



COMMUNITY DEVELOPMENT AGENCY

TRANSPORTATION DIVISION

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

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April 14, 2016

Board of Supervisors
330 Fair Lane
Placerville, CA 95667

**Agenda Title: Cold Springs Road at Mount Shasta Lane Realignment Project
Award of Bid, Legistar #16-0095**

Meeting Date: April 19, 2016

Dear Members of the Board:

Community Development Agency, Transportation Division, recommending the Board take the following actions pertaining to the Cold Springs Road Realignment Project, Contract No. PW 10-30543, CIP No. 73360, P&C No. 360-C1699:

- 1) Award the Construction Contract to to Doug Veerkamp General Engineering, Inc, who submitted the lowest responsive, responsible, bid of \$757,263.10;
- 2) Approve and authorize the Chair to sign the Construction Contract, subject to final review and approval 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.

Funding

Highway Safety Improvement Program (68%) and Regional Surface Transportation Program (32%). (Federal Funds)

The estimate for the construction phase of the Cold Springs Road at Mount Shasta Lane Realignment Project (Project) is \$1,045,852.57, which includes a bid of \$757,263.10; supplemental items of work totaling \$37,863.16; construction management, surveying, materials testing, and design support during construction totaling approximately \$175,000.00; and a contingency of \$75,726.31.

Department Recommendation

On April 1, 2016, the Community Development Agency, Transportation Division (Transportation) opened bids for the Project. Six bids were received ranging from \$757,263.10 to \$1,191,236.00.

The Project is included in Transportation's 2015 Capital Improvement Program (CIP) with a Direct Construction Costs budget of \$1,050,000.00 and a Construction/Engineering and Admin budget of \$175,000.00 for a total construction budget of \$1,225,000.

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

The Disadvantaged Business Enterprise (DBE) goal for the Project is 13%. Per the Contract Documents, if the top three bidders did not submit their DBE information with their bid, they were required to submit this information by 4:00 p.m. on the fourth business day after the bid opening, which for this Project was April 7, 2016. Doug Veerkamp General Engineering, Inc. (Veerkamp) submitted their DBE Commitment form on April 6, 2016. The DBE Commitment form shows that Veerkamp has committed to a DBE goal of 28.5%. Transportation has reviewed Veerkamp's DBE Commitment form submittal and finds that the firms listed are certified DBEs under the California Unified Certification Program and meet the criteria for a DBE; that Veerkamp provided sufficient written confirmation from each DBE firm that each is participating in the Contract; and, that Veerkamp has committed to exceeding the Contract DBE goal.

Transportation issued the All Bidders Letter on Thursday, April 7, 2016, notifying bidders of the recommendation to the Board for award and initiating the five-day bid protest period. The bid protest period ended at 4:00 p.m. on Thursday, April 14, 2016 with no protests filed.

Veerkamp submitted the lowest responsive, responsible bid in the amount of \$757,263.10. Transportation recommends award of the Construction Contract to Veerkamp who submitted the lowest responsive, responsible bid.

Authorize Community Development Agency Director to Sign Escrow Agreement:

Pursuant to Special Provisions Section 9-1.16F, "Retentions", of the Special Provisions, 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 (PCC) 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 Community Development Agency Director to execute the Escrow Agreement. Upon satisfactory completion of portions of the Contract and upon written notification from the Community Development Agency Director, the Contractor will receive incremental releases from the Escrow Agent of retention 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. After this time, upon written notification from the Community Development Agency 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 California Department of Transportation standard force account billing procedures. The work is authorized by issuance of a CCO, which also encumbers the funds anticipated to be needed for 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 Water Pollution Control and Flagging for an estimated total of \$37,863.16. This work is anticipated and budgeted for separately. Therefore, supplemental CCOs are not included in the 10% cap normally associated with contingency CCOs.

Contingency CCOs:

In construction contracts there is expectation that unanticipated changes will be encountered once construction begins. To prepare for this, a 10% contingency budget is set aside. The budget for contingencies on this contract is \$75,726.31. PCC Section 20142 and Resolution 102-2012 authorize the Community Development Agency Director to execute individual CCOs, the maximum value of which is based on the original Contract amount with a not-to-exceed limit of \$50,363.16 for this Contract. This authority is also for a cumulative total of contingency CCOs not to exceed 10% of the original Contract value.

Discussion / Background

The Project consists of roadway safety improvements on Cold Springs Road including roadway excavation, curve correction, hot mix asphalt paving, signing and striping, as well as various drainage improvements.

All required environmental permits have been obtained for the Project. A California Department of Transportation National Environmental Protection Act (NEPA) Categorical Exclusion Determination was issued on February 8, 2013. An Initial Study/Mitigated Negative Declaration (MND) for the Project, in accordance with the California Environmental Quality Act (CEQA), was approved by the Board on November 13, 2012 (Item No. 20). An Addendum to the MND for the Cold Springs Road closures was approved by the Board on February 23, 2016 (Item No. 22). All required right of way for this Project has been acquired and escrows have all been closed.

In order to construct the improvements, Transportation anticipates the need to close Cold Springs Road between Skyview Lane and 500 feet northwest of Mount Shasta Lane for a maximum of twelve (12) calendar days. All public notice for the road closure will reference closure limits of Cold Springs Road between Skyview Lane and Good Pasture Road. Good Pasture Road is approximately 500 feet northwest of Mount Shasta Lane. The road closures will not be in excess of five (5) days and will not include weekends. Transportation will only allow the Contractor a maximum of ten (10) days for the road closure in the Contract Documents, but are asking for an additional two (2) days as contingency. Access through the closed area will be maintained for local residents and visitors, as well as emergency personnel and law enforcement. Detour notifications will be posted one week in advance of the closure. Transportation will coordinate with local businesses in advance of the closure. Transportation will also notify the public of this road closure via the County website.

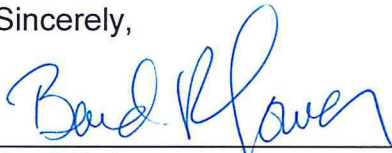
Transportation received federal funding authorization on July 17, 2015 for construction phase activities. As a federally funded project, the Contract Documents incorporate the current Caltrans Disadvantaged Business Enterprise (DBE) requirements. The DBE goal is 13%.

On January 26, 2016 (Item No. 13), the Board adopted and approved the Plans and Specifications and authorized advertisement for construction bids for the Project.

Clerk of the Board Follow Up Actions

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

Sincerely,



Bard R. Lower
Transportation Division Director
Community Development Agency