DEPARTMENT: Public Works

RECOMMENDED ACTION AND JUSTIFICATION:
Authorize the Chairman of the Board to Execute a Professional Services Agreement with Roy Chriswell for on-site inspection services for the construction of the building and related facilities for the Compost Facility in an amount not-to-exceed $60,000.

(please refer to the October 25, 2004 memorandum prepared by Mr. Fred Solomon).

BACKGROUND AND HISTORY OF BOARD ACTIONS:
On September 23, 2004 the Board of Supervisors authorized the Public Works Director to enter into a contract for on-site construction supervision/inspection and inspection in an amount not to exceed $75,000. The United States Department of Agriculture requires that an approved construction inspector, meeting their qualifications, is present on-site during construction activities.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
1) Negative action would not allow the County to meet one of the USDA's loan requirements at this time.

Financial Impact? ( x ) Yes ( ) No
Budgeted In Current FY? (X) Yes ( ) No ( ) Partially Funded
Amount in Budget: $ ____________
Additional Funding Needed: $ ____________
Source:
Internal Transfer
Unanticipated Revenue
Transfer Between Funds
Contingency
( ) General ( ) Other

Annual Recurring Cost: $ ____________

List Attachments, number pages consecutively
Solomon to Hertfelder October 25, 2004 memo
Diversion to Solomon 1/27/04
Concept designs letter 1/27/04
Chriswell letter 1/27/04, resubmit
Exhibit A- Project Agreement

CLERK'S USE ONLY:
Res. No. 2004-1532 Ord. No. ____
Vote – Ayes: 5 Noes: ____
Absent: ______
( ) Approved
( ) Minute Order Attached ( ) No Action Necessary

The foregoing instrument is a correct copy of the original on file in this office.
Date: ________
Attest: MARGIE WILLIAMS, Clerk of the Board
County of Mariposa, State of California
By: Deputy

COUNTY ADMINISTRATIVE OFFICER:
( ) Requested Action Recommended
( ) No Opinion
Comments:

________________________
________________________
________________________
________________________

CAO: ________

Revised Dec. 2002
MEMO

To: Dana Hertfelder, Interim Director of Public Works
From: Fred S. Solomon
Date: October 25, 2004
Re: Award of Contract for Mixed Solid Waste Compost Facility

Recommended Action

1. Request the Board of Supervisors to transfer $875,000 from the General Contingency Fund to Compost Fund 604

2. Award a contract to Dick Anderson Construction, Inc. in the amount of $4,965,000 for the construction of the compost facility building and related work and authorize the Chairman of the Board of Supervisors to execute the contract subject to the concurrent execution of a Change Order by Dick Anderson Construction, Inc. in the deductive amount of $815,500.

3. Approve an amendment to the contract with Concept Design to revise the plans and specifications to reflect the changes resulting in the cost savings of $815,500 in the amount of not-to-exceed $50,000 and authorize the Chairman of the Board to execute the contract amendment.

4. Authorize the Chairman of the Board to execute a personal services agreement with Roy Chriswell for on-site inspection services in the amount of $60,000, pursuant to the attached proposal submitted by Mr. Chriswell and as required by the United States Department of Agriculture Rural Development under the terms of the loan and grant.

Discussion

On September 17, 2004 the County of Mariposa received bids for the construction of the building to house the compost system and for related work including a new recycling center. Four General Contractors purchased plans and specifications, however two participated throughout the bid process and two never made any contact during this time. One of the General Contractors withdrew hours before the bids were due because they were unable to get a price for one of the specified alternate steel building
manufacturers in time to submit a bid. One bid was received from Dick Anderson Construction, Inc.

