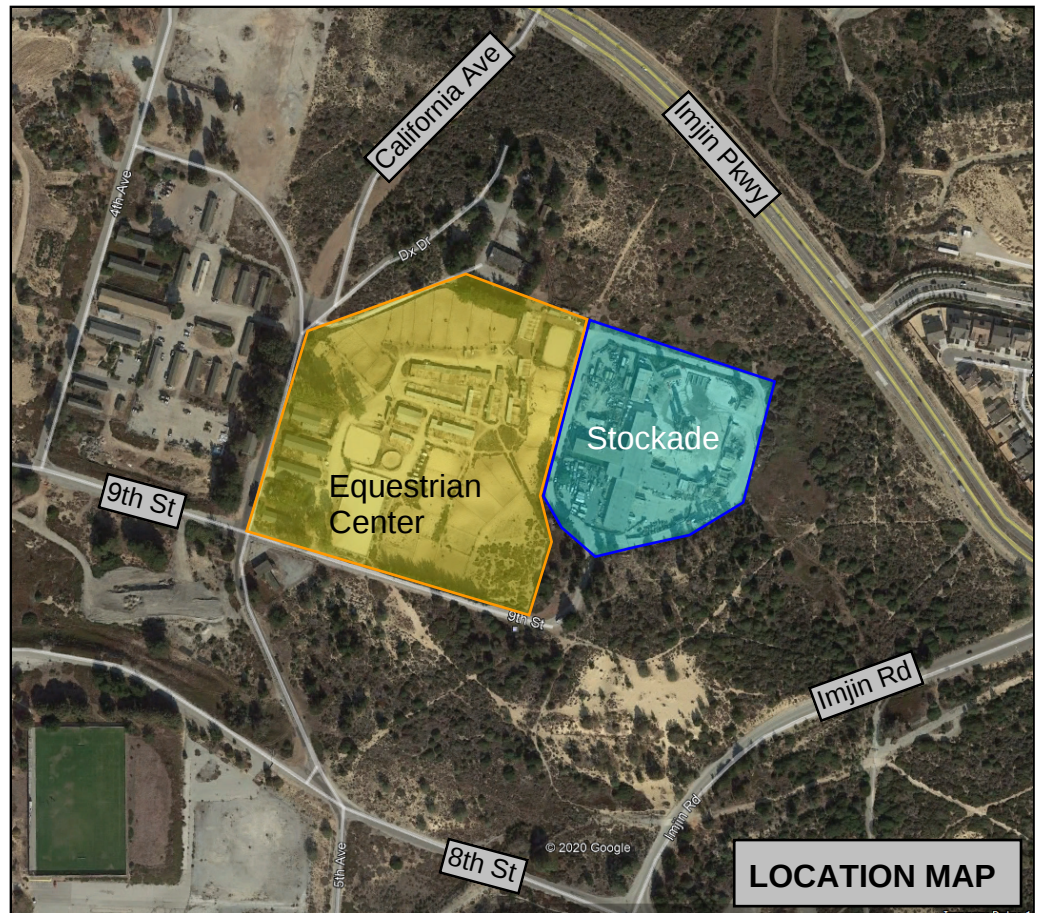
Date:_____

ATTESTED:

Anita Shepherd-Sharp, Deputy City Clerk

Date:_____

Resolution No. 2020-__



PUBLIC WORKS DEPARTMENT
CITY OF MARINA
211 HILLCREST AVENUE
MARINA, CALIFORNIA 93933

PH: (831) 884-1212
FAX: (831) 384-0425



Stockade Complex
Hazardous Material
Abatement and Building
Removal
CIP No. HSF2101

SCALE: NONE

08/12/2020

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of August 18, 2020

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2020-,
AWARDING THE STOCKADE COMPLEX HAZARDOUS MATERIAL
ABATEMENT AND BUILDING REMOVAL PROJECT TO RESOURCE
ENVIRONMENTAL, INC. OF LONG BEACH, CALIFORNIA FOR THE
AMOUNT OF \$1,165,000.00, AUTHORIZING THE CITY MANAGER TO
EXECUTE CONTRACT DOCUMENTS AND ALL CHANGE ORDERS ON
BEHALF OF THE CITY SUBJECT TO FINAL REVIEW AND APPROVAL
BY THE CITY ATTORNEY, APPROPRIATING \$2,050,000 IN FUNDS
RECEIVED FROM THE FORMER FORT ORD REUSE AUTHORITY TO
THE STOCKADE REMOVAL PROJECT (HSF2101), AND
AUTHORIZING THE FINANCE DIRECTOR TO MAKE NECESSARY
ACCOUNTING AND BUDGETARY ENTRIES**

