



Santa Clara Valley Water District

File No.: 21-0579

Agenda Date: 6/8/2021
Item No.: *3.9.

BOARD AGENDA MEMORANDUM

SUBJECT:

Report of Bids Received and Award of Construction Contract to Graniterock Company, in the sum of \$603,050, for the Upper Guadalupe River Reach 6 Aquatic Habitat Improvement Project, Project No. 26154002, Contract No. C0660 (San Jose) (District 6).

RECOMMENDATION:

- A. Ratify Addendum No. 1 to the Contract Documents for the Upper Guadalupe River Reach 6 Aquatic Habitat Improvement Project, per the Notice to Bidders;
- B. Award the Construction Contract to Graniterock Company located in Watsonville, California, in the sum of \$603,050; and
- C. Approve a contingency sum of \$60,305 and authorize the Chief Executive Officer or designee to approve individual change orders up to the designated amount.

SUMMARY:

Project Background

In 2001, Santa Clara Valley Water District (Valley Water) approved the Upper Guadalupe River Flood Protection Project (Upper Guadalupe Project) to provide 100-year flood protection along about 6.4 miles of the Guadalupe River, extending from Interstate 280 to Blossom Hill Road, which forms the upstream limit of the river. The U.S Army Corps of Engineers (USACE) is leading the Upper Guadalupe Project and Valley Water is the non-federal or local sponsor. Due to limited federal funding, Valley Water constructed improvements at Reach 6 in 2010 and 2011 to provide capacity to convey the 100-year flow without overtopping of the banks. The Reach 6 improvements were implemented in conformance with approvals issued by the San Francisco Bay Regional Water Quality Control Board (RWQCB), National Marine Fisheries Service (NMFS), USACE Regulatory Division, California Department of Fish and Wildlife (CDFW), U.S. Fish and Wildlife Service (USFWS), and City of San Jose.

The RWQCB issued waste discharge requirements and water quality certification (Order R2-2003-0115) for the Upper Guadalupe Project in December 2003. Order R2-2003-0115 requires Valley Water to conduct several design improvements studies, including a "Gravel Augmentation Program Study." The purpose of the gravel augmentation study was to identify reaches that are scouring due to lack of sediment supply, define the reasons for gravel reduction in the system, and develop protocols for improving existing conditions. As part of the study, Valley Water was required to produce

a gravel augmentation plan to address gravel shortages, improve aquatic habitats, and improve channel stability in the Upper Guadalupe Project reaches. Valley Water completed the study in September 2013 and has been working with the regulatory agencies on the final design due to the changing channel conditions from winter flows. Construction was scheduled for the summer of 2020, but the Project was deferred to the summer of 2021 due to the Covid-19 pandemic and the ensuing shelter in place restrictions.

The Upper Guadalupe River Flood Protection Project is included under Priority E, Project E8, in the 2012 voter-approved Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water Program) and in the renewed Safe, Clean Water Program, which was approved by voters in November 2020.

Addenda Ratification

One addendum (Attachment 1) was issued during the bid period to clarify the Project Contract Documents and answer bidders’ questions. To formally incorporate the addendum into the Project Contract Documents, staff recommends that the Board ratify the addendum.

Report of Bids Received

The results of the three bid proposals received and opened on May 5, 2021 from the three contractors are summarized in Table 1. The responsible bidder submitting the lowest responsive bid was Graniterock Company, Watsonville, California.

Table 1 - Bid Summary

Company, Location	Bid Amount	Award Amount
Graniterock Company, Watsonville, CA	\$603,050.00	\$603,050.00
Habitat Restoration Sciences Inc., Vista, CA	\$734,300.00	
Hanford, Petaluma, CA	\$749,900.00	
Engineer’s Estimate: \$581,809.00		

Contract Award

As presented in Table 1, the bidder with the lowest bid price was Graniterock Company, and its price is approximately 3.7% higher than the Engineer’s Estimate of \$581,809.00. The three lowest bids were within \$146,850.00 (or about 24.3% of the low bid) of each other. Because the low bid by Graniterock Company is within the 10% of the Engineer’s Estimate, staff believes that the bid is reasonable.

Staff reviewed the bid proposal and recommends that the construction contract for the Project be awarded to Graniterock Company for the following reasons:

1. All bid entries and requirements in the proposal submitted by Graniterock Company are in order;
2. Graniterock Company license is current, active and in good standing; and
3. Graniterock Company is in compliance with the requirements of the California Labor Code section 1771.1. Graniterock Company and its sub-contractors are registered with the California Department of Industrial Relations and qualified to perform public works pursuant to section 1725.5 of the Labor Code.

Contingency Funds

The Contract award sum for the Project is \$603,050.00. To allow staff to quickly address unforeseen or changed site conditions and other unanticipated occurrences, without causing unnecessary delays or consequential costs to the Project, staff recommends the Board approve encumbering a contingency amount of \$60,305.00 (10% of the contract price) for the subject Project.

The contingency amount is estimated due to known and unknown risks, such as:

1. Concealed conditions and/or field conditions that may be different from the baseline or as-built information used in preparation of Project Contract Documents.

Approval of individual change orders for the Project is delegated as follows:

Engineering Unit Manager: up to the total amount of the contingency

Relevant Prior Board Actions

July 23, 2019 - the Board adopted a resolution adopting the Final Mitigated Negative Declaration (MND) and Mitigation Monitoring Program (MMRP) and approved the Project.

March 23, 2021 - the Board adopted the plans and specifications and authorized staff to advertise the Project for bids for construction.

Outreach to Bidders

As part of Valley Water's customary small and local business outreach, the Notice to Bidders was sent to certified Small Business Contractors, Chambers of Commerce, Plan Rooms/Builder Exchanges, the Building Construction & Trade Council, and the District's Master Contractor Database. Valley Water also placed an ad in the San Jose Post and utilized Valley Water's website to solicit interest in the Project.

Next Steps

If the Board approves the recommendations, staff will proceed with administering construction of the Project, which is currently scheduled to begin on July 1, 2021. Staff will issue a pre-construction mailer to residents near the Project site to inform them of the construction schedule and the anticipated construction activities. Substantial completion of the civil construction work is anticipated to be complete by December 2021.

FINANCIAL IMPACT:

The Project is included in the Five-Year 2022-26 Capital Improvement Program and in the Board-adopted FY 2020-21 Budget. The total cost for the proposed Construction Contract, including the change order contingency sum of \$60,305.00, is \$663,355.00, which does not change the overall total Project cost. There is sufficient funding in the board-approved Fiscal Year 2021-22 Budget to encumber the estimated construction cost in Fiscal Year 2022.

CEQA:

Valley Water is the lead agency under the California Environmental Quality Act for the implementation of the Project. On July 23, 2019, the Board adopted a resolution adopting the Final MND and MMRP and approved the Project. Valley Water has obtained the 401 Water Quality Certification from the San Francisco Regional Water Quality Control Board, the 404 Permit from the United States Army Corps of Engineers, and the Lake or Streambed Alteration Agreement from the California Department of Fish and Wildlife. All necessary permits to construct this Project have been issued to Valley Water.

ATTACHMENTS:

- Attachment 1: Addendum No. 1
- Attachment 2: Project Map
- Attachment 3: Project Delivery Process Chart

UNCLASSIFIED MANAGER:

Rechelle Blank, 408-630-2615