



# Santa Clara Valley Water District

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**File No.:** 20-0776

**Agenda Date:** 9/8/2020

**Item No.:** 5.1.

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## BOARD AGENDA MEMORANDUM

### **SUBJECT:**

Report of Bids Received and Award of Construction Contract to Blocka Construction, Inc., for the Pacheco Pumping Plant Priority 1 Fire Alarm and Suppression System Improvements, Project No. 91214010, Contract No. C0653 (Merced County).

### **RECOMMENDATION:**

- A. Ratify Addenda No. 1, 2, 3, and 4 to the Contract Documents for the Pacheco Pumping Plant Priority 1 Fire Alarm and Suppression System Improvements;
- B. Award the Construction Contract to Blocka Construction, Inc. in the sum of \$1,571,355; and
- C. Approve a contingency sum of \$157,135 and authorize the Chief Executive Officer or designee to approve individual change orders up to the designated amount.

### **SUMMARY:**

The objective of the Pacheco Pumping Plant Priority 1 Fire Alarm and Suppression System Improvements (Project) is to reduce the risk of a pumping plant shutdown due to fire damage, primarily from fire originating in electrical equipment within the pumping plant building. Project work will include installation of a clean-agent fire suppression system to work in conjunction with the existing water based system; a Very Early Smoke Detection Apparatus (VESDA) smoke detection system; replacement of the existing underfloor smoke detectors; replacement of manual pull stations and heat detectors; installation of a new fire department standpipe connection; and retrofit of the fire hose nozzles.

### ***Addenda Ratification***

Four addenda (Attachment 1) were issued during the bid period to clarify the Project Contract Documents. Staff recommends that the Board ratify the addenda to formally incorporate the changes into the Project Contract Documents.

### ***Contract Award***

A report of bids received at the bid opening for the Project on August 5, 2020 is summarized in Table 1. The apparent low bid was submitted by Blocka Construction, Inc., and they were the only firm submitting a bid for this Project.

The bid submitted by Blocka Construction, Inc. is approximately 24% higher than the Engineer's Estimate of \$1,262,500. Industry publications of cost data that design engineers rely on to develop construction cost estimates are based on stable economic conditions, but the current Covid-19 environment has made estimating challenging to predict. Another factor included the addition of back draft dampers to the fans in the ASD Gallery via Addendum #2, after the engineer's estimate was prepared.

Staff reviewed the bid proposal and recommends that the construction contract for the Project be awarded to Blocka Construction, Inc. for the following reasons:

1. All bid entries and requirements in the proposal submitted by Blocka Construction, Inc. are in order;
2. Blocka Construction, Inc.'s license is current, active, and in good standing;
3. Blocka Construction, Inc. is in compliance with the requirements of the California Labor Code §1771.1 because they and their subcontractors are registered with the California Department of Industrial Relations and qualified to perform public works pursuant to Section 1725.5 of the Labor Code.

<b>Table 1 - Bid Opening Results</b>		
<b>Company, Location</b>	<b>Bid Amount</b>	<b>Award Amount</b>
Blocka Construction, Inc. Ple	\$1,571,355	\$1,571,355
<b>Engineer's Estimate: \$1,262,500</b>		

Staff recommends the Board award the contract to Blocka Construction, Inc. as the responsible bidder, submitting the lowest responsive bid.

### ***Contingency Funds***

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 \$157,135 which amounts to 10% of Blocka Construction, Inc.'s contract price.

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

1. Unforeseen site conditions that result in changes that will need to be resolved during construction;
2. Differing site conditions;

3. Unanticipated variances in quantities associated with various bid items estimated in the Bid Proposal;
4. Risks associated with weather conditions;
5. Coordination issues with operations and maintenance activities;
6. Federal Facility requirements; and
7. Cal Fire requirements.

Approval of individual change orders is delegated for up to the designated amounts as follows:

Engineering Unit Manager:	\$100,000
Deputy Operating Officer:	\$157,135

#### ***Previous Board Actions Related to this Project***

On June 11, 2019, the Board held a public hearing and adopted Resolution 19-51 approving the Engineer's Report and approving the Project.

On June 23, 2020, the Board adopted the plans and specifications and authorized advertisement for bids for the Project.

#### ***Outreach to Bidders***

The Notice to Bidders was sent to certified Small Business Contractors that have the appropriate license. Chambers of Commerce, plan rooms (Builder Exchanges), and Valley Water's own website were used to solicit interest in the Project work from prospective bidders. Contractors were contacted through the Building and Construction Trades Council and using Valley Water's own Master Contractor Database.

#### ***Next Steps***

If the Board awards the contract as recommended, Staff will proceed with administering Project construction which is anticipated to begin in October 2020 and be completed by the end of June 2021.

#### **FINANCIAL IMPACT:**

This Project is included in the FY 2021-25 CIP and there are adequate funds in the FY2020-21 Adjusted Budget for the Small Capital Improvements, San Felipe Reach 1-3 Project, Project No. 91214010 to encumber the construction cost of \$1,571,355 and the contingency sum of \$157,135. The Project will be funded by the Water Utility Enterprise Fund, with 9.7% of the costs allocated to

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Zone W-7 (South County), 8.0% of the costs allocated to Zone W-5 (South County), and 82.3% of the costs allocated to Zone W-2 (North County).

**CEQA:**

The Project qualifies for a Categorical Exemption under CEQA Guidelines Section 15301; Existing Facilities [Class 1 - operation, repair, maintenance, minor alteration of existing structures and facilities]. A Notice of Exemption has been prepared and filed with the County of Merced Office of the Clerk/Recorder.

**ATTACHMENTS:**

Attachment 1: Addenda Nos. 1, 2, 3, and 4  
Attachment 2: Project Delivery Process Chart  
Attachment 3: Map

**UNCLASSIFIED MANAGER:**

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