REQUEST:

It is requested that the City Council consider the following action:

1. Adopting Resolution No. 2020-, awarding the Base Bid and Additive Alternate Bid for the Stockade Complex Hazardous Material Abatement and Building Removal Project to Resource Environmental Inc. of Long Beach, California in the amount of \$1,165,000, and,
2. Authorizing the City Manager or designee to execute contract documents and all change orders on behalf of the City subject to final review and approval by the City Attorney, and,
3. Appropriating \$2,050,000 in funds received from the former Fort Ord reuse Authority (FORA) and deposited into the FORA Dissolution Fund for the stockade removal project (project #HSF2102), and,
4. Authorizing Finance Director to make necessary accounting and budgetary entries.

BACKGROUND:

On January 22, 2020, the City Council of the City of Marina adopted Resolution No. 2020-07, approving a Memorandum of Agreement between the City of Marina and the former Fort Ord Reuse Authority (FORA), for project management of the hazardous material and building removal of the City of Marina's stockade and ancillary buildings; and Authorizing City Manager to execute the Memorandum of Agreement on behalf of the City, subject to final review and approval by City Attorney.

The Fort Ord Reuse Authority received and rejected two bids received for RFP1 Stockade Hazardous Materials and Building Removal on March 19, 2020.

FORA's contract with Don Chapin to detach, cap, and repair the underground wet utilities at the Stockade, was completed and Notice of Completion was accepted by FORA on May 22, 2020.

FORA's contracts with Harris and Associate for project management and Vista Environmental for hazardous material removal monitoring services were cancelled and closed when the Fort Ord Reuse Authority sunset on June 30, 2020.

City Manager executed the Memorandum of Agreement on behalf of the City on June 9, 2020 and FORA transferred funding in the amount of \$2,050,000 to the City of Marina for the execution of work to abate hazardous materials and demolish the buildings included in the Stockade Complex.

On March 17, 2020, the City Council of Marina adopted Resolution 2020-24 approving the advertisement and call for bids for the Stockade Hazardous Material and Building Removal Project. The project was renamed to Stockade Complex Hazardous Material Abatement and Building Removal Project and sent out for bid solicitation on June 23, 2020.

Stockade Complex includes, a Stockade Building (B4953), a Maintenance Building (B4954), a Generator Building (B4955), a Sewage Pump Station (B4957), a Storage Building (B4951) and three Guard towers (B4950, B4952 and B4956) and associated paved areas. Maintenance Building (B4954) is not included on this work as it is currently leased by Las Animas.

The scope of the work for this project includes, but not limited to; Base bid, the removal and proper disposal of all hazardous materials at the project site including tenacious asbestos skim coat (or wall plaster) unique to Fort Ord Buildings and Additive Alternate bid, demolition and removal of the buildings, including associated foundations and sub-surface elements of the City of Marina's Stockade Complex and restoration of the disturbed ground surface.

ANALYSIS:

Staff and the Wallace Group Program Manager consulted with FORA and California State University Monterey Bay staff and their consultants who have worked on building demolition projects on the former Fort Ord. Based on feedback received, the bid solicitation specifications were modified to minimize move in costs for the contract. The scope of work was further clarified by excavating to expose the depth of building foundation in two locations, taking core samples of the building slab floors to determine thickness and strength, and an approximate quantity of concrete footings was provided as a basis for bids. Staff was not able to find building construction drawings despite extensive research.

Staff also identified limited construction management and inspection by FORA on previous demolition projects which can lead to claims that are more difficult to substantiate and negotiate with contractors. Demolition projects, especially projects with limited documentation of construction, require closer oversight and documentation on behalf of the owner. The proposed budget in the fiscal section below conservatively estimates an appropriate level of oversight.

On July 28, 2020, eight sealed bids were received, opened, and publicly read via live video feed for the Stockade Complex Hazardous Material Abatement and Building Removal Project.

