



COMMUNITY DEVELOPMENT AGENCY

TRANSPORTATION DIVISION

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March 31, 2016

Board of Supervisors
330 Fair Lane
Placerville, CA 95667

**Agenda Title: Salmon Falls Road South of Glenesk Lane Realignment Project
Award of Bid, Legistar #16-0019**

Meeting Date: April 5, 2016

Dear Members of the Board:

Community Development Agency, Transportation Division, is recommending the following pertaining to the Salmon Falls Road South of Glenesk Lane Realignment Project, Contract No. PW 11-30597, CIP No. 73362, P&C No. 145-C1599:

- 1) Award the Construction Contract to Granite Construction Co., who submitted the lowest responsive, responsible bid of \$941,515.99;
- 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.
- 4) Approve an increase to the 2015 CIP in the amount of \$231,000.00 in Regional Surface Transportation Program funds to cover the difference between the 2015 approved CIP and the low bid amount.

Funding

Highway Safety Improvement Program (45%), Regional Surface Transportation Program Exchange Funds – Caltrans (33%), Regional Surface Transportation Program Exchange Funds - EDCTC (15%), Regional Surface Transportation Program Match Funds – Caltrans (7%). (Federal Funds)

The estimate for the construction phase of the Salmon Falls Road South of Glenesk Lane Realignment Project (Project) is \$1,223,970.79, which includes a bid of \$941,515.99; supplemental items of work totaling \$47,075.80; construction management, surveying, materials testing, and design support during construction totaling approximately \$141,227.40; and a contingency of \$94,151.60.

Department Recommendation

On March 11, 2016, the Community Development Agency, Transportation Division (Transportation) opened bids for the Project. Three bids were received ranging from \$941,515.99 to \$1,099,693.59

The Project is included in Transportation's 2015 Capital Improvement Program (CIP) with a Direct Construction Costs budget of \$863,000.00 and a Construction/Engineering and Admin budget of \$130,000.00 for a total construction budget of \$993,000.00. Due to the amount of the lowest responsive, responsible bid, supplemental and contingency amounts totaling \$1,082,743.39 being over the current CIP budget of \$863,000.00 for this Project, an update to the 2015 CIP must be approved. It is necessary to increase the Direct Construction budget by \$219,743.39 and the Construction/Engineering & Admin budget by \$11,227.40 for a total of \$230,970.79. An additional \$231,000.00 in Regional Surface Transportation Program (RSTP) funds is proposed to be added to the 2015 CIP to account for the difference between the current CIP and the increase in bid amount. The majority of the difference between the 2015 CIP and the low bid amounts is due to Item No. 19, "Roadway Excavation". This item includes blasting and is a final pay item, which was under estimated on the Engineers Estimate. The estimated amount was \$55.00/CY for a total amount estimated of \$287,925.00. The low bid was \$94.00/CY for a total amount bid of \$492,090.00.

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

The Disadvantaged Business Enterprise (DBE) goal for the Project is 10%. 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 March 17, 2016. Granite Construction Company (Granite) submitted their DBE Commitment form on March 16, 2016. The DBE Commitment form shows that Granite has committed to a DBE goal of 11.3%. Transportation has reviewed Granite'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 Granite provided sufficient written confirmation from each DBE firm that each is participating in the Contract; and, that Granite has committed to exceeding the Contract DBE goal.

Transportation issued the All Bidders Letter on Thursday, March 17, 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 3:00 p.m. on Tuesday, March 22, 2016 with no protests filed.

Granite Construction Company (Granite) submitted the lowest responsive, responsible bid in the amount of \$941,515.99. Transportation recommends award of the Construction Contract to Granite 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 \$47,075.80. 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 \$94,151.60. 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 \$59,575.80 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 Salmon Falls Road including roadway excavation and curve correction, hot mix asphalt paving and installation of dike, signing and striping, as well as a temporary (or portable temporary) traffic signal for traffic control. Extended traffic delays during blasting operations are expected and scheduled to last up to 15 minutes. Advanced notification of extended delays will be posted prior to blasting activities.


All required environmental approvals have been obtained for the Project. A Notice of Determination for California Environmental Quality Act was filed on February 3, 2012. A California Department of Transportation (Caltrans) National Environmental Protection Act Categorical Exclusion Determination was completed June 29, 2012. Due to the nature of the Project, no environmental permits are required.

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 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 the fully executed Construction Contract to Matthew Smeltzer in the Community Development Agency, Transportation Division for further processing.

Sincerely,


Bard R. Lower
Transportation Division Director
Community Development Agency