



STAFF REPORT

Meeting Type: Board of Directors
Title: Award Two On-Call Capital Construction Contracts
From: Alex Anaya, Director of Engineering
Through: Shaun Horne, General Manager
Meeting Date: November 4, 2026

TYPE OF ITEM: X Action Information

RECOMMENDATION: Approve a resolution awarding Contract No. 2081 to Corcus Construction Inc., for an amount up to one million dollars (\$1,000,000) and Contract No. 2082 to Maggiora & Ghilotti, Inc. for an amount up to one million dollars (\$1,000,000) for 2026 On-Call Capital Construction work, and rejecting a bid protest submitted by Piazza Construction

SUMMARY: The Planning Committee reviewed and commented on this item on September 22, 2026.

On October 13, 2026, the District received and opened six (6) bids for the 2026 On-Call Capital Construction Contract to perform various as-needed maintenance, repair, or rehabilitation work associated with District water system facilities, roadway infrastructure, hillside slopes, and related works.

Two contractors, Corcus Construction Inc. and Maggiora & Ghilotti Inc., submitted the lowest responsive bids in the amounts of a 14.75% and 15% respectfully for labor markup of force account work. Three (3) bidders were found non-responsive due to failing to designate subcontractors expected to perform work in the contract specifications. One bidder was found non-responsive due to failing to provide a sealed bid. Both requirements were explicitly defined in the bidding documents. Notwithstanding these requirements, Piazza Construction submitted a letter requesting that the District reconsider its finding that Piazza's bid was nonresponsive for failure to list any subcontractors.

Staff recommends that the Board of Directors approve a resolution awarding Contract No. 2081 to Corcus Construction Inc., and Contract No. 2082 to Maggiora & Ghilotti, Inc. for amounts not to exceed one million dollars each for the 2026 On-Call Capital Construction Contracts, and rejecting the bid protest submitted by Piazza Construction.

DISCUSSION: These two proposed contracts will serve as a component of the District's Capital Improvement Program to perform construction work on an "as-needed" basis, typically consisting of smaller projects that can be completed within one or two months.

Occasionally, the District identifies a need for a project that was not included in the original planned capital program. Examples of these projects may include small pipeline replacement projects (up to 200 or 300 total linear feet) when the occurrence of emergency pipe breaks increases in frequency for a given pipe segment or the installation or replacement of large transmission line valves requires resources beyond internal District capacity to perform the work. When these unforeseen projects arise, they often require significant project delivery efforts to prepare unplanned capital construction contracts through formal bid processes, which detracts from ongoing projects. As the District continues to grow its capital program, these two proposed on-call contracts will allow District staff to direct minor construction or repair work that exceeds the capacity of District staff without redirecting resources from ongoing planned capital projects.

Once a project is identified, individual installations or repairs will be reviewed in the field by District staff and Contractor, and a scope of work will be agreed upon. The District Engineer will issue a task order to the available Contractor that includes the scope of work, applicable District technical specifications and/or drawings, and a Notice to Proceed for the Contractor to begin. At the end of each workday, the District Engineer and Contractor will agree upon labor, materials, and equipment used in the direct performance of the work. Once the work is complete for each specific project, the Contractor will submit completed Daily Extra Work Reports (DEWR) for the District's review and approval.

Executing two on-call contracts will allow the District to have two standby contractors available to perform these smaller as-needed projects. Utilizing two on-call contracts provides the District the opportunity to complete more work in a timely manner. Additionally, having two contracts with on-call contractors affords the District more opportunity to begin work in an urgent manner if one of the Contractors is consumed with current work.

The mechanism for competitive bids is the Contractor labor mark-up associated with force account work, pursuant to Article 42 of the District Standard Specifications and the District DEWR. Staff proposes award of separate contracts to the two lowest responsive and responsible bidders. Compensation for each on-call effort is based on time and expense tracking of direct costs for labor and equipment used to perform the work at a minimum rate equal to the Department of Industrial Relations "Prevailing Wage Rate" for labor and Caltrans "Equipment Rental Rates" for equipment.

Examples of the construction and repair work to be performed under this contract include, but are not limited to the following: the installation of PVC and welded steel water main piping, valves, fittings, appurtenances and copper or high density polyethylene water services, minor work at District water tanks and pumping stations, welding, coating and painting, structural steel work, general carpentry, asphalt concrete pavement, striping and concrete flatwork, hillside slope stabilization and retaining structures, wood or metal fencing, and other related work.

