



Santa Clara Valley Water District

File No.: 22-1356

Agenda Date: 11/22/2022

Item No.: *6.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Approve and Authorize the Chief Executive Officer to Execute a License Agreement with Google LLC, Receive Report of Bids, Approve a Budget Adjustment in the Amount of \$2,157,000, Ratify Addenda Nos. 1 and 2, Approve the Contingency Fund, and Award the Construction Contract to Anvil Builders Inc. for the Permanente Creek Flood Protection Project - Floodwall Retrofit, Project No. 10244001, Contract No. C0689 (Mountain View, District 7).

RECOMMENDATION:

- A. Approve and Authorize the Chief Executive Officer to execute a License Agreement to Use Temporary Spaces with Google LLC;
- B. Approve the Budget Adjustment in the amount of \$2,157,000 for the Permanente Creek Flood Protection Project - Floodwall Retrofit;
- C. Ratify Addenda Nos. 1 and 2 to the Contract Documents for the Permanente Creek Flood Protection Project - Floodwall Retrofit;
- D. Award the Contract to Anvil Builders Inc., located in San Francisco, California, in the sum of \$1,097,210; and
- E. Approve a contingency sum of \$164,581.50 and authorize the Chief Executive Officer or designee to approve individual change orders up to the designated amount.

SUMMARY:

The objective of the Permanente Creek Flood Protection Project - Floodwall Retrofit, (Project) is to retrofit the existing floodwall footings along the East bank of Permanente Creek between Charleston and Highway 101 to ensure the floodwalls meet all Federal Emergency Management Agency (FEMA) Letter of Map Revision (LOMR) criteria and allow Santa Clara Valley Water District (Valley Water) staff to complete the FEMA LOMR application to remove certain parcels from the floodplain maps.

Project Background

Valley Water completed the construction of Permanente Creek Flood Protection Project (Permanente Project) along the Permanente Creek corridor in the cities of Mountain View, Los Altos, and Cupertino as part of the 2012 Safe, Clean Water Program. The Permanente Project, which was approved by the Board on May 28, 2013, was comprised of three separate projects: Rancho San Antonio Detention Basin (completed June 2021), McKelvey Park Detention Basin (completed February 2020), and the Permanente Creek Channel Improvements Project (completed December 2018).

After completion of the Rancho San Antonio Detention Basin in June 2021, Valley Water Hydraulics and Hydrology (H&H) staff began the FEMA LOMR application process to update the 100-year floodplain map, to remove the properties that were listed in the old floodplain map. The affected properties are along the full length of the creek, from Los Altos downstream to the San Francisco Bay.

During H&H's preparation of the FEMA LOMR application and supporting documents, it was discovered that some of the design calculations for the Channel Improvements showed that some retrofits would be required to certain floodwalls to fully meet all current FEMA LOMR criteria.

License Agreement

A license agreement with Google LLC is required for the Project to utilize approximately 14,500 square feet of space on Google LLC's 900 Alta, Mountain View campus for Contractor staging and access. This license agreement also includes the use of Valley Water easement for a temporary transformer installation by Google LLC required for the construction of their facilities (Google Landings Project).

Addenda Ratification

Two Addenda (Attachment 1) were issued during the bid period to clarify the Project Contract Documents and answer bidders' questions. To formally incorporate the Addenda into the Project Contract Documents, staff recommends that the Board ratify the addenda.

Contract Award

A report of bids received at the bid opening for the Project on October 5, 2022 is summarized in Table 1.

The responsible bidder submitting the lowest responsive bid was Anvil Builders Inc. of San Francisco, California. The bid submitted by Anvil Builders Inc. is approximately 18% lower than the Engineer's estimate of \$1,332,657. The low bid and the number of bids received reflects the current market conditions for smaller and localized scope of retrofit work such as this Project.

Staff reviewed the bid proposal and recommends the Board award the construction contract to Anvil Builders Inc. for the following reasons:

1. All bid entries and requirements in the proposal submitted by Anvil Builders Inc. are in order;
2. Anvil Builders Inc.'s license is current, active, and in good standing; and
3. Anvil Builders Inc. is in compliance with the requirements of California Labor Code section 1771.1. because Anvil Builders Inc. and its 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 Summary

Company, Location	Bid Price	Award Amount
Anvil Builders Inc, San Francisco	\$1,097,210.00	\$1,097,210.00
Azul Works, Inc., San Francisco	\$1,185,368.00	
Granite Rock Company, San Jose	\$1,203,599.00	
Granite Construction Co, Santa Clara	\$1,218,535.00	
Con-Quest Contractors, Inc, San Francisco	\$1,291,404.00	
Gordon N. Ball, Inc., Alamo	\$1,419,940.00	
McGuire and Hester, Alameda	\$1,514,044.00	
Robert A Bothman Construction, Santa Clara	\$1,594,000.00	
Engineer's Estimate: \$1,332,657.00		

Staff recommends the Board award the construction contract to Anvil Builders Inc. as the responsible bidder submitting the lowest responsive bid.

