



Santa Clara Valley Water District

File No.: 21-0036

Agenda Date: 1/12/2021
Item No.: *3.9.

BOARD AGENDA MEMORANDUM

SUBJECT:

Adopt Plans and Specifications and Authorize Advertisement for Bids for the Phase 2A Construction of the Upper Llagas Creek Flood Protection Project, Project No. 26174052, Contract No. C0645 (Morgan Hill) (District 1).

RECOMMENDATION:

- A. Find the Phase 2A construction of the Upper Llagas Creek Flood Protection Project is substantially complex and requires a construction contract retention of 10 percent;
- B. Adopt the plans and specifications and authorize advertisement for bids for Phase 2A construction of the Upper Llagas Creek Flood Protection Project, per the Notice to Bidders; and
- C. Authorize the Designated Engineer to issue addenda, as necessary, during bidding.

SUMMARY:

Santa Clara Valley Water District (Valley Water) is undertaking the Upper Llagas Creek Flood Protection Project (Project) in partnership with the U.S. Army Corps of Engineers (USACE) and the City of Morgan Hill (City) to provide 1% flood protection to approximately 1,100 homes and 500 businesses along West Little Llagas Creek, East Little Llagas Creek, and Llagas Creek. The Project is approximately 13.9 miles long and encompasses the City of Morgan Hill, City of Gilroy, and various unincorporated areas of Santa Clara County, including San Martin. (Refer to Project Map, Attachment 1).

Llagas Creek and its tributaries are part of the Uvas/Llagas Watershed, the area of land over which rain falls and then drains southward to the Pacific Ocean through Monterey County or into reservoirs for storage. The Uvas-Llagas Watershed is a 104-square-mile region that is distinguished by its agricultural lands and natural areas. Part of the larger Pajaro River Watershed, the creeks within this watershed are the only waterways in Santa Clara County that flow southward.

The Project consists of channel widening and deepening, instream improvements for wildlife and habitat, constructing box culverts, underground high flow bypass tunnel, and revegetation. The Project's mitigation elements to offset environmental impacts associated with the construction work includes the following environmental elements:

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- Riparian mitigation consisting of approximately 114 acres of native vegetation plantings;
 - Creation of the Lake Silveira wetlands, approximately 5 acres;
 - Creation of plant, fish, and wildlife habitat;
 - Invasive plant removal (13.0± acres);
 - In-stream complexities-woody debris (464 instream complexity features including divide logs, wing deflectors, rootwads and boulder clusters);
 - Turtle basking sites within the created wetlands (10 turtle basking sites);
 - Tree girdling (27 invasive trees girdled for bat/owl habitat);
 - Bat boxes (14);
 - Upland log piles (148 locations);
 - Removal of legacy trash & hardscape debris (2.3± acres of remediation); and
 - In-fill native planting sites (11± acres).

Valley Water's Project team has obtained the following required regulatory permits:

- California Department of Fish and Wildlife (CDFW) 1600 Permit, dated January 11, 2017;
- Central Coast Regional Water Quality Control Board 401 Water Certification, dated July 27, 2017;
- Incidental Take Permit (ITP) from CDFW for California Tiger Salamander. Valley Water's Board of Directors approved at its September 25, 2018, hearing the execution of the ITP and Valley Water's purchase of mitigation credits from the Sparling Ranch Conservation Bank; and
- U.S. Army Corps of Engineers Regulatory Branch, 404 permit, dated March 26, 2019.

Based on approval by the Valley Water Board of Directors at its January 14, 2020 meeting, Phase 2 will be constructed in Phase 2A and Phase 2B. The Board provided further direction to advertise Phase 2A for construction utilizing local money to construct the flood protection improvements prior to and in cooperation with the City's proposed Hale Avenue Extension Project. City sent a letter to the Valley Water Board, dated December 16, 2019, urging Valley Water to fund and construct Phase 2A of the Project as quickly as possible (Attachment 2). City Council approved the award of their Hale Avenue Extension Project at the City Council meeting held on November 18, 2020.

Therefore, the Project will be constructed in three phases (Phases 1, 2A, and 2B) and flood protection will only be realized after construction completion of all of the following three phases:

- Phase 1 construction (Reaches 4 and 7a, a portion of Reach 5, and the Lake Silveira wetlands) began on September 3, 2019. The civil work is to be completed by May 28, 2022, followed by three years of establishment of the native revegetation plantings. Currently, Phase 1 is approximately eight months ahead of schedule due to the increased availability of equipment and labor forces during the pandemic.
- Phase 2A consists of construction of a portion of Reach 8 from Ciolino Avenue upstream to approximately 300 feet north of the existing West Main Avenue and Hale Avenue intersection.

Phase 2A includes construction of the proposed approximately 2,300 linear feet horseshoe-shaped underground high-flow diversion tunnel and approximately 1,600 linear feet of twin reinforced concrete box culverts upstream and downstream of the proposed tunnel.

Construction will include traffic control, detours, road work, utility relocations and coordination, fencing, soil testing as required for off-site disposal, concrete and other miscellaneous work, community outreach and coordination. Construction is anticipated to take approximately three years to complete.