Eight (8) bids were received as follows:

Name of Company and Address	Base Bid (BB)	Additive Alternate Bid (AAB)	Total Bid (BB +AAB)

Resource Environmental Inc., Long Beach, CA	\$680,000.00	\$485,000.00	\$1,165,000.00
Silicon Valley Demolition Inc. Morgan Hill, CA	\$677,172.30	\$492,554.70	\$1,169,727.00
CVE Contracting Group Fresno, CA	\$677,762.00	\$610,000.00	\$1,287,762.00
Asbestos Management Group Oakland, CA	\$532,609.00	\$765,363.00	\$1,297,972.00
Brannon Corporation Morgan Hill, CA	\$827,401.00	\$498,150.00	\$1,325,551.00
PARCS Environmental Fresno, CA	\$680,944.50	\$742,815.0	\$1,423,759.50
Clauss Construction Lakeside, CA	\$725,961.50	\$724,289.00	\$1,450,250.50
Bowen Engineering Fresno, CA	\$955,500.00	\$522,500.00	\$1,478,000.00
JM Environmental, Inc. Roseville, CA	\$2,816,000.00	\$1,429,000.00	\$ 4,245,000.00

The Engineer's estimate includes a Base Bid of \$849,395.00 and an Additive Alternate bid of \$698,525.00 for a Total bid of \$1,547,920.00.

The lowest bid total is \$1,165,000.00 from Resource Environmental Inc. of Long Beach California. This bid was received, reviewed, and found to be responsive. This company has not worked on city projects but had worked with neighboring agencies such as CSUMB and FORA on similar projects. Staff checked references and sought feedback from previous customers which were favorable, and the company has extensive experience in hazardous material abatement and building demolition.

The work included in this contract award requires conformance to the state prevailing wage provisions described in the project specifications.

FISCAL IMPACT:

Following is the estimated expenditure to execute the project to completion.

Estimated Expense	Amount
Construction Contract	\$1,165, 000
Contingency (20%)	\$ 233,000
Construction Management and Inspection	\$ 331,100
Project Design, Management and Closeout	\$ 75,000
Total	\$1,804,100

If approved by City Council, adequate funding for the project has been provided by the transfer of funds from FORA in the amount of \$2,050,000. Any funds remaining upon completion of the project can be redirected to other blight removal efforts.

California Environmental Quality Act (CEQA)

The City of Marina Planning Division determined that the award of a contract for the demolition of the stockade is not a project under CEQA guidelines §15060 and §15378. The activity of demolition of the stockade complex is a project and is exempt from CEQA pursuant to §15301 Existing Facilities. The project is also not subject to §15300.2. Exceptions, in that the stockade complex is not an eligible historic resource, as evaluated in the 1997 Fort Ord Reuse Plan

Environmental Impact Report (SCH 96013022), and, therefore, the project will not impact historic resources.

As part of the continuing base reuse process, existing buildings containing asbestos and lead-based paint will be demolished, posing a potential hazard to people or animal populations in the immediate demolition area. It has been assumed that contaminated sites at former Fort Ord will be remediated to a level commensurate with proposed land uses. Clean-up levels are being determined subsequent to the site identification and characterization process outlined in the Other Physical Attributes Environmental Baseline Study (U.S. Army Corps of Engineers, Sacramento District 1992e). The results of the process are described in the Basewide RI/FS (Harding Lawson Associates 1994) and the Final Supplemental Environmental Impact Statement (U.S. Army Corps of Engineers, Sacramento District 1996).

CONCLUSION:

The City Council may reject approval of the requested items; however, it is not recommended as it is not consistent with the City Council's previous actions on Resolution 2020-07, approving Memorandum of Agreement between the City and FORA and Resolution 2020-24, authorizing advertisement and call for bids for the Stockade Hazardous Material and Building Removal Project.

Therefore, the staff recommends approval to the items requested and adopt a resolution to award contract to Resource Environmental Inc. for the execution of the Stockade Complex Hazardous Material Abatement and Building Removal Project. (“EXHIBIT A”)

Respectfully submitted,

Elvira Morla-Camacho, P.E., QSD
Project Management Services
Wallace Group

REVIEWED/CONCUR:

Brian McMinn, P.E., P.L.S.
Public Works Director/City Engineer
City of Marina

Layne P. Long
City Manager
City of Marina