

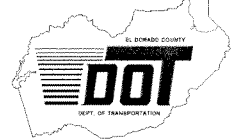


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KIMBERLY A. KERR
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June 11, 2012

Board of Supervisors
330 Fair Lane
Placerville, CA 95667

Agenda Title: DOT 6/12/12 Montgomery Estates Area 1B Erosion Control Project Award of Bid, Legistar # 11-0787

Meeting Date: June 12, 2012

Dear Members of the Board:

Department of Transportation recommending the following pertaining to the Montgomery Estates Area 1B Erosion Control Project Contract No. PW 11-30603, CIP No. 95193:

- 1) Award the Construction Contract to V&C Construction, Inc. who submitted the lowest responsive, responsible of \$347,139.50;
- 2) Authorize the Chair to sign the Construction Contract, subject to review and approval of the final Contract Documents by County Counsel and Risk Management;
- 3) Authorize the Interim Director of Transportation to execute Contract Change Orders with an individual value up to \$29,857, provided the cumulative total of all Contract Change Orders is within the funding limits for the Project; and
- 4) Authorize the Interim Director of Transportation 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. (Est. Time: 5 Min.) (Refer 5/15/2012, Item 15)

Background:

The Project is an EIP project (EIP #701) and is consistent with the County's objectives related to improving and restoring the Lake Tahoe Environment and is included in the 2010 Capital Improvement Program as adopted by the Board of Supervisors on April 27, 2010.

On May 15, 2012 the Board adopted and approved the Plans and Specifications and authorized advertisement for construction bids for the Montgomery Estates Area 1B Erosion Control Project (Project) with the bid opening scheduled for June 1, 2012.

Reason for Recommendation:

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

The Department of Transportation (Department) opened bids for the Project on Friday, June 1, 2012. Six bids were received ranging from \$347,139.50 to \$573,362.50. The Engineer's Estimate is \$456,839.

Following the Department's review of the bids, the Department issued the All Bidders Letter which initiated the bid protest period and included the Department's recommendation for award and the procedures for filing a bid protest. The bid protest period ended at 5:00 pm, Friday, June 8, 2012, with no protests filed.

V&C Construction, Inc. submitted the lowest bid in the amount of \$347,139.50. The Department recommends award of the Construction Contract to V&C Construction, Inc. who submitted the lowest responsive, responsible bid.

Request for Additional Contract Change Order (CCO) Authority:

Public Contract Code (PCC) Section 20142 allows a Board of Supervisors to authorize the County Engineer or other County officer to order changes in the work of a public contract. This ability to delegate is capped at \$210,000. The Board, by Resolution No. 106-93, has utilized this provision and delegated to the Directors of Transportation and Environmental Management and the Chief Administrative Officer CCO authority not to exceed \$50,000. For this Project the CCO authority is limited by the resolution to \$28,471.

The Department is requesting that the Director's authority be increased pursuant to the limits set in the PCC, which for this Contract amounts to \$29,857. The difference between the CCO authority and the limit set in the PCC is only \$1,386. Given the short construction season in Tahoe, to avoid delays due to a needed change, the Department is requesting this increased authority. This authority is requested provided the cumulative cost of all CCOs is maintained within the funding limits for the Project.

Authorize Interim Director of Transportation to Sign Escrow Agreement:

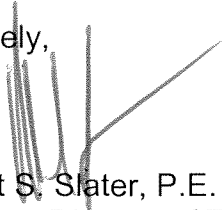
Pursuant to Special Provisions Section 5-1.19, "Payments," of the Contract Documents, the Department will retain five percent (5%) of the value of work done from each Contractor payment as security for the fulfillment of the Contract. Alternatively, PCC Section 22300 provides that the Contractor may request that payment of retentions earned be made directly to an Escrow Agent. The Contractor will receive 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, the Department requests that the Board authorize the Interim Director of Transportation to execute the Escrow Agreement. Upon substantial completion as determined by the Engineer and upon written notification from the Interim Director of Transportation, half of all retentions withheld and interest accrued may be released to the Contractor by the Escrow Agent. Thirty-five days after the recordation of the Notice of Acceptance and upon written notification from the Interim Director of Transportation, the Contractor will receive from the Escrow Agent the remaining retention paid into the account and any interest earned thereon.

Action to be taken following Board approval:

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

Sincerely,

A handwritten signature in black ink, appearing to read "Robert S. Slater". The signature is written in a cursive style with several vertical strokes and a long diagonal stroke extending upwards and to the right.

Robert S. Slater, P.E.
Assistant Director of Transportation

Attachments