



# Santa Clara Valley Water District

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**File No.:** 22-0550

**Agenda Date:** 5/10/2022

**Item No.:** \*6.2.

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## BOARD AGENDA MEMORANDUM

### **SUBJECT:**

Report of Bids Received and Reject All Bids for Contract No. C0679; and Authorize Advertisement for Bids for the Construction of the Bolsa Road Fish Passage Improvements Project, Project No. 26044004, Contract No. C0687 (Gilroy) (District 1).

### **RECOMMENDATION:**

- A. Ratify Addenda No(s). 1, 2, and 3 to the Contract Documents for the Bolsa Road Fish Passage Improvements Project;
- B. Reject all bids for Contract No. C0679;
- C. Adopt Plans and Specifications and Authorize Advertisement for Bids for the Bolsa Road Fish Passage Improvements Project; and
- D. Authorize the Designated Engineer to issue addenda, as necessary, during the bidding process.

### **SUMMARY:**

The purpose of the Bolsa Road Fish Passage Improvements 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 the development of a geomorphically designed project, restoring the creek invert to historic elevation and thereby providing fish passage. Since the Project meets both fish passage and geomorphic restoration goals, planning and partial design was funded by two projects in the 2012 Safe, Clean Water and Natural Flood Protection Program. The two projects were Project D4: Fish Habitat and Passage Improvement and Project D6: Creek Restoration and Stabilization. Under the renewed Safe, Clean Water and Natural Flood Protection Program that voters approved in November 2020, final design and construction of the Project is funded solely by Project D6: Restoration of Natural Creek Functions.

Specific outcomes of the Project are:

- 1. Restore upstream steelhead passage at the UPRR crossing, providing access to spawning grounds in the upper reaches of the watershed.
- 2. Restore stability and stream function and prevent incision for 1,700 feet of Uvas Creek.
- 3. Provide maintenance access for riffle-pool system, restored banks, and vegetation of Uvas-

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Carnadero Creek downstream of the UPRR bridge.

The Project is located in the City of Gilroy, California, between Christopher Ranch on the south bank and Bolsa Road on the north bank and extends approximately 1,700 linear feet downstream of the UPRR Bridge (see Attachment 1 Location Map). The Project consists of a series of roughened riffles with pools and glides in between. In total, there are ten riffles and nine pools. Two access ramps are incorporated to provide access for operation and maintenance after construction is complete. One is located on the south bank just downstream of the UPRR bridge, and the second is located on the north bank towards the downstream limit of the Project. Additionally, 800 feet of bank protection, consisting of rock slope protection ranging from 0.25-ton to 3-ton rock, will be placed intermittently on both banks where erosion has previously occurred.

### ***Project Background***

Uvas Creek is a designated steelhead stream that originates on the eastern slopes of the Santa Cruz Mountains west of the City of Morgan Hill and is part of the larger Pajaro Watershed. Steelhead in the Pajaro system constitute the South-Central Coast Distinct Population Segment (DPS), formally Ecologically Significant Unit (ESU), which was listed as threatened in 1997 under the Endangered Species Act by the National Marine Fisheries Service (NMFS).

The UPRR crossing over Uvas Creek at Bolsa Road has long been considered the most critical fish passage barrier in the Uvas Creek Watershed. The site currently has a Denil-style fishway, which was originally installed by the Federation of Fly Fishers in 1982. The current ladder configuration does not meet fish passage criteria and channel conditions have changed since the installation of the ladder. Denil fish ladders are typically not used as permanent fish passage facilities in the Pacific Northwest due to the limited operating range and vulnerability to debris blockages.

The design phase included an evaluation of a number of variables to select an appropriate fishway design. These variables included: species and age class to be passed; hydraulic analysis of channel; degree of flow control available; and dependability and cost of operations and maintenance.

The design phase included consultation with resource agencies with a vested interest in the Project. Fish passage professionals from NMFS as well as the California Department of Fish and Wildlife were solicited for input into design specifications and fish passage criteria. The design process also included consultation with the UPRR to ensure that modifications of the channel would not adversely affect the current operation of the railroad facility.

### ***Addenda Ratification***

Three (3) addenda (Attachment 2) 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 Opening Results***

A report of bids received at the bid opening for the Project on April 20, 2022, is summarized in Table

1.