The bid of Dick Anderson Construction, Inc was in the amount of $4,965,000, exceeding the budget of $3,551,000. The cost overrun is largely attributable to the impact on the world markets for cement and steel occasioned by China’s cornering of those markets, and by the uncertainty associated with the major rock outcroppings and serpentine rock existing on the site. In the ensuing period since the bid, Larry Crump of Concept Design, Dick Anderson Construction, Inc. and I met to review changes to the plans and specifications and assumptions made by Dick Anderson Construction related in particular to grading, in an effort to reduce the cost of the project while maintaining the function of the building in carrying out the composting process. All resulting changes were reviewed with Engineered Compost Systems (ECS) to assure that the compost process would not be impacted. The review and changes have resulted in cost savings of $815,500 in the construction cost. A listing of the proposed changes accompanies this report. The revisions to the plans and specifications necessitated by the cost reduction changes will cost an amount not-to-exceed $50,000 and requires a contract amendment with Concept Design in that not-to-exceed amount.

Pursuant to the bid documents, the bid of Dick Anderson Construction, Inc. may be withdrawn 60 days after the September 17 bid date. Therefore, it is incumbent upon the County to consider the award no later than the Board of Supervisor’s meeting of November 9, 2004. Award of the contract will require appropriation of $875,000 from the General Contingency Fund to the Compost Fund 604. The amount requested includes a contingency amount of $200,000 to cover unforeseen costs of construction. An additional $25,000 of contingency funds are also included in the amount requested to cover unforeseen costs for work other than construction. I am attaching a project encumbrance report which was prepared based on the project status as of September 30, 2004.

Roy Chriswell, a Mariposa resident, has agreed to provide on-site inspection services as required under the loan/grant agreement with the USDA. I am attaching a letter of proposal from Mr. Chriswell and a copy of his resume. I have worked on two projects on which Mr. Chriswell was involved; the amphitheater and library projects. I recommend
his employment for this project. Mr. Chriswell will not provide liability or auto insurance as normally required under the County's personal services agreements. He has no independent decision making authority and does not utilize his automobile in the conduct of his work. It is not likely that any single employee independent inspector would have such insurance. Mr. Chriswell is self-employed and will not hire workers in the performance of his duties and will not be required to submit Worker's Compensation Insurance. I recommend that the insurance provisions be waived.

Impact of the Failure to Award

There are significant consequences should the Board of Supervisors not take the requested actions.

1. The County will not meet its obligation to comply with AB 939 and the Integrated Waste Management Board of the State of California (CIWMB). The CIWMB may impose fines of $10,000 for each day the County fails to comply with the provisions of AB 939.

2. The remaining space in the currently operating cell (area for disposal) at the landfill will continue to diminish. The opening of the final remaining cell and the closing of the currently operating cell will cost significantly more than the compost project.

3. The Board of Supervisors has considered alternatives to the compost project and rejected them as impacting the landfill remaining disposal area or resulting in a tipping fee which would be excessive to landfill users.

4. The County has accepted a loan from the USDA in the amount of $3,200,000 and has a debt service obligation for that loan. While no funds have been expended from the loan proceeds, there will be costs associated with retiring the bonds. I do not know if legal issues would impact the retirement of the bonds.

5. The County has been granted $1,800,000 by the USDA for the project, which would be lost.

6. The County has received a grant from the National Park Service in the amount of $1,712,000 for the development of the project. The grant would be lost and I would assume the County would have to repay the National Park Service the approximately $722,000 of those funds expended to date.
Perhaps more importantly, this project is of great importance to the National Park Service and the County's continuing ability to service the Park's disposal needs. I do not know what the legal consequences are of terminating agreements between the National Park Service relating to the grant and the County's obligation to accept solid waste from the Park.

7. The County, over the years it has studied this issue and decided the process to be used, has expended hundreds of thousands of dollars which would have been for no gain.

8. The County has entered into a contract with Dick Anderson Construction/Engineered Compost Systems in the amount of $2,896, 400 for the design and construction of the compost system. There is a financial obligation should this contract be cancelled. Basic expenses against the contract exceed $270,000 as of this date.

