



# Award Design/Build Contract for the Carousel Mall Demolition

Presented by Daniel Hernandez, Agency Director of Public Works, Operations  
and Maintenance



# Award Design/Build Contract for the Carousel Mall Demolition

## Recommended Action

1. Determine approval of the Design/Build Contract is statutorily exempt from environmental review pursuant to Sections 15268 and 15269 of the State's guidelines implementing the California Environmental Quality Act; and
2. Approve an award of a Design/Build Contract with Resource Environmental, Inc. (Resource) in the amount of \$7,734,000; and
3. Approve a not to exceed amount of \$350,000 to be awarded to an authorized On-Call Consultant for Project Management and Inspection; and
4. Authorize the Agency Director of Administrative Services to amend the FY2022/24 CIP to include Carousel Mall Demolition Project ("Project") in the total project cost amount of \$8,084,000; and
5. Authorize the City Manager or designee to execute all documents related to the Project; and
6. Approve determination by Building Official that declares the Carousel Mall is dangerous and constitutes an imminent threat to public health and safety per Chapter 15.37 of the San Bernardino Municipal Code.



# Award Design/Build Contract for the Carousel Mall Demolition

## **Discussion**

In response to the comments received on November 2, 2022, staff will discuss the following:

- 1. Environmental Review**
- 2. The Request for Proposal Process and Results**
- 3. Resource Environmental Inc.'s Technical Capabilities**



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## Discussion (cont.)

### Environmental Review

- California Environmental Quality Act (CEQA) = Requires public agencies and local governments to evaluate and disclose the environmental impacts of development projects or other major land use decisions, and to limit or avoid those impacts to the extent feasible.
  - CEQA analysis done during the entitlement process
  - Future development of the site is unknown at this time.
  - Entire mall site will be evaluated in the City's Environmental Impact Report (EIR) for the Downtown Specific Plan,
    - The EIR will evaluate a build out of the site at its maximum permitted use



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## Discussion (cont.)

### Environmental Review

- Regarding the proposed demolition

Staff Recommends = City Council find that the approval of the Design/Build contract for the Carousel Mall Demolition Project (“Project”) is statutorily exempt from the California Environmental Quality Act (“CEQA”) based on the following:

- The Project is a ministerial approval exempt pursuant to State CEQA Guidelines section 15268 (Ministerial Projects). No discretionary Demolition Permit is required pursuant to San Bernardino Municipal Code section 15.37.040.
- The Project is exempt pursuant to State CEQA Guidelines section 15269 (Emergency Projects), as it is necessary to prevent a public health & safety emergency.



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## Discussion (cont.)

### Environmental Review

- Potential impacts to the public and mitigations efforts.
  - The proposed contractor has examined the Project documents and Phase I reports during the preparation of its proposal and incorporated several measures to mitigate potential impacts to the public and environment.
- The potential concerns include
  - Noise
  - Dust and Debris
  - Asbestos and Lead
  - Contaminated Soil
  - Erosion and Runoff
  - Cultural & Archaeological
  - Historical
  - Sustainability
  - Security
- Each potential concern has specific mitigation measures, the responsibility of implementation and the oversight of the implementation.

Attachment 12- Carousel Mall Demolition  
Mitigation of Environmental Concerns

Potential Concerns	Mitigation Measure	Responsibility for Implementation	Oversight of Implementation
Noise	All work with heavy equipment will be restricted to between the hours of 7:00AM and 5:00PM Monday through Friday, and 8:00AM and 5:00PM Saturday. No work will be performed on Sunday except in emergency situations.	REI	City of SB
	All construction equipment will be properly muffled according to manufacturer specifications.	REI	City of SB
	When generating construction equipment, the operation of heavy equipment, construction worker parking, and staging areas will be located on the east side of the project area.	REI	City of SB
	Heavy loaded trucks will be routed away from residential areas to the nearest main thoroughfare.	REI	City of SB
	Neighboring businesses and community residents located within 100 feet of the project area boundary will be sent a notice, at least 15 days prior to the beginning of demolition, regarding the construction schedule of the project. Signs will be posted at the construction site listing Demolition control zones, telephone numbers, email addresses, and website information.	REI	City of SB
Traffic	Development of a Construction Impact Mitigation Plan as part of Design/Build Construction Documents - designed to prevent traffic impacts on the surrounding roadway network, minimize parking impacts to public parking and access to provide parking, access, safety for construction workers, public and the public, and prevent substantial traffic delays through the neighborhood.	REI	City of SB
	Development of a Traffic Control Plan as part of Design/Build Construction Documents. TSP to include designated haul route and staging areas, traffic control procedures, storage, public, signage, and other safety measures.	REI	City of SB
	Construction will be restricted on-site. This includes potential truck traffic to greater than 10% compliance to off-hauling trucks. The road is a one-way street. Trucking will be limited to north and southbound lanes (one-way street). Heavy trucks will be limited to northbound lanes only.	REI	City of SB
	Construction materials will be placed in sealed, back-haul and parked on-site in a secure manner. All trucks will be loaded and unloaded in a secure manner. All trucks will be loaded and unloaded in a secure manner. All trucks will be loaded and unloaded in a secure manner.	REI	City of SB
	Development of traffic control procedures on-site, including traffic cones, temporary signs, etc.	REI	City of SB