**Table 1 - Bid Opening Results**

Company, Location	Bid Amount	Award Amount
Brannon Corporation	\$4,284,444.00	
Granite Rock Construction Company	\$5,283,610.00	
A. Teichert & Son, Inc	\$5,446,837.00	
<b>Engineer's Estimate:</b> \$3,330,170.00		

***Rejection of All Bids***

All bidders were required to submit "Bid Form No. 9, Bidder's Statement of Qualifications: Rock Installation Contractor/Subcontractor," describing their past projects, which included bank protection work similar to the scope for this Project. Staff determined that all three bids were non-responsive based on the amount of information provided and that it would be in Valley Water's best interests to re-advertise for bids.

Staff has revised "Bid Form No. 9, Bidder's Statement of Qualifications: Rock Installation Contractor/Subcontractor," and it now requires more details pertaining to the contractors'/subcontractors' previous experience and qualifications necessary to perform the particular Project elements.

With regard to the Bid Proposal amounts, the Engineer's Estimate of \$3,330,170.00 is 28.6% lower than the apparent low bid. Past project and industry publication cost data that design engineers use to develop the Engineer's Estimate are based on stable economic conditions, but the current COVID-19 environment and recent rapid escalation in gas prices made estimating this Project very challenging. Additionally, rapidly escalating costs due to supply chain disruptions, raw material cost inflation, and the upsurge in new construction affecting labor availability are all contributing factors to the elevated prices reflected in the bids received.

In light of the aforementioned factors, staff has updated the Engineer's Estimate accordingly and will provide an updated Project price range in the Notice to Bidders (Attachment 3).

***Board Authorization to Re-Advertise for Bids***

To accomplish the Project objectives, staff recommends promptly re-bidding, which is subject to Board authorization to re-advertise, and shortening the advertisement period. Due to the regulatory permit conditions for when in-channel work can be performed, quickly re-advertising the Project for bids is recommended.

Authorizing the Designated Engineer to issue addenda during the bidding allows modifications to the Contract Documents, if necessary, during the bidding period before the contract is awarded.

### ***Permits***

Valley Water has obtained all the necessary environmental permits for Project construction.

### ***Rights-of-Way***

Valley Water has obtained all necessary rights-of-way for Project construction and completion of the three-year plant establishment phases, through December 31, 2025. Staff will continue working to acquire permanent easement rights necessary for operations and maintenance of the completed Project.

### ***Next Steps***

If the Board approves the recommendations, staff will proceed to re-advertise for bids for Project construction. The next step will be to award the construction contract, tentatively scheduled for June 28, 2022.

### **ENVIRONMENTAL JUSTICE IMPACT:**

There are no Environmental Justice Impacts associated with this item. Environmental Justice of the Project will be assessed and addressed in future Project board actions related to the Project execution.

### **FINANCIAL IMPACT:**

There is no financial impact associated with the recommendation Report of Bids Received and Reject All Bids for Contract No. C0679, and Authorize Advertisement for Bids for the Construction.

The estimated construction contract cost for the Bolsa Road Fish Passage Improvements Project is between \$3.7 million and \$4.7 million. The Bolsa Road Fish Passage Improvements Project, Project No. 26044004 is included in the Five-Year 2023-27 Capital Improvement Program (CIP) and in the Board-adopted FY 2022-23 Budget. Based upon estimated construction contract costs, there are adequate funds in the Project's Board-adopted FY2022 budget to encumber the planned expenditures for construction to be incurred during this fiscal year.

Funds to cover the remaining anticipated construction costs will be included in the biennial budget process and recommended by staff during the annual fiscal year budget process or through budget adjustment(s), if needed. The Project is funded through the Safe, Clean Water and Natural Flood Protection Fund (Fund 26).

**CEQA:**

This project is exempt from CEQA review pursuant to CEQA Guidelines Section 15333, which exempts projects not exceeding five acres in size that are proposed for maintenance, restoration, enhancement, or protection of habitat for fish, plants, or wildlife.

**ATTACHMENTS:**

- Attachment 1: Location Map
- Attachment 2: Addenda No. 1, No. 2, and No. 3
- Attachment 3: Notice to Bidders
- Attachment 4: Specifications
- Attachment 5: Plans
- Attachment 6: Project Delivery Process Chart

**UNCLASSIFIED MANAGER:**

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