While it is regrettable that the cost of construction has exceeded our budget, the ramifications of not proceeding with this project at this time far outweigh the added project cost. On the other hand, the County has been fortunate to have entered into a contract for the compost system when it did because the major concrete and steel costs associated with that portion of the work have not been impacted by significant cost increases as mentioned above. These cost increases have exceeded 35 percent over the past 6 to 9 months.

The recommended actions should be taken.
October 18, 2004

To: Fred Solomon

From: Derek Didriksen, Dick Anderson Construction

Re: Change Order #1 – Mariposa Composting Facility

Fred,

The following describes the items to be included in Change Order #1.

1) The area of the building that houses the drying room and the composting room has been reduced from (180’ x 185’-6") to (165’ x 161’-10"). The end bay as shown on sheet S2 from grid line 1 to 2 will be deleted. The south wall of the drying room along grid line E will remain in its current location on the site with the dimension between grid lines D and E revised to 11’-6" and the dimension between gridlines A and B revised to 18’-6".

   a. Direct Job Costs – This change will result in reduced direct job costs for Dick Anderson Construction. Deduct $13,758.00

   b. Site Grading – The quantity of cut material as well as engineered fill under the slab is reduced due to the revised building dimensions - $17,000.00

   c. Building excavation and backfill – (2) type B concrete pad footing as shown on sheet S2 will be eliminated due to this change (Grids A-1 and E-1). Excavation and backfill for these footing is deducted for $2,500.00

   d. Rock Excavation – Rock excavation for the (2) pad footings described in item (c) can be eliminated. – Deduct $1,500.00

   e. Anchor Bolts – The metal building rigid frame shown along grid line 1 on sheet S2 will be deleted resulting in reduced anchor bolts. – Deduct $35.00

   f. Fine grading for the slab on grade is reduced by 6,688 sqft. – Deduct $850.00

   g. The (2) concrete pads and piers described in item (e) along with 6,688 sqft of concrete slab will be eliminated. - $56,910.00

   h. Due to the building size reduction ASP Zone 8 will be eliminated. This is shown on sheet A2.1. The following credit is for removal of the trench drains associated with this work - $4,500.00

   i. Due to the removal of one metal building frame grouting of two of the column bases will no longer be required. - $15.00

   j. Deletion of the trench drain as described in item (h) will result in reduced quantity of concrete K- Rail as shown on sheet S2. - $675.00

   k. Deletion of the rebar associated with the concrete work described in item (g). - $7,583.00
1. Metal building material deduct due to the building reduction. - $107,525.00
m. Reduce shipping cost of metal building - $1,000.00
n. Metal building installation reduction - $41,144.00
o. Reduced lengths of domestic piping - $1,340.00
p. Reduced piping for the exhaust system - $1,500.00
q. Eliminate five type H lighting fixtures from the drying room and along with (4) type H and (1) type HE fixture from the composting room. - $9,006.00.

2) The paragraph on page of two of the supplemental general conditions (Section 16) regarding “Disposal of Excess Excavated Material” shall be deleted and replaced with the following.

“All excess excavated materials shall be disposed of on site at a location resulting in a haul distance of approximately ¼ mile or less.” The cost to delete hauling the excess material to the airport is $198,040.00.

3) Clarify that only 6” of engineered fill is required under the slab (Sheet S3). In addition all trench drain piping that remains in the project as shown on sheet P3 shall be installed as shallow as possible with the elevations lowered as they near the sump. – Deduct - $100,000.00.

4) The concrete curb and gutter shown on sheet C3 – Note 3 shall be deleted and replaced with an asphalt swale to provide drainage to the catch basin. Deduct - $15,000.00.

5) Please make the following changes to the fencing shown on sheet C3. – Deduct $10,718.00

a. The main entry gate will become a pair of swing gates in lieu of a rolling security gate. This gate will be relocated just South of the fork in the road near the SPCA building. The fencing will be revised in accordance with the new gate location.
b. The gate to the composting facility will be revised to consist of (2) swing type gates located on either side of the scale house.
c. The gate to the dump itself (Southern most gate) will be a Powder River type gate.