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## Discussion (cont.)

### The Design Build Request for Proposal (RFP) Process and Results

#### RFP Process

- Design-Build vs. Design-Bid-Build.
- Chapter 12.21 (Design-Build) of the City's Municipal Code
- Procurement procedures for the award, use, and evaluation of design-build contracts  
Requires Two-step Process:
  - First step requires the City to prepare and issue a Request for Qualifications (RFQ)
  - Second step requires the City to prepare an RFP, that invites the prequalified firms to submit sealed proposals



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## Discussion (cont.)

### The Design Build Request for Proposal (RFP) Process and Results

#### RFP Results

- Seven (7) qualified companies through RFQ Process
- Six (6) companies of the qualified seven (7) submitted proposals in the following amounts

Company Name	City	Proposal Price
Resource Environmental, Inc.	Cerritos	\$7,734,000
AMPCO	Irvine	\$16,370,874
Integrated Demolition and Remediation, Inc	Anaheim	\$21,780,000
AD Improvements	Downey	\$24,797,553
Silverado Contractor, Inc	Chino	\$28,935,940
Griffith Company	Brea	\$29,418,070





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## Discussion (cont.)

### The Design Build Request for Proposal (RFP) Process and Results

#### RFP Results

- The Proposals were evaluated based on the following criteria:
  1. Understanding of the City's Need
  2. Design-Build Teams Overall Qualifications
  3. Experience, Qualifications, Certifications and Capability of Staff Proposed
  4. Descriptions of Services Proposed to Implement the Project
  5. Quality of the Work Plan and Schedule
  6. Life Cycle Costs
  7. Reasonableness of Price



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## Discussion (cont.)

### The Design Build Request for Proposal (RFP) Process and Results

#### RFP Results

- The proposals were reviewed staff members using the City's standard rating system requirements of the RFP and it was determined that all proposals met the requirements of the RFP.
  - 'Reasonableness of Price' = 35% of the Overall Rating
- Resource Environmental, Inc. (Resource) and AMPCO received the top ranking and were interviewed by the panel.



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## Discussion (cont.)

### The Design Build Request for Proposal (RFP) Process and Results

#### RFP Results

• The funding proposed by Resource for the project is as follows:	
Design and Preconstruction Services	\$213,000
Demolition Services (General Conditions)	\$6,649,900
Construction Cost (to secure attached buildings)	\$68,000
Allowances	\$100,000*
Fees	\$0.00
Contingency	\$703,100
Total Cost for Design and Demolition	\$7,734,000
 Project Management and Inspection	 \$350,000
 Grand Total of Project Costs	 \$8,084,000

\*Allowances are used for the following, only if the City opted to:

- Design and Install Crash Wall for Parking Garage (\$58,000)
- Installation of Guard Rail at Stairs and Parking Garage (\$10,000)
- Temporary Storm Drain (\$32,000)



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## Discussion (cont.)

### The Design Build Request for Proposal (RFP) Process and Results

#### RFP Results

- Resource Environmental Inc.

Agrees that all contingencies were accounted for with the information provided.

Agrees to provide Payment and Performance bonds as a condition of contract execution, further protecting the City from claims.

Submitted a Guarantee All-Inclusive Price



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## Discussion (cont.)

### Resource Environmental Inc. Technical Capability

- Established in 2005
- Hazardous material remediation and demolition contracting firm.
- Completed many other structures and projects similar to the demolition of the Carousel Mall
- Owns over 100 pieces of machinery
- Employs a staff of over 150, and 95% of our work is self-performed.
- Specialize in hazardous material remediation including asbestos, lead in paint, soil, toxic mold, and universal waste, and in demolition services including structural and interior, site clearing, plant decommissioning, asset recovery, and recycling.
- Completed projects
  - Values ranging in size from less than \$1,000 to more than \$15,000,000
  - Work throughout the entire state of California – from National City/San Diego to Eureka.





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## Discussion (cont.)

