



Board Agenda Item 58

DATE: July 9, 2024

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Reject Bid from West Valley Construction Company, Inc. for Contract #23-29-C
CSA 1 Tamarack Water Infrastructure Replacement

RECOMMENDED ACTION(S):

Reject the construction bid in the amount of \$2,695,928 from West Valley Construction Company, Inc., for Contract #23-29-C County Service Area 1 Tamarack Water Infrastructure Replacement because the allocated California Department of Water Resources funding is insufficient to cover the bid amount.

Approval of the recommended action will reject the construction bid (Bid) received from West Valley Construction Company, Inc. for the proposed water infrastructure replacement project in County Service Area 1 (CSA 1) Tamarack Estates. This project will be funded by a State of California Department of Water Resources (DWR) grant, but it is an insufficient amount to cover the Bid. This item pertains to a location in District 5.

ALTERNATIVE ACTION(S):

There is no viable alternative action, as the allocated DWR funding does not provide sufficient funds to construct the improvements, based on the Bid.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. This project is funded through the Small Community Drought Relief Program grant received through DWR and accepted by your Board June 20, 2023. The maximum amount of the grant is \$2,098,240.

DISCUSSION:

CSA 1 was formed in 1962 and is located east of Tollhouse Road (SR 168) at Flintridge Drive, approximately nine miles south of Huntington Lake. There are 45 parcels within CSA 1, which currently includes 38 developed parcels, 6 undeveloped parcels and a parcel which contains a 10-unit motel. CSA 1 provides water and wastewater services to the residents of the Tamarack Estates tract. The aging water infrastructure causes CSA 1 to incur frequent emergency water system repairs. Aging infrastructure issues include deteriorating asbestos cement pipe and a rusted water storage tank that needs to be replaced. Replacement of the aging water system infrastructure with the grant funding will allow CSA 1 to conserve the current water sources and stop leaking water due to water line breaks and constant repairs.

The work to be done consists of installing approximately 3,900 feet of High-Density Polyethylene (HDPE)

water main, replacing the function of the existing asbestos cement pipelines. The project also includes installing approximately 45 service connections with meters and meter boxes and installing five fire hydrants. This project contains additives including removing the existing storage tank, installing a new storage tank, installing an access road to the new tank, and installing pavement overlays in the project area.

A Notice to Bidders for the project was issued on April 7, 2024, and a bid opening was held on May 2, 2024. Only one bid in the amount \$2,695,928, was received from West Valley Construction Company, Inc. The Bid was \$957,726, or 55% higher, than the engineer's estimate of \$1,738,202. The maximum funding amount of the DWR grant is \$2,098,240, which is not enough to cover the amount of the bid received.

When surveyed to ask why they did not submit bids, other contractors indicated that busy schedules prevented them from bidding this summer though they were interested in this project. By re-advertising the bid and re-issuing a Notice to Bidders in fall of 2024 for anticipated construction in spring of 2025, more competitive bids can be expected as contractors will be able to schedule around this project.

Upon your Board's rejection of the bid received, the Department will re-issue a Notice to Bidders in the Fall of 2024. Staff will use the same plans and specifications as for this bid.

Under the Public Contract Code, no other option is available at this time. Upon holding a second bid opening, the Department will return to your Board with the results.

Plans and Specifications were prepared by Department Staff and are on file with the Department. Department staff has determined that the CSA 1 Tamarack Water Infrastructure Replacement project is categorically exempt from the provisions of California Environmental Quality Act (CEQA) under Section 15301(b) - Existing Facilities.

OTHER REVIEWING AGENCIES:

Department of Water Resources

REFERENCE MATERIAL:

BAI #78, June 20, 2023

ATTACHMENTS INCLUDED AND/OR ON FILE:

Location Map

CAO ANALYST:

Salvador Espino