6) Please refer to Section 13120 – 5. Roof Panel thickness shall be 26 gage. This in lieu of the 24 gage that was clarified on a pre-bid RFI. – Deduct – $5,452.00

7) Please refer to Section 13120 – 6. Roof Panel finish to be revised to Galvalume. – Deduct - $12,392.00

8) Please refer to Section 13120 – 6. Wall panel thickness shall be revised to 26 gage. Deduct - $3,791.00
9) Please refer to Building Section A on sheet A3.3. The wall that separates the composting room from the drying room shows that both sides of that wall are to receive panel rib metal siding. The cost to delete the metal siding from the composting room side of this wall is.
   a. Metal Building Materials – $13,820.00
   b. Metal Building Installation - $3,058.00

10) Please refer to Sheet S2. The rigid frame at the end of the facility (gridline 1) will have load bearing columns installed at 1/3 points along the span. In addition gridline 5 will be moved over so that it is in line with the demising wall between the composting room and the drying room. There will also be load bearing columns installed at 1/3 points along this frame. In addition the demising wall will be constructed using conventional metal building girts in lieu of the steel stud wall framing shown on 11/S3.
   a. Metal Building Materials - $26,820.00

11) Delete Skirting per original bid alternate #2 - $15,500.00

12) All 8” diameter steel pipe bollards shall be deleted. These are shown on Sheet A2.1 and called out as Note #5. – Deduct $37,000.00

13) Note 3 on sheet A2.1 shall be revised to read, “pre-manufactured, pre-engineered steel stair”. – Deduct $10,000.00.

14) Detail 1 on sheet S1.2 calls for a semi-rigid sealant to be placed in the concrete control joints. This requirement shall be deleted. Deduct $9,704.00

15) Deleted Section 08210 – Plastic Laminate Faced Flush Wood Doors. All walk doors shown on the door schedule (Sheet A6.1) shall be revised to Hollow Metal Doors and Hollow Metal Frames with a paint finish. – Deduct $5,000.00

16) Delete the requirement to paint the Type E – Doors as called out on the door finish schedule on sheet A6.1. These doors will have the standard shop finish. Deduct - $2,250.00

17) Delete painting the concrete K-Rail - $550.00

18) Please make the following changes to the coiling doors listed as door type E on the door finish schedule (Sheet A6.1) – Deduct $17,100.00
   a. Door #11 – Revise door to sectional overhead door with high lift track and chain hoist operator.
   b. Door #12 – Revise door to sectional overhead door with high lift track and chain hoist operator.
c. Door #15 – Revise door to sectional overhead door with high lift track. Electric operator to remain. Door to move to the center of the demising wall.

d. Door #17 – Delete this door.

19) Delete the requirement to seal the concrete floor as called for in the Finish Schedule on Sheet A6.1. Deduct - $10,931.00

20) Dick Anderson will reduce our figure on the signage by $8,645.00. No change in scope of work.

21) Delete the two trench drains shown along grid 5 on sheet P4. Also delete the two trench drains along grid B sheet P3. Deduct - $12,888.00.

22) Dick Anderson Construction will reduce our figure for surveying by $5,000.00. No change in scope of work.

23) Dick Anderson Construction will reduce our figure for overhead and profit by $25,000.00.

24) Please revise our cost to remove and relocate waste to the landfill in our original bid to $2.50/cy.

25) Revise time of completion to 300 calendar days.

26) Dick Anderson Construction will add an additional water closet in each restroom as discussed in our meeting of October 13, 2004 at no additional cost.

**Total of all Deduction - $815,500.00**

Please call with any question or comments.

