



## City Council Staff Report

**From: City Manager**

**Report Type: CONSENT CALENDAR**

**Lead Department: Public Works**

**Meeting Date: October 16, 2023**

**Report #:2306-1630**

### **TITLE**

Approval of Construction Contract with Golden Bay Construction, Inc. in the Amount of \$1,247,069 and Authorization for the City Manager to Negotiate and Execute Change Orders up to a Not-to-Exceed Amount of \$311,767 for the Capacity Upgrades along East Meadow Drive (SD-22000) and Connection to Adobe Creek Pump Station from East Meadow Circle (SD-26000), Storm Drainage System Replacement and Rehabilitation (SD-06101), and Sidewalk Repairs (PO-89003); CEQA status – exempt under CEQA Guidelines Section 15301(c).

### **RECOMMENDATION**

Staff recommends that Council:

1. Approve and authorize the City Manager or their designee to execute construction contract C24188585 with Golden Bay Construction in the amount of \$1,247,069 for the East Meadow Drive System Upgrades project (SD-22000), East Meadow Circle Connection to Adobe Creek Pump Station project (SD-26000), Storm Drainage System Replacement and Rehabilitation project (SD-06101), Green Stormwater Infrastructure (SD-22001), and Sidewalk Repairs (PO-89003); and
2. Authorize the City Manager or their designee to negotiate and execute one or more change orders to the contract with Golden Bay Construction for related, additional, and unforeseen work that may develop during the project, the total value of which shall not exceed \$311,767.

### **BACKGROUND**

The 2015 Storm Drain Master Plan identified that the storm drain trunk lines upstream of the Matadero Creek pump station need to be upsized to convey a 10-year storm event. In 2017, voters approved a ballot measure to continue the Storm Water Management Fee and to implement 13 new storm drain capital improvement projects to upgrade and improve the storm drain system in Palo Alto. In 2018, the completion of the Matadero Creek Storm Water Pump Station project (SD-13003) was the first step towards increasing the capacity of the station to convey flows for large storm events. The Loma Verde Avenue Trunk Line Improvements project (SD-19000), completed in 2020, is the first of the 13 projects completed.

This contract implements two Storm Drain Master Plan Capital Improvement Program (CIP) projects, the East Meadow Drive System Upgrades project (SD-22000) and East Meadow Circle Connection to Adobe Creek Pump Station project (SD-26000). The Storm Drain Master Plan identifies both as high-priority improvements to the City's storm drain system.

Both SD-22000 and SD-26000 include several utility relocations due to conflicts with existing utilities as a result of upsizing the diameter of the storm drain pipe and addition of new storm drain pipe.

SD-22000 is located on East Meadow Drive where the existing 36-inch pipe is undersized and lacks the capacity to convey the runoff from a 10-year storm to the Adobe Pump Station. This project will upsize the existing pipe to a 48-inch pipe.

SD-26000 is located on East Meadow Circle and will redirect flows from Barron Creek to Adobe Creek. East Meadow Circle tends to flood during storm events. The runoff within the pipe drains by gravity through a flap-gate into Barron Creek. Flooding occurs when flows within Barron Creek exceed the height of the gate and the pressure created by the water in the creek prevents the gate from opening. This project creates a bypass to allow flows from Barron Creek to overflow to the Adobe Creek pump station. The bypass will add a new storm drain line connecting the existing manhole on East Meadow Circle to the existing manhole on East Meadow Drive. The bypass will divert storm drain runoff to Adobe Creek Pump Station where it can be pumped into Adobe Creek and ultimately the Palo Alto flood basin. Work on East Meadow Circle also provides an opportunity to incorporate Green Stormwater Infrastructure (GSI) (SD-22001) features in the planter strip area.

Additional storm drain repair or replacement is associated with Storm Drainage System Replacement and Rehabilitation Project (SD-06101). This will address storm drain pipe failures that occurred during the winter 2023 storm events as well as emergency repairs.

## **ANALYSIS**

### Project Description

Staff recommends approval of Contract No. C24188585<sup>1</sup> to implement high priority projects identified in the Storm Drain Master Plan to increase capacity and improve the storm drainage system in the City. The project limits for SD-22000 are East Meadow Drive from Adobe Creek to the intersection of East Meadow Circle. The project limits for SD-26000 are from the intersection from East Meadow Drive to 1036 East Meadow Circle, depicted on the attached Location Map (Attachment A). Pipe replacement in the streets may require additional work such as pavement restoration, striping, replacement of sidewalk, curb and gutter, and curb ramp due to the location of the work.