Contingency Funds

The Contract award sum for the Project is \$1,097,210.00. 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 \$164,581.50 which amounts to 15% of the contract amount.

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

1. Unforeseen conditions and field conditions that may be different from the baseline and as-built information used in preparation of the Project Contract Documents;
2. Unanticipated variances in quantities and cost of various lump sum items estimated in the Bid Proposal;
3. Differing site conditions; and
4. Coordination issues and risks associated with weather conditions

Approval of individual change orders for the Project will be subject to approval at the following designated amounts:

Engineering Unit Manager:	\$50,000
Deputy Operating Officer:	\$100,000
Chief Executive Officer:	Up to the total amount of the contingency

Relevant Prior Board Actions

On November 20, 2012, the Board certified a Final Subsequent EIR (FS-EIR) for the Permanente Project.

On August 23, 2022, the Board approved the Seventh Addendum to the FS-EIR for construction of the Project.

On August 23, 2022, the Board adopted the plans and specifications and authorized advertisement for bids for construction.

Outreach to Bidders

As part of Valley Water's customary outreach, the Notice to Bidders was sent to more than 600 vendors including certified Small Business Contractors, Chambers of Commerce, Plan Rooms/Builder Exchanges, the Building Construction & Trade Council, and the District's Master Contractor Database. Valley Water also placed an ad in the San Jose Post Record and utilized Valley Water's PlanetBids Vendor Portal to solicit interest in the Project.

Rights-of-Way

Valley Water is in final signature routing with Google LLC for the license agreement which will be presented in a Supplemental Agenda Memorandum for Board consideration and approval.

Regulatory Permits

No regulatory permits are required for construction of the Project because all necessary work will occur outside the creek channel.

Public Outreach

Valley Water will use a variety of outreach strategies to keep the community informed of the Project progress and important milestones. During the Project's design phase, numerous meetings were held with impacted property owners and commercial businesses, including Google LLC, to coordinate the construction of their Huff Garage and Landings Project with Valley Water's Project. These will continue during construction as necessary and may also include regular email updates and construction site signage. Staff will issue a pre-construction mailer to impacted property owners near the Project site and provide updated to City of Mountain View to inform them of the construction schedule and the anticipated construction activities.

Next Steps

If the Board approves the recommendations, staff will proceed with administering construction of the Project, which is anticipated to begin in November 2022 and be completed by April 2023.

ENVIRONMENTAL JUSTICE IMPACT:

Staff has identified a benefit for the surrounding community upon completion of this Project. Completion of the Project will allow staff to complete the FEMA LOMR process to remove properties from the FEMA floodplain maps. No negative impacts have been identified and no Disadvantaged Communities were identified within the Project's impact area.

FINANCIAL IMPACT:

The Permanente Creek (San Francisco Bay to Foothill Expressway) Project, Project No. 10244001 is included in the Capital Improvement Program (CIP) Fiscal Year (FY) 2023-27 Five-Year Plan and in the FY 2022-23 Adopted budget. A budget adjustment of \$2,157,000 is recommended to increase the FY 2022-23 budget for the Project to accommodate the increase to FY 2022-23 planned expenditures. Funding will be from the Watershed and Stream Stewardship Fund (Fund 12) Operating and Capital Reserves to increase the FY 2022-23 budget for Project No.10244001 by \$2,157,000.

The impact of awarding this construction contract and additional Valley Water staff hours would be an increase to the total Project cost reflected in the CIP's Adopted FY 2023-27 Five-Year Plan by approximately \$2,198,000 (inflated). The increase in the total Project cost will be incorporated into the CIP's Draft FY 2024-28 Five-Year Plan. The Project is funded through the Watershed and Stream Stewardship Fund (Fund 12).

CEQA:

On August 23, 2022, the Board approved the Seventh Addendum to FS-EIR for construction of the Project.

ATTACHMENTS:

Attachment 1: Addenda Nos. 1 and 2
Attachment 2: Project Delivery Process Chart
Attachment 3: Location Map
*Supplemental Board Agenda Memo
*Supplemental Attachment 1: Lease Agreement

UNCLASSIFIED MANAGER:

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