



Santa Clara Valley Water District

File No.: 19-0179

Agenda Date: 2/26/2019

Item No.: *3.6.

BOARD AGENDA MEMORANDUM

SUBJECT:

Report of Bids Received and Reject All Bids for C0644; and Authorize advertisement for Bids for the Construction of the San Francisquito Creek Mitigation Planting and Establishment Maintenance Project, Project No. 26284002, Contract No. C0649 (Palo Alto) (District 7).

RECOMMENDATION:

- A. Ratify Addenda Nos. 1 and 2 to the Contracts Documents for the San Francisquito Creek Mitigation Planting and Establishment Maintenance Project for C0644;
- B. Reject all bids for C0644;
- C. Adopt the plans and specifications and authorize advertisement for bids for the construction of the San Francisquito Creek Mitigation Planting and Establishment Maintenance Project, Project No. 26284002, Contract No. C0649, per the Notice to Bidders; and
- D. Authorize the Designated Engineer to issue addenda, as necessary, during bidding.

SUMMARY:

Construction of the San Francisquito Creek Flood Reduction, Ecosystem Restoration, and Recreation San Francisco Bay to Highway 101 (Bay-101) Project (Project), which extends approximately 1.5 miles from San Francisco Bay upstream to East Bayshore Road and Highway 101, was completed in December 2018. The Project increased the Creek's capacity by excavating sediment deposits within the channel, rebuilding and setting back levees to widen the channel, and constructing floodwalls. In addition, major Project elements include expanded and improved tidal marsh habitat for endangered species in the Project area and adjacent Faber Marsh, and improvement of public access trails.

In mid-2018, it was determined that the Project construction contractor's landscaping subcontractor, responsible for tidal marsh/mitigation planting and three years of establishment maintenance, had not worked in tidal marsh environments before and was not prepared to perform the work under the conditions that would be present after construction. To resolve these concerns, staff and the

construction contractor agreed to a deductive change order to remove the Mitigation Planting and Establishment Maintenance scope of work from the current Project and repackage this work as a separate construction contract. The bid documents required contractors to demonstrate relevant experience with planting and plant maintenance in riverine and tidal marsh environments and are qualified to perform the work.

Addenda Ratification

Two addenda (Attachment 1) were issued during the bid period to clarify the Project Contract Documents. To formally incorporate the addenda into the Project Contract Documents, staff recommends that the Board ratify the addenda.

Bid Results

There were 33 prime construction companies on the plan holders list for the Project. Eight (8) prime contractors attended a mandatory pre-bid meeting. A report of bids received at the bid opening for the Project on February 19, 2019 is summarized in Table 1.

Table 1 - Bid Opening Results

| Company, Location | Bid Amount | Award Amount |
|--|-------------------|---------------------|
| Bortolussi & Watkin, Inc. (San Rafael, CA) | \$625,100 | |
| Ecological Concerns (Santa Cruz, CA) | \$759,781 | |
| Hanford Arc (Sonoma, CA) | \$1,549,200 | |
| Professional Tree Care (Berkeley, CA) | \$1,745,596 | |
| Engineer's Estimate: \$674,000 | | |

Rejection of All Bids

The Engineer's Estimate, \$674,000, is 7.8% higher than the apparent low bid. However, the bids submitted by both Bortolussi & Watkin, Inc., and Ecological Concerns were determined non-responsive because an incorrect version of Bid Form No. 1 was submitted, which was deemed to be a material irregularity. An addendum was issued instructing bidders to submit a revised Bid Form No. 1. The significant difference between the original and revised Bid Form No. 1 was characterizing Year 2 Plant Establishment as an additive/deductive bid item instead of a supplemental bid item. If the Board was to award to the lowest responsive bidder, a contract could be awarded to Hanford Arc; however, its bid is 230% higher than the Engineer's Estimate and 249% higher than the apparent low bid (see Table 1 above).

Staff has reviewed its Engineer's Estimate and finds it to be reasonable based on the unit prices proposed in bids submitted by contractors at recent District bid openings with similar project elements.

Staff recommends rejecting all bids rather than awarding the contract at a significantly higher price.

Board Authorization to Re-Advertise for Bids

This planting and plant establishment maintenance scope was originally part of a larger construction contract, of which the rest of the work has been completed. To accomplish the original Project objectives and mitigation requirements, staff recommends promptly re-bidding, which is subject to Board authorization to re-advertise. Authorizing the Designated Engineer to issue addenda during the bidding allows modifications to the construction contract documents, if necessary, during the bidding period and period the contract is awarded.

Next Steps

Upon Board approval of staff's recommendations, staff will proceed to re-advertise for bids for Project construction. The next Board action will be award of the construction contract, tentatively scheduled for March 26, 2019.

FINANCIAL IMPACT:

The estimated construction contract cost for the San Francisquito Creek Mitigation Planting and Establishment Maintenance Project is between \$600,000-800,000. A budget adjustment will be necessary to fund this construction, including contingency and construction management. The budget adjustment will be brought to the Board for approval at the time of construction contract award. This Project is part of the larger San Francisquito Creek project included in the Safe Clean Water Program.

CEQA:

On June 10, 2014, the Board considered the Environmental Impact Report (EIR) prepared by the JPA and adopted a Resolution Making Findings of Fact and a Statement of Overriding Considerations regarding the EIR for the San Francisquito Creek Flood Reduction, Ecosystem Restoration, and Recreation Project and adopted a Mitigation Monitoring and Reporting Program.

On August 25, 2015, the Board considered an addendum to the certified EIR and approved the San Francisquito Creek Flood Reduction, Ecosystem Restoration, and Recreation Project changes.

The previously adopted EIR and approved changes cover the Mitigation Planting and Establishment Maintenance work and no other CEQA compliance actions are necessary for this work.

ATTACHMENTS:

Attachment 1: Addenda 1 & 2

Attachment 2: Notice to Bidders

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UNCLASSIFIED MANAGER:
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