



# DEPARTMENT OF TRANSPORTATION

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

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June 2, 2017

Board of Supervisors  
330 Fair Lane  
Placerville, CA 95667

**Agenda Title: 6/6/2017 DOT Meyers Stream Environment Zone/  
Erosion Control Project  
Award of Bid, Legistar #16-0336**

**Meeting Date: June 6, 2017**

Dear Members of the Board:

Department of Transportation recommending the Board take the following actions pertaining to the Meyers Stream Environment Zone/ Erosion Control Project Contract No. PW 16-31121, CIP 95179, P&C No. 087-C1799:

- 1) Award the Construction Contract to Thomas Haen Company, Inc., who submitted the lowest responsive, responsible bid of \$1,214,002.55;
- 2) Approve changes to the 2016 Capital Improvement Program to reflect an increase to the Project budget;
- 3) 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,
- 4) Authorize the Department of Transportation Interim 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**

California Tahoe Conservancy Proposition 1 Grant (54% - State), United States Forest Service Grant (39% - Federal), and Tahoe Regional Planning Agency Stream Environmental Zone Mitigation Funds (7% - Local)

Meyers Stream Environment Zone/ Erosion Control Project (Project) is budgeted in the 2016 Capital Improvement Program (CIP), adopted by the Board on December 6, 2016 (Item No. 46) with a Direct Construction Costs budget of \$1,140,000.00 and a Construction/Engineering and Admin budget of \$357,000 for a total construction budget of \$1,497,000.00.



The estimate for the construction phase of the Project is \$1,648,704, which includes a bid of \$1,214,002.55; supplemental items of work totaling \$9,800; construction management, surveying, materials testing, and design support during construction totaling approximately \$303,501; and a contingency of \$121,400.

The need to increase the Project cost in the CIP is because all bids received were higher than the amounts listed in the CIP. DOT is asking the Board to approve a CIP increase in the Direct Construction of \$205,203.

### **Department Recommendation**

On Thursday, May 25, 2017, the Department of Transportation (DOT) opened bids for the Project. Two bids were received ranging from \$1,214,002.55 to \$1,659,000.00. The Engineer's Estimate for this Project is \$1,000,972.40.

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

DOT issued the All Bidders Letter on Thursday, May 25, 2017, 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, June 2, 2017, with no protests filed.

Thomas Haen Company Inc., (Haen) submitted the lowest bid in the amount of \$1,214,002.55. DOT recommends award of the Construction Contract to Haen who submitted the lowest responsive, responsible bid.

#### Authorize Department of Transportation Interim Director to Sign Escrow Agreement:

Pursuant to Special Provisions Section 9-1.16F, "Retentions," DOT 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, DOT requests that the Board authorize the DOT Interim Director to execute the Escrow Agreement. Upon satisfactory completion of portions of the Contract and upon written notification from the DOT Interim 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 DOT Interim 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 (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 Rock Fracturing and Removal and Remove Unsuitable Material, totaling \$9,800.00. Because this work is anticipated and budgeted for separately, supplemental CCOs are not included in the 10% cap normally associated with contingency CCOs.

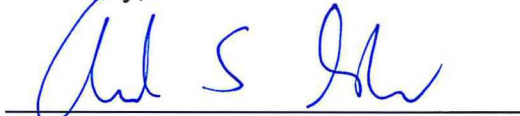
Contingency CCOs:

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 DOT Interim 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 \$85,700. 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, DOT 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 DOT, for further processing.

Sincerely,



Bard R. Lower  
Interim Director  
Department of Transportation



COUNTY OF EL DORADO  
DEPARTMENT OF TRANSPORTATION  
INTEROFFICE MEMORANDUM

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Date: May 18, 2017  
To: Creighton Avila, Deputy CAO  
From: Bard R. Lower, Interim Director  
Subject: Delegation of Authority

I will be out of the office beginning the afternoon of Friday, May 19, 2017 through Friday, June 2, 2017. I will return to the office on Monday, June 5, 2017.

During my absence, I am delegating my signature authority to Andrew Gaber, Deputy Director, Development/Right of Way/Environmental (DRE) beginning the afternoon of May 19, 2017 through Sunday, June 4, 2017.

A handwritten signature in black ink, appearing to read "Andrew Gaber", written over a horizontal line.

Andrew Gaber, Deputy Director, DRE

A handwritten signature in black ink, appearing to read "Bard R. Lower", written over a horizontal line.

Bard R. Lower, Interim Director, Department of Transportation

cc: Don Ashton, CAO  
Joe Harn, Auditor/Controller  
Don Spear, Deputy Director, Maintenance & Operations  
Matt Smeltzer, Deputy Director, Fairlane Engineering  
John Kahling, Deputy Director, Headington Engineering  
Ruth Young, Chief Fiscal Officer  
Karen Coleman, Chief Fiscal Officer  
Lauri Stutts  
Melanie Young

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