



Santa Clara Valley Water District

File No.: 22-0950

Agenda Date: 9/27/2022

Item No.: 5.2.

BOARD AGENDA MEMORANDUM

SUBJECT:

Receive Report of Bids and Reject All Bids for the Construction of the Silicon Valley Advanced Water Purification Center Storage Building Project, under the Small Capital Improvements, Water Treatment, Project No. 93764004, Contract No. C0686 (San Jose) (District No. 3).

RECOMMENDATION:

- A. Ratify Addenda Nos. 1, 2, and 3 to the Contract Documents for the Silicon Valley Advanced Water Purification Center Storage Building Project; and
- B. Reject all bids.

SUMMARY:

The objective of the Silicon Valley Advanced Water Purification Center (SVAWPC) Storage Building Project (Project) is to construct a 1500 square foot storage building for the storage of parts and materials used in the maintenance and operation of the SVAWPC. The Project scope of work includes connecting electrical power to the building; installing a fire suppression system; providing an additional fire hydrant; and upgrading valves on the fire suppression system to the existing main building. The completed Project will support Santa Clara Valley Water District's (Valley Water) ongoing operations to efficiently produce purified water to enhance the quality of the recycled water in support of the South Bay Water Recycling (SBWR) partnership.

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.

Bid Results

Outreach efforts for this Project was conducted using Valley Water's electronic procurement system, Planet Bids vendor portal. This project was also advertised and published in the San Jose Post Record. The Notice to Bidders was sent to 100 Builder Exchanges (plan rooms), 6 chambers of commerce, and 685 contractors were notified. There were 8 prime construction companies on the plan holders list for the project and 7 prime contractors attended the optional pre-bid meeting.

TABLE 1
Bid Summary

Contractor, Location	Bid Price	Award Amount
Calstate Construction, Inc., Fremont	\$1,463,501	
Southwest Construction, San Bruno	\$1,499,500	
Engineer's Estimate: \$960,000		

Rejection of All Bids

Per the Notice to Bidders, paragraph 15, the Valley Water reserves its right to reject any and all bids and to waive minor irregularities in any submitted bid form(s). Because the bids received are 52% and 56% above the Engineer's Estimate of \$960,000, staff is recommending that all bids be rejected 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 review alternative options for storage, including temporary storage, at the SVAWPC. The Project will be put on hold until the economic conditions have stabilized and are more predictable before re-advertising the Project for construction.

ENVIRONMENTAL JUSTICE IMPACT:

There are no Environmental Justice impacts associated with this item.

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 Nos. 1, 2, and 3

UNCLASSIFIED MANAGER:

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