



AGENDA REPORT

Department

DATE:	May 2, 2023
TO:	Mayor Martinez and Members of the City Council
FROM:	Daniel Chavarria, PE, Director of Public Works Robert Armijo, PE, Deputy Director of Public Works / City Engineer
Subject:	Contract with Silverado Contractors Inc. for Terminal Four Wharf Removal Project
FINANCIAL IMPACT:	There will be no impact to the General Fund for this contract. The cost of this contract will be paid using grant funds awarded for the Terminal Four Wharf Removal project by the State Coastal Conservancy (10661065-400652-23021), Federal EPA funds, and mitigation funds from development. The City has successfully raised \$6,930,439 towards this project. The construction contract includes a Base Bid and Alternate "A", and City staff is also requesting authorization to expend, if necessary, a ten percent contingency. Additional grant funds of up to \$1.6 million are being sought to implement Alt B. Work will only proceed where funding is secured.
PREVIOUS COUNCIL ACTION:	NONE
STATEMENT OF THE ISSUE:	Public Works is seeking approval to award a construction contract to Silverado Contractors Inc. for the Terminal Four Wharf Removal Project.

RECOMMENDED ACTION:	APPROVE a contract with Silverado Contractors Inc. for the Terminal Four Wharf Removal Project, in an amount not to exceed \$5,297,926, including Base Bid and Alternate "A", and authorize the Public Works Director to approve change orders, if necessary, for up-to a contingency amount of \$529,800 to be funded by the State Coastal Conservancy grant, EPA Grant, and other funds appropriated to this project – Public Works (Daniel Chavarria 510-620-5478 / Robert Armijo 510-620-5477).
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DISCUSSION:

The Terminal Four Wharf Removal project consists of completing construction documents, derelict pilings demolition, removing decking, demolishing two buildings, and constructing enhanced rock slope protection, as well as monitoring at Terminal Four located at Point San Pablo, north of Point Molate.

The project is needed because the deteriorating warehouse, piles, decking, and debris of Terminal Four Wharf currently poses a marine debris problem, a navigation hazard, and continues to degrade and impair water and habitat quality. A key aspect of this project is that it will remove the environmentally hazardous creosote-treated wooden pilings from the San Francisco Bay.

The Terminal Four site is owned by the City of Richmond and is managed by the City's Port. The site is located on the western shore of Richmond, California, approximately 2.5 miles northwest of the eastern end of the Richmond-San Rafael Bridge, and just south of the tip of Point San Pablo.

The City has been planning the removal of the creosote-treated piles, deteriorated wharf decking, and structures at the Terminal Four site for a number of years. The State Coastal Conservancy (SCC) has provided support and assistance with this project since 2017, primarily through facilitating funding and taking the lead on early design and environmental review. The goal is to start demolition work this June 2023. The City will be carrying out the implementation of the Terminal Four Wharf Removal Project as the property owner.

The City advertised the project for bid on February 27, 2023. On April 13, 2023, the City received the following two bids:

1. Silverado Contractors, Inc. - \$5,297,926
2. Sierra Mountain Construction, Inc.- \$8,730,556

City Staff reviewed the bids and determined that Silverado Contractors, Inc. is the lowest bidder. City staff have also determined that the low bid is responsive and responsible. As part of the services needed to implement the Project, Public Works staff is recommending that City Council award the construction contract to Silverado

Contractors Inc. for the Terminal Four Wharf Removal Project, in an amount not to exceed \$5,297,926 including Base Bid and Alternate "A", and authorize the Public Works Director to approve change orders, if necessary, for up-to a contingency amount of \$529,800. This project is to be funded by various grants received by the City from the State Coastal Conservancy, Environmental Protection Agency and the San Francisco Bay Resotration Authority.

Environmental Documentation

On November 19, 2020, the State Coastal Conservancy (SCC), as lead agency under the California Environmental Quality Act ("CEQA"), adopted a final mitigated negative declaration for the project titled the Terminal Four Wharf, Warehouse, and Piling Removal Project Initial Study and Mitigated Negative Declaration ("MND"). The MND describes the proposed project and provides an assessment of the project's potential significant adverse impacts on the environment. The MND concludes that the proposed project will not have any significant effects on the environment after implementation of project design features, conservation measures, avoidance and minimization and mitigation measures, and best management practices.

The MND was prepared in accordance with CEQA (Public Resources Code § 21000 et seq.) and the CEQA Guidelines (California Code of Regulations Title 14, section 15000 et seq.). The SCC released the proposed MND for public review on April 9, 2020.

On March 16, 2021, the City Council adopted Resolution No. 30-21 adopting the Final MND and MMRP prepared by the SCC for the Terminal 4 Wharf Removal Project. The Notice of Determination was filed on March 23, 2021.

DOCUMENTS ATTACHED:

Attachment 1 – Bids Solicitation
Attachment 2 – Canvas of Bids
Attachment 3 – Construction Agreement
Attachment 4 – Silverado Contractors Inc. Bid