



Santa Clara Valley Water District

File No.: 20-0893

Agenda Date: 10/13/2020

Item No.: *5.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Report of Bids Received and Award of Construction Contract to C. Overaa & Co., for the Santa Teresa Water Treatment Plant Air Wash Pipeline Replacement Project, Project No. 93764004, Contract No. C0662 (San Jose, District 7).

RECOMMENDATION:

- A. Ratify Addenda No. 1, 2, and 3 to the Contract Documents for the Santa Teresa Water Treatment Plant Air Wash Pipeline Replacement Project;
- B. Award the Construction Contract to C. Overaa & Co. in the sum of \$1,457,000; and
- C. Approve a contingency sum of \$145,700 and authorize the Chief Executive Officer or designee to approve individual change orders up to the designated amount.

SUMMARY:

The Santa Teresa Water Treatment Plant (STWTP) is the largest of Santa Clara Valley Water District's (Valley Water) three potable water treatment plants, delivering up to 100 million gallons of water per day to retailers, businesses, and residents within Valley Water's service area. The plant supplies most of South San Jose, including Almaden Valley, Blossom Valley and Santa Teresa. It also has ability to supplement the demands of Penitencia Water Treatment Plant when needed.

The objective of the STWTP Air Wash Pipeline Replacement Project (Project) is to extend the useful life and increase the reliability of the plant's water filtration system. The air wash system scours the debris off of the filter media allowing the filters to be systematically cleaned in an efficient manner.

The Project scope consists of the rehabilitation, removal and replacement of the existing air wash pipelines. This includes replacement of approximately 900 LF of above-ground 12-inch stainless steel pipe and relining of approximately 670 LF of underground 12-inch steel pipe at the east and west filter basins and galleries. Phasing of this work in two stages will be necessary to maintain water production.

Addenda Ratification

Three 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 September 9, 2020 is summarized in Table 1. The apparent low bid was submitted by C. Overaa & Co. and is within 5% of the Engineer's estimate of \$1,391,385.

Staff reviewed the bid proposal and recommends that the construction contract for the Project be awarded to C. Overaa & Co., Inc. for the following reasons:

1. All bid entries and requirements in the proposal submitted by C. Overaa & Co. are in order;
2. C. Overaa & Co.'s license is current, active, and in good standing;
3. C. Overaa & Co. 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.

Table 1 - Bid Opening Results		
Company, Location	Bid Amount	Award Amount
C. Overaa & Co., of Richmond	\$1,457,000	\$1,457,000
Anvil Builders Inc., of San Francisco	\$1,565,500	
Engineer's Estimate: \$1,391,385		

Staff recommends the Board award the contract to C. Overaa & Co. 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 \$145,700 which amounts to 10% of C. Overaa & Co.'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 including the shutdown of the pipelines;
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;

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

Engineering Unit Manager:	\$100,000
Deputy Operating Officer:	\$145,700

Previous Board Actions Related to this Project

On May 28, 2019, the Board adopted Resolution 19-50 setting the time and date for a public hearing on the Engineer's Reports for the subject Project.

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

On July 28, 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 March 2022.

FINANCIAL IMPACT:

This Project is included in the five-year FY 2021-25 CIP and there are adequate funds in the FY2020-21 Board-approved budget for the Water Treatment Small Capital Project, Project Number 93764004 to encumber the construction cost of \$1,457,000 and the contingency sum of \$145,700. The Project will be funded by the Water Enterprise Fund with 100% 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 Santa Clara Office of the Clerk/Recorder.

ATTACHMENTS:

Attachment 1: Addenda No. 1, 2, and 3

Attachment 2: Project Delivery Process Chart

Attachment 3: Map

UNCLASSIFIED MANAGER:

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