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<sup>1</sup> Contract No. C24188585 [https://www.cityofpaloalto.org/files/assets/public/v/1/public-works/engineering-services/cip-contracts/c24188585-golden-bay-construction\\_cc\\_staff-report\\_10.16.2023.pdf](https://www.cityofpaloalto.org/files/assets/public/v/1/public-works/engineering-services/cip-contracts/c24188585-golden-bay-construction_cc_staff-report_10.16.2023.pdf)

The work under this contract includes the replacement of 407 linear feet of existing 36-inch diameter pipes with 48-inch diameter pipes on East Meadow Drive. The project will also remove two storm drain manholes and replace them with two junction boxes and modify one existing manhole junction box. The work on SD-26000 includes a bio-retention planter, the addition of 526 linear feet of new 15-inch diameter pipe, replacement of 28 linear feet of 12-inch pipe, two catch basins, and five manholes. Due to utility crossing conflicts that result from installing a larger storm drain pipe, utility relocations include the removal of an abandoned sanitary sewer lateral, cutting and capping two abandoned gas services, installing offsets of existing 6-inch and 8-inch water mains, relocation of one water service, and relocating 4-inch cable lines.

Additionally, the scope of work for SD-22001 will install GSI features to improve quality of storm water runoff and encourage onsite stormwater retention. A bio-retention planter will be located in the planter strip that is to be re-built to capture flows from small storms. This part of the project requires removing four trees that were planted in the early 2000s. The trees are stunted and have not grown as well as other trees planted at the same time.

Although the two individual CIP projects could be completed independent of one another, staff proposes to advance both projects concurrently, based on their proximity to each other, the relative costs of each project, and available budget. Combining these two relatively small projects is more attractive to contractors and may result in lower costs in the long run. Expenses such as mobilization will be incurred once, and slightly greater quantities help to reduce the bid item costs of items such as manholes or catch basins.

SD-06101 encompasses storm drain work related to pipe failures from previous storms that need replacement and emergency work that may arise during the wet season. In response to the 2023 storm events and a current El Niño forecast for this upcoming winter, this project includes spot repairs at various locations to remove and replace pipe that failed during the recent storms. Staff videoed the conditions of the storm drain pipes at various locations and found that the corrugated metal pipe has eroded away and caused the surface to collapse. The rehabilitation work includes the replacement of 271 linear feet of broken pipe, removal and replacement of three catch basins, and two storm drain manholes. Concrete work includes removal and replacement of one curb ramp, curb and gutter, and sidewalk. Several spot repair locations require sidewalk replacement and will be funded by the Sidewalk Repairs project (PO-89003). The forecasted El Niño may result in new pipe failures needing immediate repair or replacement during the wet season. An additional 15 percent contingency beyond the standard 10 percent contingency is proposed to cover any storm preparation and any emergency repair work that may arise during the wet season while this project is under construction. The contingency would allow immediate action while avoiding waiting until the next season to make repairs under a new construction contract.

One of the locations where storm drain repair is needed is on Fielding Drive and Louis Road where a Public Art feature of koi fish swimming within the crosswalk resides. The installation, titled *Go with the Flow* was installed in 2018 using thermoplastic material. Storm drain lines are

typically installed by opening a trench in the pavement. Unfortunately, the art installation is directly above the storm drain pipe, and this will destroy a portion of the art installation. Although this installation was not intended to be permanent and the risks involved in placing the art in the crosswalk were known at the time of installation, Public Works Engineering intends to replace the art installation following completion of the storm drain repair, subject to confirmation that the Public Art program and community want it reinstalled.

#### Bid Process

On July 17, 2023, an Invitation for Bids (IFB) for the Capacity Upgrades along East Meadow Drive and Connection to Adobe Creek Pump Station from East Meadow Circle Project was posted to the City's online bid solicitation web portal, OpenGov. The bidding period was 21 days. Only one bid was received from a qualified contractor on August 7, 2023, as listed on the attached Bid Summary (Attachment B).