Sincerely,

Derek Didriksen
# COMPOST FACILITY ENCUMBRANCE REPORT

As of 9/30/2004

<table>
<thead>
<tr>
<th>BUDGET ITEM</th>
<th>BUDGET</th>
<th>ADJUSTED BUDGET</th>
<th>PAID TO DATE</th>
<th>LINE ITEM BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Integrated Recycling, Inc</td>
<td>$24,000</td>
<td>$24,000</td>
<td>$0</td>
<td>$24,000</td>
</tr>
<tr>
<td>Concept Design (1)</td>
<td>$240,500</td>
<td>$290,500</td>
<td>$210,173</td>
<td>$80,327</td>
</tr>
<tr>
<td>Fred Solomon (2)</td>
<td>$129,000</td>
<td>$129,000</td>
<td>$61,480</td>
<td>$67,520</td>
</tr>
<tr>
<td>Geotechnical Inspection/Testing</td>
<td>$15,000</td>
<td>$15,000</td>
<td>$0</td>
<td>$15,000</td>
</tr>
<tr>
<td>On-Site Inspection</td>
<td>$60,000</td>
<td>$60,000</td>
<td>$0</td>
<td>$60,000</td>
</tr>
<tr>
<td>Dick Anderson Construction (Compost System)</td>
<td>$2,896,400</td>
<td>$2,871,962</td>
<td>$230,763</td>
<td>$2,641,199</td>
</tr>
<tr>
<td>Dick Anderson Construction (Building Construction)</td>
<td>$4,965,000</td>
<td>$4,149,500</td>
<td>$0</td>
<td>$4,149,500</td>
</tr>
<tr>
<td>Public Works Administration</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$587.70</td>
<td>$9,412</td>
</tr>
<tr>
<td>Contingency</td>
<td>$200,000</td>
<td>$200,000</td>
<td>$0</td>
<td>$225,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$8,539,900</td>
<td>$7,539,962</td>
<td>$502,416</td>
<td>$7,271,958</td>
</tr>
</tbody>
</table>

| **REVENUE**                                      |            |                 |              |                   |
| USDA Grant                                       | 1,800,000  |                 | 55,000       | $1,745,000        |
| USDA Loan                                        | 3,200,000  |                 | 0            | $3,200,000        |
| National Park Service                            | 1,712,000  |                 | 722,416      | $989,584          |
| Fund Balance (Carry Over From 2003)              |            |                 |              | $462,015          |
| County                                           | 500,000    |                 | 500,000      | $0                |
| County Reserve Fund Requirement                  |            |                 |              | $875,359          |
| Interest                                         |            |                 |              |                   |
| **TOTAL**                                        |            |                 |              | $7,271,958        |

**NOTES:**

1. Amount includes $234,500 for basic services, $6,000 for expenses and $50,000 redesign costs
2. Amount includes $125,000 for basic services and $4,000 for expenses
October 22, 2004

To: Mariposa County
   Mr. Fred Solomon
   Department of Public Works
   4639 Ben Hur Road
   Mariposa, CA 95338

RE: Contract Amendment

Dear Mr. Solomon:
Per your request, please find the following as it pertains to the additional scope of work
due to the Dick Anderson Construction Change Order #1.

- Reduce the area of the compost room and curing floor building from 180’ x 185’-6”
to 165’ x 161’-10” complete with all engineering and calculations.
- Redesign building and components per Change Order # 1.
- Redesign Site Grading per Change Order # 1.
- Redesign all underground & utilities per Change Order # 1.
- Redesign all excavation and backfill per Change Order # 1.
- Redesign concrete pads, piers and slab on grade per Change Order # 1.
- Redesign Architectural, Mechanical, Electrical and Plumbing per Change Order # 1.
- Provide three (3) sets “Final” Construction Documents for submittal to Jurisdiction.

Total Not To Exceed ..................................................$ 50,000

Concept Design .......................................................... Mariposa County

__________________________________________  ______________________________
Larry H. Crump