### RANCHO LOS AMIGOS SOUTH CAMPUS DEMOLITION

- Abatement, Site Remediation, and Demolition of over 100 structures, sprawling over 50 acres.
- Total square footage of demolition: Over 500,000
- Total square footage of abatement: Over 1,000,000
- Total square footage of soil remediation: Over 250,000
- Historic project - was previously the “LA County Poor Farm,” dating back to 1888 and rumored to be haunted.

**Client:** County of Los Angeles

**Completion:** 2022







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## Discussion (cont.)



## EXISTING STUDENT SERVICES & STUDENT ACTIVITIES DEMOLITION

- Demolition and abatement of the El Camino College Student Services & Student Activities Center.
- Buildings were over 135,000 square feet in the middle of an active college campus.
- Resource was the General Contractor overseeing 7 subcontractors.
- COVID-19 Pandemic struck mid-project. While challenging and new, did not hinder Resource's operations or schedule.
- Received a safety award from the Owner Controlled Insurance Program coordinator – no injuries or illnesses for REI or any subcontractor, despite 1,000s of hours of work.

**Client:** El Camino Community College District  
**Completion:** 2020



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## Discussion (cont.)

### LACCD Former Firestone Plant ELAC Demolition

- Removal of over 395,000 square feet of asbestos.
- Stabilized all interior walls for loose and flakey lead paint.
- Utilized scaffolding to shrink wrap the entire structure to maintain negative pressure and compliance with SCAQMD Rule 1403.

**Client:** Los Angeles Community College District  
**Completion:** 2019





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## Discussion (cont.)

**LAWA** | **LAX**

## LAX PEOPLE MOVER MANCHESTER SQUARE DEMOLITION

- Abatement and demolition of over 40 multi-story buildings, with over 120 acres of site restoration.
- Historic project that commenced the complete renovation of LAX and rental car process inside and out. The demolition was integral to the creation of the new LAX People Mover.
- Design-Build Project
- Strict scheduling and continuous coordination was required with LAWA, MGJV, SCAQMD, Cal-OSHA, and the City of LA.

**Client:** Los Angeles World Airports

**Completion:** 2020







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## Discussion (cont.)

### COMPTON HIGH SCHOOL CAMPUS-WIDE STRUCTURE AND UTILITY DEMOLITION

- Abatement and demolition of the entire Compton HS campus to allow for the school's reconstruction.
- Project included over 38 buildings.
- Over 14,000 tons of concrete crushed as a value engineered solution to save the district money on the build back.
- Removal of multiple USTs.

**Client:** Compton Unified School District

**Completion:** 2022





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## Discussion (cont.)

### OTHER PROJECTS

#### Design-Build Burroughs MS Site Modernization, LAUSD

- **Scope:** Abatement and interior demolition of 4 multi-story school bldgs. Abatement and structural demolition of 20 additional multi-story school bldgs.

#### Design-Build Jefferson ES Site Modernization, LAUSD

- **Scope:** Abatement and interior demolition of 4 large school buildings. Comprehensive site demolition. ACCM asphalt demolition.

#### Seaside Surplus II Demolition, FORA

- **Scope:** Abatement and demolition of 10 three story concrete military structures, 1 cafeteria, 1 gym, 2 armories, and 6 admin buildings. Abatement was extensive with rare skim coat and vapor blasting.

#### Twin Rivers Site Demolition Phase 1-2, SHRA

- **Scope:** Abatement and demolition of 93 multi-family housing buildings, including the removal of all underground utilities; backfill, compacting, and grading of over 23 acres; and soil remediation.

#### CEFCU Stadium East Demolition, SJSU

- **Scope:** Demolition and abatement of east side stadium bleachers at San Jose State University, followed by the removal of 45,000 tons of contaminated soil.

#### SMC Math-Science Demolition

- **Scope:** Abatement and demolition of two school buildings totaling over 80,000 SF. Liberal Arts building was connected to a newly built multistory building that required design, engineering, and hand demolition to carefully separate the buildings.





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## Discussion (cont.)

### Compton HS Demolition Before & After



The beginning of the following video highlights “during demolition” drone footage.





# Award Design/Build Contract for the Carousel Mall Demolition

Discussion (cont.)

Video





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## Fiscal Impact

- Cost of the demolition will be covered by using Fund Balance
- Will not result in the use of required reserves.
- If City Council approves the action, staff will follow up with any necessary budgetary actions at a future meeting.
- Staff intends to explore options to cover these costs, including
  - Possible issuance of long-term debt
  - Possibility of requiring such costs to be covered by any future development deals



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In Summary, the Recommended Action are:

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# Questions?