- Phase 2B consists of construction of the remaining portion of Reach 5 and all of Reach 6 (Highway 101 upstream to Monterey Road), Reach 7B (Watsonville Road to Ciolino Avenue), the remaining portion of Reach 8 (approximately West Main Avenue to Llagas Road), and Reach 14 (confluence with Reach 4 upstream to Sycamore Avenue). Phase 2B construction consists of approximately 1,900 linear feet of twin reinforced concrete box culverts, creek modifications and excavation by widening and deepening, installation of culverts at various street crossings, construction of an inlet basin weir split-flow structure, bridge underpinning work, installation of instream complexities, removal of plantings and non-native plantings, habitat enhancements, revegetation, utility relocations and coordination, outfall modifications, aggregate base maintenance roads, access ramps, traffic controls/detours, fencing, soil testing as required for off-site disposal, concrete and other miscellaneous work, community outreach and coordination. Construction is anticipated to take approximately three years to complete, followed by a three-year plant establishment period.

Phase 2A Construction Advertisement

The right-of-way required for the construction of Phase 2A has been acquired.

Valley Water staff has executed numerous utility relocation agreements associated with Phase 2A where, if practical, the relocations have been or will be completed prior to the construction of the proposed flood protection improvements.

Valley Water's Construction Services Unit does not have the expertise for the Phase 2A tunnel construction or sufficient resources currently needed to provide construction administration and inspection related services for Phase 2A construction. Therefore, staff initiated a competitive process to select a construction management consultant firm. On May 12, 2020, the Valley Water Board of Directors approved the Standard Consultant Agreement between Valley Water and Mott MacDonald Group, Inc. for Phase 2A of the Upper Llagas Creek Flood Protection Project. Valley Water staff and Mott MacDonald Group reviewed the Phase 2A Contract Documents and completed a constructability review of the Phase 2A Project, with an emphasis on the underground tunnel construction.

Outreach to Bidders

The Notice to Bidders (Attachment 3) will be sent to the following recipients: approximately 27 plan rooms, 20 minority businesses, Chambers of Commerce and small business groups, certified small business contractors, and local and regional firms that have the appropriate license for this type of work, and the Santa Clara and San Benito Counties Building and Construction Trades Council,

which maintains contacts with at least 500 contractors and 70 union representatives, for distribution to their members.

Construction Contract Retention

Public Contract Code (PCC) Section 7201 limits retention amounts for public works construction contracts to five percent (5%) of the total contract price. PCC section 7201(b)(4) provides that retention proceeds on a project may exceed 5% where the Board makes a finding that the proposed project is “substantially complex” and, therefore, requires a retention amount greater than 5%.

To comply with the PCC in regard to increasing the retention to 10%, staff recommends the Board find the Project is substantially complex based on the precision required to safely perform this critical underground work, including tunneling within the time allowance for completion of work to provide an increase level of public safety within the City of Morgan Hill and County of Santa Clara with completion of the Project.

Board Adoption of Plans and Specifications and Addenda Authorization

Board adoption of plans and specifications and Board authorization to advertise is recommended in order to proceed to bid the Project for construction. Authorizing the Designated Engineer to issue addenda during the bidding allows for modifications to the construction contract documents, if necessary, during the bidding period and before the contract is awarded.

The Project Contract Documents are currently undergoing Quality Assurance/Quality Compliance review and the finalized version will be available to the board and the public with publication of a Supplemental Board Agenda Memorandum on January 8, 2021.

Public Outreach

Valley Water will utilize various outreach strategies to keep the community informed of the Project’s progress and important milestones. During the Project’s design phase, outreach strategies included numerous public meetings and mailed notices to collect input, a Project webpage (<https://www.valleywater.org/project-updates/creek-river-projects/upper-llagas-creek-flood-protection>), Project fact sheets, and media relations.

During construction, outreach will be targeted to the surrounding neighborhoods and include pre-construction and post-construction public meetings. In addition to the outreach tactics used during the design phase, construction phase outreach will include regular email updates and construction site signage.

Next Steps

Following the construction advertisement for Phase 2A construction of the Project, the next Board action would be to consider awarding the construction contract, tentatively scheduled for the March 23, 2021 Board meeting. If a construction contract is awarded, it may create or sustain approximately 400 - 800 jobs in the community. The Project Delivery Process Chart (Attachment 4) highlights the current Project phase and the staff recommendations before the Board.

FINANCIAL IMPACT:

This Project is included in the Five-Year 2021-25 Capital Improvement Program (CIP) and in the Board-adopted Fiscal Year (FY) 2020-21 Budget. The estimated Phase 2A construction contract cost for the Project is between \$47 million and \$52 million and will be recommended by staff for inclusion in board-approved budgets during four (4) fiscal years. Phase 2A construction contract anticipated costs will be included in the FY 2022-2026 CIP.

CEQA:

Certification of the EIR

On June 10, 2014, the Board certified the Environmental Impact Report for the Upper Llagas Creek Project and adopted Resolution No. 14-67.

Certification of the Final EIS

USACE San Francisco Regulatory Division released the Project's Final Environmental Impact Statement (EIS) for Public Review on December 7, 2018. The Public Review period ended on January 11, 2019. The USACE San Francisco Regulatory Division issued a Record of Decision on March 26, 2019.

ATTACHMENTS:

- Attachment 1: Map
- Attachment 2: 121619 Letter, City MH
- Attachment 3: Notice to Bidders
- Attachment 4: Project Delivery Process Chart
- *Supplemental Agenda Memo
- *Supplemental Attachment 1: Plans
- *Supplemental Attachment 2: Specifications
- *Supplemental Attachment 3: Appendices to Specifications

UNCLASSIFIED MANAGER:

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