



COMMUNITY DEVELOPMENT SERVICES

DEPARTMENT OF TRANSPORTATION

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September 18, 2017

Board of Supervisors
330 Fair Lane
Placerville, CA 95667

**Agenda Title: Timber Mortality Project Phase 2 – Camino and Grizzly Flats Project
Award of Bid, Legistar #17-0772**

Meeting Date: September 19, 2017

Dear Members of the Board:

Community Development Services, Department of Transportation, recommending the Board take the following actions pertaining to the Timber Mortality Project Phase 2 – Camino and Grizzly Flats Project, Contract No. PW 17-31173:

- 1) Award the Construction Contract to ArborWorks, Inc., who submitted the lowest responsive, responsible, bid of \$148,600.00;
- 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) Approve and authorize the Chair to sign the Construction Contract, subject to final review and approval by County Counsel and Risk Management; and
- 4) Authorize the Department of Transportation 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 Disaster Assistance Act Funds (75% - State) and General Fund (25% - Local).

The Estimate for the construction phase of the Project is \$300,000, which includes a bid of \$272,727 with a contingency of \$27,273. The construction management portion of the Contract will be performed by the Certified Forester, Black Fox Timber Management Group Inc., under separate Agreement approved by the Board on November 15, 2016 (Item #39)

Department Recommendation

On September 7, 2017, the Community Development Services, Department of Transportation (Transportation) opened bids for the Project. Two (2) bids were received ranging from \$148,600 to \$379,530. The lowest bidder, ArborWorks, Inc., was determined the lowest responsive, responsible bidder for meeting all requirements of the Contract Documents.

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

There are no federal funds on the Project and therefore no Disadvantaged Business Enterprise (DBE) requirement. However, Transportation encourages the use of DBEs when opportunities exist. Transportation has reviewed the ArborWorks, Inc. bid and determined it to be in compliance with the Contract Documents.

Transportation issued the All Bidders Letter on Friday, September 8, 2017 notifying bidders of the recommendation to the Board for award and initiating the five (5) business day bid protest period. The bid protest period ended at 5:30 p.m. on Friday, September 15, 2017 with no protests filed.

Transportation recommends award of the Construction Contract to ArborWorkds, Inc., who submitted the lowest responsive, responsible bid in the amount of \$148,600.

Authorize Transportation Director to Sign Escrow Agreement:

Pursuant to Section 6, "Payment" of the Sample Agreement, 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 Transportation Director to execute the Escrow Agreement. Upon satisfactory completion of portions of the Contract and upon written notification from the Transportation 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 Transportation 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. With construction contracts, there is an expectation that unanticipated changes will be encountered once construction begins. To prepare for this, a 10% contingency budget is set aside. PCC Section 20142 and Resolution 102-2012 authorize the Transportation Director to execute individual CCOs, the maximum value of which is based on the original contract amount with a not-to-exceed limit of \$14,860 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

Data collected by state and federal agencies demonstrates that drought conditions and bark beetle infestation have killed over 102 million trees in the State of California (State), and that tens of millions more are likely to die over the next five to six years.

On October 30, 2015, Governor Brown proclaimed a State of Emergency due to unprecedented tree mortality caused by conditions of extreme drought and drought-related bark beetle infestations. The Governor's Emergency Proclamation contains 18 distinct actions that direct State agencies, utilities, and local governments to remove dead or dying trees in high hazard areas across the entire State.

Surveys conducted by the United States Forest Service estimated that new tree mortality, between October 2015 and May 2016, would affect an estimated 177,000 conifer trees in El Dorado County. Many of these trees are located in the El Dorado National Forest or on private land; however, some of these trees endanger County infrastructure, e.g., County roads and buildings.

Based on the 177,000 estimate, the County then determined it had approximately 3,100 trees to remove that threaten County infrastructure. Of the 3,100 trees, approximately 2,800 threaten County roads and 300 threaten County buildings and other infrastructure. These numbers are just estimates.

The number of dead and diseased trees will continue to increase over the summer and fall of 2017, and new tree count numbers will be available soon.

On March 28, 2016 (Item 1), the Board adopted Resolution 053-2016 declaring a State of Emergency in El Dorado County due to pervasive tree mortality, and on May 17, 2016 (Item 46), the Board approved the County's Tree Mortality Hazard Tree Removal Plan.

On August 2, 2016 (Item 33), the Board authorized the Chair to sign the California Disaster Assistance Act (CDAA) application and authorized the submittal of the application for funding related to the State's declared Tree Mortality Emergency. The El Dorado County Sheriff's Department received confirmation on September 2, 2016, that the County had been approved for CDAA funding. It is important to note that trees marked for actual removal under CDAA funding must be verified by Registered Professional Foresters (RPFs) or Certified Arborists (CA).

On November 15, 2016 (Item 39), the Board approved an Agreement for Services with Black Fox Timber Management Group, Inc. (Black Fox), to meet the required RPF/CA requirement and to provide project coordination services.

On April 11, 2017 (Item 18), the Board awarded a contract for the Licensed Timber Operator - Phase 1 Grizzly Flats and Camino Project to fall and remove 405 trees. A notice to proceed was issued on May 17, 2017, and a total of 404 Contract trees and 4 CCO trees were removed. The Notice of Acceptance was filed for an August 18, 2017 completion date of Phase 1.

As Phase 1 progressed, Transportation staff continued obtaining rights of entry to additional parcels with trees that meet the conditions for removal under CDAA grant funding. As these rights of entry have been granted, Black Fox continued assessing and marking trees for removal. Transportation received a total of forty (40) executed permits to enter private property to inspect, identify, and remove dead or dying trees. On these 40 parcels, Black Fox identified 155 trees that qualify for removal under CDAA funding, comprised of 86 trees in Happy Valley, 64 trees in Grizzly Flats, and 5 trees in Camino. Removal of these 155 trees comprises the scope of the subject Phase 2 Project.

A Class A Licensed Timber Operator will have responsible charge for the duties related to the falling and removal of designated dead and dying trees due to bark beetle infestation as shown in Exhibit A of the Contract Documents (Attachment B). Trees and brush equal to or less than 8 inches (8") diameter inside bark (DIB) will be stockpiled on site in an area designated by the County for subsequent chipping by the California Department of Forestry and Fire Protection. Trees greater than 8" DIB will be trucked to West Sacramento for shipping.

Per Governor Jerry Brown's Emergency Proclamation on October 30, 2015, documentation of compliance with the California Environmental Quality Act is not required for this Project. No federal funds are being used on the Project, so documentation of compliance with the National Environmental Policy Act is not required.

Due to the nature of the work, no environmental permits or utility coordination are required.

There are no Disadvantaged Business Enterprise (DBE) requirements for this Project, but the County always encourages the use of DBE subcontractors when possible.

On August 15, 2017 (Item 21), the Board approved advertisement for construction for this phase of 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 Brian Franklin, Office Engineer, Community Development Services, Department of Transportation, for further processing.

Sincerely,



Rafael Martinez, Director
Department of Transportation
Community Development Services