



Santa Clara Valley Water District

File No.: 19-0634

Agenda Date: 6/25/2019

Item No.: *3.8.

BOARD AGENDA MEMORANDUM

SUBJECT:

Report of Bids Received and Reject All Bids for the Construction of the Bolsa Road Fish Passage Improvement Project, Project No. 26044002, CAS File No. C0652 (Gilroy) (District 1).

RECOMMENDATION:

- A. Ratify Addenda Nos. 1 and 2 to the Contracts Documents for the Bolsa Road Fish Passage Improvement Project; and
- B. Reject all bids.

SUMMARY:

The purpose of the Bolsa Road Fish Passage Improvement Project (Project) is to restore fish passage at the Union Pacific Railroad (UPRR) crossing of Uvas Creek to allow steelhead and other aquatic organisms to move freely between the lower and upper reaches of the creek. This is being accomplished through development of a geomorphically designed project, restoring the creek invert to historic elevation and thereby providing fish passage.

Addenda Ratification

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

Bid Results

There were 19 prime construction companies on the plan holders list for the Project. Fourteen (14) prime contractors attended a mandatory pre-bid meeting. A report of bids received at the bid opening for the Project on June 12, 2019 is summarized in Table 1.

Table 1 - Bid Opening Results

Company, Location	Bid Amount	Award Amount
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PMK Contractors, LLC (Hayward, CA)	Non-responsive	
Teichert & Son, Inc. (Pleasanton, CA)	Non-responsive	
Granite Rock Company. (San Jose, CA)	\$5,140,597	
Engineer's Estimate: \$2,312,500		

Rejection of All Bids

Per the Notice to Bidders, paragraph 13, the District reserves its right to reject any and all bids and to waive minor irregularities in any submitted bid form(s). Because two of the three submitted Bids were non-responsive and the only responsive bid was more than double the engineer's estimate, staff is recommending that all bids be rejected.

Addendum No. 2 included revised Bid Form No. 1, Proposal and Bid Items, and revised Bid Form No. 2, Designation of Subcontractors. All bidders completed and turned in revised Bid Form No. 1 but only the bidder submitting the highest bid turned in the revised Bid Form No. 2, Designation of Subcontractors. During the bid period, staff revised Bid Form No. 2 to include a substantive change made to Public Contract Code section 4104 requiring bidders to provide the California State Department of Industrial Relations (DIR) public works contractor registration number for designated subcontractors.

The bids submitted by both PMK Contractors, LLC, and Teichert & Son, Inc. were determined non-responsive because their Bids did not include the revised version of Bid Form No. 2, which was deemed to be a material irregularity due to the omission of the DIR contractor registration number mandated by the Code. Granite Rock Company submitted the correct revised Bid Form No. 2, and is the only firm to submit a responsive bid.

The Engineer's Estimate, \$2,312,500, is 28% and 31% lower, respectively, than the non-responsive bids and 220% lower than the responsive bid. If the Board were to award a contract to Granite Rock Company, the lowest responsive bidder, it would be for an amount 220% higher than the Engineer's Estimate and 180% higher than the lowest bid submitted.

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

Next Steps

Upon Board approval of staff's recommendations, staff will prepare an updated bid package for the Project. The next Board action will be re-advertising for bids for Project construction, tentatively scheduled for July 9, 2019.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have the potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Addenda 1 and 2

UNCLASSIFIED MANAGER:

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