



COMMUNITY DEVELOPMENT AGENCY

TRANSPORTATION DIVISION

<http://www.edcgov.us/DOT/>

PLACERVILLE OFFICES:

MAIN OFFICE:

2850 Fairlane Court, Placerville, CA 95667
(530) 621-5900 / (530) 626-0387 Fax

CONSTRUCTION & MAINTENANCE:

2441 Headington Road, Placerville, CA 95667
(530) 642-4909 / (530) 642-0508 Fax

LAKE TAHOE OFFICES:

ENGINEERING:

924 B Emerald Bay Road, South Lake Tahoe, CA 96150
(530) 573-7900 / (530) 541-7049 Fax

MAINTENANCE:

1121 Shakori Drive, South Lake Tahoe, CA 96150
(530) 573-3180 / (530) 577-8402 Fax

August 7, 2015

Board of Supervisors
330 Fair Lane
Placerville, CA 95667

Agenda Title: **8/11/2015 Transportation Black Bart Avenue, Barbara Avenue, and Martin Avenue Overlay Project Award of Bid, Legistar #15-0282**

Meeting Date: **August 11, 2015**

Dear Members of the Board:

Community Development Agency, Transportation Division, recommending the Board take the following actions pertaining to the Black Bart Avenue, Barbara Avenue, and Martin Avenue Overlay Project Contract No. PW 15-31100, CIP No. 72188, P&C No. 386-C1599:

- 1) Award the Construction Contract to Don Garcia Excavating and Paving, Inc., who submitted the lowest responsive, responsible bid of \$614,283.72;
- 2) Approve and authorize the Chair to sign the Construction Contract, subject to review and approval of the final Contract Documents by County Counsel and Risk Management; and
- 3) Authorize the Community Development Agency Director to sign an Escrow Agreement, if requested by the Contractor and in accordance with Public Contract Code Section 22300, for the purpose of holding Contract retention funds.

Discussion/Background

On July 14, 2015, the Board adopted and approved the Plans and Specifications and authorized advertisement for construction bids for the Black Bart Avenue, Barbara Avenue, and Martin Avenue Overlay Project (Project) with the bid opening occurring on July 31, 2015.

The proposal for this contract includes a Base Bid (Schedule A) and Additive Alternate Bid (Schedule B), with Schedule B covering the supply and installation of a paving grid between the milled asphalt and the asphalt concrete overlay. Per the Contract specifications, the Project will be awarded to the lowest total bid for both the Schedule A and Schedule B work. The Project was advertised for bids with a Schedule A and

Schedule B in order to provide flexibility for award in the event the Schedule B work exceeded the budget.

Department Recommendation

On Friday, July 31, 2015, the Community Development Agency, Transportation Division (Transportation) opened bids for the Project. Five bids for the work in both Schedule A and Schedule B were received ranging from \$614,283.72 to \$630,907.20. The Engineers Estimate for both Schedule A and Schedule B for this Project is \$558,283.00.

Award and Sign Construction Contract with Lowest Responsive, Responsible Bidder:

Transportation issued the All Bidders Letter on Friday, July 31, 2015, notifying bidders of the recommendation to the Board for award and initiating the five-day bid protest period. The bid protest period ended at 5:00 p.m. on Friday, August 7, 2015, with no protests filed.

Don Garcia Excavating and Paving, Inc. (Garcia) submitted the lowest bid for the total of both Schedule A and Schedule B in the amount of \$614,283.72. Transportation recommends award of the Construction Contract for both the Schedule A and Schedule B to Garcia who submitted the lowest responsive, responsible bid.

The estimate for the construction phase of the Project is \$765,911.72, which includes a bid of \$614,283.72; supplemental items of work totaling \$40,200; construction management, surveying, materials testing, and design support during construction totaling approximately \$50,000; and a contingency of \$61,428.

Budget Augmentation

Transportation is recommending the award of both the Schedule A and Schedule B because the inclusion of the paving grid will provide for greater value and longevity with the final roadway surface.

Based on the bid received from Garcia, the construction phase of the Project is estimated to be \$61,911.72 over the original budget of \$704,000. In anticipation of this scenario on July 14, 2015 Transportation requested and received approval for the use of additional Regional Surface Transportation Program (RSTP) exchange funds for this Project. Transportation will be using \$61,911.72 of the RSTP funds to make up the difference between the estimated construction phase cost and the original project budget.

The funding for this Project will be provided by the General Fund (65%), Road Fund (27%), and RSTP (8%)

Authorize Community Development Agency Director to Sign Escrow Agreement:

Pursuant to Special Provisions Section 9-1.16F, "Retentions," of the Contract Documents, Transportation will retain five percent (5%) of the value of work done from

each Contractor payment (excluding mobilization payments) as security for the fulfillment of the Contract. Alternatively, Public Contract Code Section 22300 provides that the Contractor may request that payment of retentions earned be made directly to an Escrow Agent. The Contractor will receive the interest earned on the investment.

In accordance with these provisions, the Contractor may request in writing that the County make payment of retention funds directly into an escrow account, which would necessitate an Escrow Agreement. To help expedite this process, if requested by the Contractor, Transportation requests that the Board authorize the CDA Director to execute the Escrow Agreement. Upon satisfactory completion of portions of the Contract and upon written notification from the CDA Director, the Contractor will receive incremental releases from the Escrow Agent paid into the account and any interest earned thereon. A portion of the retention and interest will be retained in the escrow account until thirty-five (35) days after the recordation of the Notice of Acceptance of the Contract at which time, upon written notification from the CDA Director, these funds will be released to the Contractor.

Contract Change Orders (CCOs):

In any contract there is a need to be able to make changes and the CCO process facilitates the ability to make necessary changes when needed within a contract.

Supplemental CCOs:

Certain types of work are necessary to complete the Project which cannot be estimated accurately because they require a variable effort to complete. These items are referred to as Supplemental items and are identified in the Contract Documents as CCO work to be performed and paid for on a time and material basis, using Caltrans standard force account billing procedures. The work is authorized by issuance of a CCO, which also encumbers the funds anticipated to be needed for each of the planned supplemental items of work and is billed against as the work progresses. The amount of each CCO is based on an evaluation by Transportation staff of the Project components, area, and time frame. Supplemental items in this contract include Dig Outs estimated at \$20,000.00 and Crack Seal/Repair (1/4" or greater) estimated at \$20,200.00, totaling \$40,200.00. Because this work is anticipated and budgeted for separately, supplemental CCOs are not included in the 10% cap normally associated with contingency CCOs.

Contingency CCOs:

With construction contracts, there is an expectation that unanticipated changes will be encountered once construction begins. To prepare for this, a contingency budget is set aside. PCC Section 20142 and Resolution 102-2012 authorize the CDA Director to execute individual CCOs, the maximum value of which is based on the original contract amount with a not-to-exceed limit. For this contract the not to exceed limit for individual CCOs is \$43,214.18. This authority is also for a cumulative total of contingency CCOs not to exceed 10% of the original contract value.

Clerk of the Board Follow Up Actions

- 1) Upon approval by County Counsel and Risk Management, Transportation will forward the Construction Contract, together with the required bonds and insurance, and the approved Contract Routing Sheet to the Clerk of the Board for the Chair's signature.
- 2) The Clerk of the Board will forward the fully executed Construction Contract to Transportation for further processing.

Sincerely,



Bard R. Lower
Transportation Division Director
Community Development Agency