



**City of Santa Ana**  
**20 Civic Center Plaza, Santa Ana, CA 92701**  
**Staff Report**  
**March 21, 2023**

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**TOPIC:** Downtown Flood Reduction and Stormwater Infiltration Project

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**AGENDA TITLE**

Approve Appropriation Adjustments and Award a Construction Contract to GMZ Engineering, Inc. in the Amount of \$4,642,644 for the Downtown Flood Reduction and Stormwater Infiltration Project with an Estimated Construction Delivery Cost of \$5,640,000 (Non-General Fund)

**RECOMMENDED ACTION**

1. Approve an appropriation adjustment to recognize an additional \$1.25 million in Proposition 68 Urban Flood Protection (UFP) grant funding from the California Natural Resources Agency into the Public Works Agency Enterprise Capital Grants, Direct Revenue Account and appropriate the same amount into the California Natural Resources Agency Urban Flood Protection, Improvements Other Than Building expenditure account. *(Requires five affirmative votes)*
2. Approve an appropriation adjustment to recognize \$900,000 of prior year fund balance in the Federal Clean Water Protection fund, Prior Year Carryforward revenue account and appropriate the same amount into the Federal Clean Water Protection Enterprise, Improvements Other Than Building expenditure account. *(Requires five affirmative votes)*
3. Approve an amendment to the Fiscal Year 2022-23 Capital Improvement Program to add \$1.25 million of Proposition 68 Urban Flood Protection Grant Program funding and \$900,000 of Federal Clean Water Protection Enterprise funding for the Downtown Flood Reduction and Stormwater Infiltration Project (22-6622).
4. Award a construction contract to GMZ Engineering Inc., the lowest responsible bidder, in accordance with the base bid plus bid alternate in the amount of \$4,642,644, for construction of the Downtown Flood Reduction and Stormwater Infiltration Project, for the term beginning March 21, 2023 and ending upon project completion, and authorize the City Manager to execute the contract subject to non-substantive changes approved by the City Manager and the City Attorney.

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5. Approve the Project Cost Analysis for a total estimated construction delivery cost of \$5,640,000, which includes \$4,642,644 for the construction contract, \$552,356 for contract administration, inspection and testing, and a \$445,000 project contingency for unanticipated or unforeseen work.

### **DISCUSSION**

This Downtown Flood Reduction and Stormwater Infiltration Project features the upgrade of storm drain infrastructure along East 3rd Street, between Main Street and French Street, and the construction of a subsurface stormwater infiltration system underneath the City-owned parking lot at 3<sup>rd</sup> Street and Bush Street (Exhibit 1). The project also includes drought-tolerant landscaping, reconstruction of the City-owned parking lot, paving, and interpretive signage to promote stormwater management. This project will help reduce flooding Downtown, increase local water supplies, and improve water quality in the Newport Bay watershed.

#### Public Outreach and Contractor Participation

This project was originally advertised for bid on November 8, 2022, with bids due on December 6, 2022. To provide an opportunity for local vendors to submit bids, the City notified 1,494 regional vendors via PlanetBids, many of which are Santa Ana based. Six vendors requested bidding documents, and a total of six bids were received. Bids were not received from any Santa Ana contractors.

As legally required, a Notice Inviting Bids was advertised in the Orange County Register newspaper on November 14, 2022 and November 23, 2022. The project was also advertised in PlanetBids from November 8, 2022 through December 6, 2022. Bids were received electronically via PlanetBids on December 6, 2022.

#### **Bid Results Summary**

<b>Rank</b>	<b>Bidder's Name</b>	<b>Location</b>	<b>Base Bid</b>
1	GMZ Engineering, Inc.	Westlake Village, CA	\$4,458,844
2	Big Ben Inc.	Irvine, CA	\$4,763,888
3	Boudreau Pipeline Corporation	Corona, CA	\$5,039,548
4	Excel Paving Co	Long Beach, CA	\$5,179,765
5	mmc, inc	La Palma, CA	\$5,594,943
6	Access Pacific, Inc.	Pasadena, CA	\$6,180,861.78

A total of six bids were received, all of which were deemed responsive. GMZ Engineering, Inc. submitted the lowest responsive base bid in the amount of \$4,642,644

(Exhibit 2). As specified in the bid documents, the lowest bid shall be determined by the Base Bid. Alternate bid items were also included for additional paving and striping work.

In the past five years, GMZ Engineering, Inc. has not performed any work for the City. Based on the bid analysis and a contractor reference check, staff recommends awarding the construction contract to GMZ Engineering, Inc. in the amount of the Base Bid + Bid Alternatives, totaling \$4,642,644 (Exhibit 3).

#### Project Delivery

To deliver a complete project, in addition to the construction contract, the estimated total project delivery cost includes construction administration, inspection, and testing, along with an allowance for contingencies to account for unexpected or unforeseen conditions. Construction administration and inspection includes the following: construction management; inspection of the Contractor's work to ensure contract compliance, workmanship, and quality; and materials testing. As indicated in the Cost Analysis (Exhibit 4) and as summarized in the table below, the estimated total construction delivery cost of the project is \$5,640,000.

The original grant agreement for this project with the California Natural Resources Agency (CNRA) included \$3.8 million of Prop 68 Urban Flood Protection (UFP) grant funding. Due to elevated construction costs, staff was successful at obtaining an additional \$1.25 million from CNRA to deliver the project.

<b>Project Item</b>	<b>Total</b>
Construction Contract	\$4,642,644
Construction Administration, Inspection, Testing	\$552,356
Contingencies	\$445,000
<b>TOTAL CONSTRUCTION DELIVERY COST</b>	<b>\$5,640,000</b>

Approval of the amendment to the FY 2022-23 Capital Improvement Program (Exhibit 5) will officially incorporate the additional funding for the project into the CIP program.

#### **ENVIRONMENTAL IMPACT**

In accordance with the California Environmental Quality Act, the recommended actions are exempt from further review. Categorical Exemption Environmental Review No. ER-2022-95 was filed for the project.

#### **FISCAL IMPACT**

This project was originally authorized on January 18, 2022 in the FY 2021-22 CIP as Project No. 22-6622, with a total project budget of \$3,800,000. With approval of the \$1.25 million and \$900,000 Appropriation Adjustments, the new total project budget will be \$5,950,000. As indicated in the Cost Analysis, the estimated total construction delivery cost of the project is \$5,640,000, which includes construction, contract administration, inspection, testing, and an authorized contingency.

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The current fiscal year funding is available in the FY 2022-23 budget and future fiscal year funding will be included in the proposed budgets for City Council consideration.

<b>Fiscal Year</b>	<b>Accounting Unit - Account No. (Project No.)</b>	<b>Fund Description</b>	<b>Accounting Unit - Account No. Description</b>	<b>Amount</b>
<b>Prior Authorized Funds</b>				
2021-22	16417644-66220 (22-6622)	PWA Enterprise Capital Grants	CNRA Urban Flood Protection, Improvements Other Than Building	\$3,800,000
<b>Appropriation Adjustments</b>				
2022-23	16417644-66220 (22-6622)	PWA Enterprise Capital Grants	CNRA Urban Flood Protection, Improvements Other Than Building	\$1,250,000
2022-23	05717640-66220 (22-6622)	Federal Clean Water Protection Enterprise	Federal Clean Water Protection Enterprise, Improvements Other Than Building	\$900,000
<b>Total</b>				<b>\$5,950,000</b>

## **EXHIBIT(S)**

1. Location Map
2. Bid Proposal
3. Construction Contract
4. Cost Analysis
5. FY 2021-22 CIP Sheet

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Kristine Ridge, City Manager