#### Summary of Bid Process

|  |  |
|--|--|
| <b>Bid Name / Number</b>                               | <b>Capacity Upgrades along East Meadow Drive and Connection to Adobe Creek Pump Station from East Meadow Circle (SD-22000 &amp; SD-26000) Project IFB No. 188585</b> |
| Proposed Length of Project                             | 210 Calendar Days  |
| Number of Bid Packages Downloaded by Prime Contractors | 9  |
| Total Days to Respond to Bid                           | 21 Calendar Days   |
| Pre-Bid Meeting?                                       | No   |
| Number of Bids Received                                | 1  |
| Base Bid Price Range                                   | NA   |
| Public Link to Solicitation                            | <a href="https://procurement.opengov.com/portal/palo-alto-ca/projects/53534">https://procurement.opengov.com/portal/palo-alto-ca/projects/53534</a>                  |

The apparent low bidder was selected based upon the base bid with no consideration to the add alternate. The Base Bid price is 15% above the engineer's estimate. Staff has reviewed the bid submitted and recommends acceptance of the base bid and add alternates 1-17 submitted by Golden Bay Construction in the amount of \$1,247,069, and that Golden Bay Construction be declared the lowest responsible bidder. The construction contingency amount of \$124,707, which equals 10 percent of the total contract, is requested for related, additional, but unforeseen work which may develop during the project.

An additional 15 percent construction contingency is requested to address any additional storm drain related preparation and any emergency repair work that may be needed for what is being forecasted as a moderate to strong El Niño. This amount totals \$187,060 and results in a total construction contingency of \$311,767.

Staff reached out to the four bidders who downloaded the bid packages and asked why they did not submit a bid. One of the bidders provided a response and elaborated that the green infrastructure component made the work less appealing. That, along with their current backlog, were the reasons why they did not bid on the project.

Staff reviewed other similar projects performed by the lowest bidder, Golden Bay Construction, Inc., including projects performed for the City and found them to be the lowest responsive and responsible bidder. Staff also checked with the Contractors State License Board and confirmed that this contractor has an active license on file.

#### Project Coordination

The projects have been coordinated with Public Works Street Maintenance and Utilities Department. Street cut fees in the amount of \$2,507 will be transferred to the General Fund. Utility relocation fees are estimated to be approximately \$75,000. The final amount will be determined in the field during construction and transferred to Utilities.

#### **FISCAL/RESOURCE IMPACT**

Funding is available in the Fiscal Year 2024 Adopted Capital Budget within the East Meadow Drive System Upgrades (SD-22000), East Meadow Circle Connection to Adobe Creek Pump Station (SD-26000), Storm Drainage System Replacement and Rehabilitation (SD-06101), Green Stormwater Infrastructure (SD-22001), and Sidewalk Repairs (PO-89003) projects.

The funding allocation is as follows:

|   | <b>Funding Source</b>  | <b>Contract</b>    | <b>Contingency</b> | <b>Total<br/>Encumbrance</b> |
|---|--|--------------------|--------------------|------------------------------|
| 1 | East Meadow Drive System<br>Upgrades<br>SD-22000                         | \$487,590          | \$48,759           | \$536,349                    |
| 2 | East Meadow Circle Connection to<br>Adobe Creek Pump Station<br>SD-26000 | \$399,861          | \$39,986           | \$439,847                    |
| 3 | Storm Drainage System<br>Replacement and Rehabilitation<br>SD-06101      | \$256,805          | \$212,741          | \$469,546                    |
| 4 | Green Stormwater Infrastructure<br>SD-22001                              | \$86,867           | \$8,687            | \$95,554                     |
| 5 | Sidewalk Repairs<br>PO-89003   | \$15,946           | \$1,594            | \$17,540                     |
|   | <b>Totals</b>  | <b>\$1,247,069</b> | <b>\$311,767</b>   | <b>\$1,558,836</b>           |

The additional 15% contingency requested for storm preparation and emergency repair is allocated to come from the Storm Drainage System Replacement and Rehabilitation (SD-06101) project, as the anticipated work relates most closely to the description of that project. Additionally, approximately \$105,000 is available in the various project budgets for soil testing, outreach material, fees associated with GSI inspections and verification, utility relocation and street cut fees.

#### **STAKEHOLDER ENGAGEMENT**

Staff has presented to the Storm Water Management Oversight Committee on the progress of SD-22000, SD-26000, and the Storm Drain Rehabilitation and Replacement Project. Once the construction contract is awarded, staff will continue to notify and update the Storm Water Management Oversight Committee during construction.

Extensive public outreach will be conducted before and during the construction phase to keep the community informed throughout the process, including flyers sent to adjacent residences and businesses, and notices posted online on Nextdoor and the City's website.

#### **ENVIRONMENTAL REVIEW**

This project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) under Section 15301 (d) (repair, maintenance and/or minor alteration of existing facilities and 15302 (c) (replacement of existing structures) of the CEQA Guidelines and no further environmental review is necessary.

#### **ATTACHMENTS:**

Attachment A: Location Map

Attachment B: Bid Summary

#### **APPROVED BY:**

Brad Eggleston, Director Public Works/City Engineer