



July 12, 2018

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Agreement for Demolition and Clearance Services for the OC Streetcar Project in the City of Santa Ana – Residential Property

Overview

On May 9, 2018, the Orange County Transportation Authority issued an invitation for bids for the right-of-way demolition and clearance services for the OC Streetcar project. Bids were received in accordance with the Orange County Transportation Authority's public works procurement procedures. Board of Directors' approval is requested to execute the agreement.

Recommendations

- A. Find SoCal Removal, the apparent low bidder, as non-responsive for failure to meet the asbestos removal specialty license requirement.
- B. Find Joshua Grading and Excavating, Inc., the second low bidder, as non-responsive for failure to meet the asbestos removal specialty license requirement.
- C. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-8-1622 between the Orange County Transportation Authority and Sandwood Enterprises, Inc., the lowest responsive, responsible bidder, in the amount of \$89,000, for demolition and clearance services for the OC Streetcar project in the City of Santa Ana – Residential Property.

Discussion

The OC Streetcar project (Project) design identified the need for a full fee right-of-way acquisition of a residential property in the City of Santa Ana (City) for the development of the Project's maintenance and storage facility.

The property needs to be cleared as part of the Project. Prior to the proposed construction of the Project, contractor services are required to remove property improvements from the property, which include five vacant single-story detached housing apartments, hazardous materials, and other impediments. The former housing occupants were all relocated off the property in accordance with federal and state laws and regulations, Federal Transit Administration guidelines, as well as the Orange County Transportation Authority's (OCTA) Real Property Department policies and procedures.

Procurement Approach

The procurement was handled in accordance with OCTA's Board of Directors-approved procedures for public works projects. These procedures, which conform to both federal and state requirements, require that contracts are awarded to the lowest responsive, responsible bidder after a sealed bidding process.

Invitation for Bids (IFB) 8-1622 was released on May 9, 2018, through OCTA's CAMM NET system. The Project was advertised on May 9 and May 16, 2018, in a newspaper of general circulation. A pre-bid conference and job-walk was held on May 17, 2018, and was attended by 12 firms. One addendum was issued to provide the pre-bid conference registration sheets and handle administrative issues related to the IFB. On June 6, 2018, nine bids were received and publicly opened.

All bids were reviewed by staff from both Contracts Administration and Materials Management (CAMM) and Real Property departments to ensure compliance with the contract terms and conditions, and technical specifications. The list of bidders and bid amounts is presented below:

| <u>Firm and Location</u> | <u>Bid Amount</u> |
|---|-------------------|
| SoCal Removal Irvine, California | \$55,000 |
| Joshua Grading and Excavating, Inc. Phalen, California | \$72,403 |
| Sandwood Enterprises, Inc. (Sandwood) Orange, California | \$89,000 |
| Interior Demolition, Inc. Montrose, California | \$89,000 |

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| National Demolition Contractors San Pedro, California | \$93,377 |
| Vizion's West, Inc. Menifee, California | \$105,150 |
| Integrated Demolition and Remediation, Inc. Anaheim, California | \$108,370 |
| Resource Environmental, Inc. Long Beach, California | \$195,000 |
| American Integrated Services Wilmington, California | \$215,000 |

The engineer's estimate for the Project was \$108,000. The recommended firm's bid is 18 percent below the engineer's estimate and is considered by staff to be fair and reasonable.

The apparent low bidder was deemed non-responsive for failure to meet the specialty asbestos removal license requirement.

The second low bidder was deemed non-responsive for failure to meet the specialty asbestos removal license requirements.

A tie bid resulted between Interior Demolition, Inc., and Sandwood as both firms submitted bids in the amount of \$89,000, and were both deemed to be responsive and responsible.

In accordance with Government Code Section 53064, OCTA's CAMM Policy, Section VI, and after consulting with OCTA General Counsel, an award determination by lot was conducted on June 27, 2018. Sandwood's name was drawn and the firm was the declared lowest responsive, responsible bidder.

State law requires award to the lowest responsive, responsible bidder. As such, staff recommends award to Sandwood, the lowest responsive, responsible bidder, in the amount of \$89,000, for demolition and clearance services for the Project in the City – Residential Property.

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Fiscal Impact

The funding for the Project is included in OCTA's Fiscal Year 2018-19 Budget, Capital Programs Division, accounts 0051-9017-TS010-Z41 and 0051-9017-TS010-999, and is funded with local transportation and New Starts Program funds.

Summary

Based on the information provided, staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute Agreement No. C-8-1622 between the Orange County Transportation Authority and Sandwood Enterprises, Inc., the lowest responsive, responsible bidder, in the amount of \$89,000, for demolition and clearance services for the OC Streetcar project in the City of Santa Ana – Residential Property.

Attachment

- A. Project Location Map (2016-2020 W. 5th St, Santa Ana)

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