On October 13, 2026, the District received and opened six (6) bids for the Project. Bid results are provided in Table 1. Two contractors, Corcus Construction Inc. and Maggiora & Ghilotti Inc., submitted the lowest responsive bids in the amounts of a 14.75% and 15% respectfully for labor markup of force account work. Three (3) bidders were found non-responsive due to failing to designate subcontractors expected to perform work in the contract specifications. One bidder was found non-responsive due to failing to provide a sealed bid. Both requirements were explicitly defined in the bidding documents and the requirement to list any possible subcontractors that would be needed to perform the work was reiterated in responses to inquiries posted to the bidding webpage for all bidders to review.

On October 20, Piazza Construction submitted a bid protest claiming that subcontractors could not be identified because specific task orders had not yet been issued and future work scopes were unknown. The solicitation required compliance with the Subletting and Subcontracting Fair Practices Act and required designation of subcontractors anticipated at the time of bid submission. The District expressly clarified, before bid opening, that bidders were required to identify every subcontractor they expected to perform work described in the specifications exceeding the applicable threshold amount. The contract specifications expressly contemplated specialty work, including welded steel piping and welding-related construction activities. Failure to identify a subcontractor constituted a representation that the bidder would self-perform that work. However, District records establish that Piazza Construction has consistently utilized specialty welding subcontractors on recent District projects involving welded steel piping work and therefore reasonably anticipated the use of such subcontractors during performance of this contract.

The omission of a welding subcontractor constituted a material failure to comply with the solicitation's subcontractor listing requirements. The omission rendered the bid non-responsive and cannot be waived or corrected after bid opening without compromising the integrity of the competitive bidding process and undermining the purposes of California's subcontractor listing statutes. Waiver of this omission would materially prejudice bidders that complied with the subcontractor listing requirements and would be inconsistent with the District's obligation to administer the procurement in a fair, uniform, and impartial manner.

Therefore, staff recommends that the Board of Directors approve a resolution awarding Contract No. 2081 to Corcus Construction Inc., and Contract No. 2082 to Maggiora & Ghilotti, Inc. for 2026 On-Call Capital Construction Contracts, and rejecting a bid protest submitted by Piazza Construction.

Table 1. Bid Results
On-Call Capital Construction Contract

Bid Rank	Contractor Name	Bid Amount (Labor Markup)
1.	Corcus Construction, Inc.	14.75%
2.	Maggiora & Ghilotti Inc.	15%
3.	Q. A. Constructors, Inc.	Non-responsive
4.	Piazza Construction	Non-responsive
5.	North Bay Excavation	Non-responsive
6.	W.R. Forde Associates, Inc.	Non-responsive

Summaries of the estimated Project costs and schedule are provided below.

Budget (3 Fiscal Years):

CN 2081 Not to Exceed Amount:	\$1,000,000
CN 2082 Not to Exceed Amount:	\$1,000,000
Materials and Professional Fees:	\$300,000
District Labor/Inspection:	\$400,000
Total Budget:	\$2,700,000
Budget Category:	Work will be charged to various budget categories

Contract Implementation:

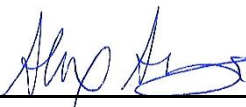
Contract Advertisement:	September 29, 2026
Bid Opening:	October 13, 2026
Contract Award:	November 4, 2026
Contract Completion Date:	June 30, 2029
Duration:	3 years

ENVIRONMENTAL REVIEW: Staff has found that the types of work to be completed under the proposed contracts are categorically exempt pursuant to California Environmental Quality Act Guidelines Section 15302(c), Replacement or Reconstruction. The anticipated work will also consist of construction repair work and is not generally anticipated to include the new construction or expansion of District facilities and, therefore, qualifies for exemption pursuant to Section 15302(c). To the extent the proposed work involves the replacement of less than a mile of pipeline within the right of way, the work would also be statutorily exempt pursuant to the California Public Resource Code Section 21080.23.

FISCAL IMPACT: The total cost impact associated with the two proposed On-Call Capital Construction contracts is estimated at \$2,700,000 over three fiscal years. The work performed under these contracts are funded by adopted capital budgets and will be appropriated to the specific budget categories as individual projects are identified.

ATTACHMENT(S):

1. Proposed Resolution

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
Engineering	 Alex Anaya Engineering Director	 Shaun Horne General Manager