



Legislation Details (With Text)

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Title: Department of Transportation recommending the Board take the following actions pertaining to the Headington Wash Rack Facility Project, CIP 81134/36005001, Contract 4299:
 1) Award the Construction Contract to D.G. Granade, Inc. who was the lowest responsive, responsible bidder;
 2) Approve and authorize the Chair to sign the Construction Contract, subject to review and approval by County Counsel and Risk Management; and
 3) Authorize the 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.

FUNDING: Road Fund/Discretionary (100%). (Local Funds)

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - Addendum No. 1, 2. B - Addendum No. 2, 3. C - Bid Summary, 4. Executed Contract 4299

Date	Ver.	Action By	Action	Result
2/11/2020	1	Board of Supervisors	Approved	Pass

..Title

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DEPARTMENT RECOMMENDATION

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

On Thursday, January 23, 2020 at 2:00 p.m. Department of Transportation (Transportation) opened bids for Headington Wash Rack Facility Project (Project). Four Bids were received ranging from \$889,908.00 to \$1,121,000.00

Transportation issued the All Bidders Letter on Friday January 24, 2020, notifying the bidders of the recommendation to the Board for award of the contract to D.G. Granade, Inc. (Granade) and initiating the bid protest period. The bid protest period ended at 4:00 P.M. on Friday, January 31, 2020, with no

protests filed.

Authorize the Director of Transportation (Director) to Sign Escrow Agreement:

Pursuant to Special Provisions Section 9-1.16F, "Retentions", 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 held 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 Director to execute the Escrow Agreement. Upon satisfactory completion of portions of the Contract and upon written notification from the 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, 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.

Contingency CCOs

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 Director to execute individual CCOs, the maximum value of which is based on the original contract amount with a not-to-exceed limit of \$56,995.40. This authority is also for a cumulative total of contingency CCOs not to exceed 10% of the original Contract value.

DISCUSSION / BACKGROUND

The purpose of the Project is to upgrade the existing maintenance equipment washing station for County fleet equipment and vehicles, which is located at the Transportation's Corporation Yard, one block east of the intersection of Missouri Flat Road and Headington Road in Placerville. The existing washing station is an uncovered slab on grade with sump drainage to the El Dorado Irrigation District (EID) sewer system that will be replaced by an enclosed equipment washing station with an automated reclamation recycle system that will ultimately be removed from the EID drainage system. By taking the wash system off line, Transportation will save costs by reducing EID water usage using recycled wash system water and ultimately remove the need for the EID sewer system. The wash system will also help preserve water quality and industrial general permit consideration by eliminating grease, oil, sand, etc. from leaving the wash station site and entering drainage infrastructure, roadways, and/or water ways.

The previous advertisement for bids was cancelled prior to opening the bids, by the Chief Administrative Officer and Director of the Transportation Division of the Community Development Agency on May 3, 2017. The reason for the cancellation was due to the large number of emergency Projects in El Dorado County that were caused by severe winter storms in early 2017. Funds allocated for the Project were diverted to the emergency repairs.

The current Project has been updated with current Counsel Requirements and minor revisions in scope and bid items. The Project's budget was also reevaluated and increased to cover bid cost escalation from 2017 to 2019. This revised Project consists of replacing the existing uncovered vehicle and equipment wash rack facility with a covered wash building that houses an automated reclamation recycle system.

This Project was bid as a Base Bid (Schedule A) with Additive Alternative Bids (Schedules B and C). Determination of the lowest responsive, responsible Bidder was made based on the total bid amount of the Base Bid and Additive Alternative Bids. The County reserves the right to reject all bids or to award the Base Bid (Schedule A) only or the combination of Base Bid (Schedule A) with Additive Alternative Bids (Schedule B and/or C) work to the lowest responsive, responsible bidder based on which combination will be within the approved budget amount as authorized by the Board.

On September 25, 2012, Legistar 12-0937, Item 29, the Board adopted the Negative Declaration to complete the California Environmental Quality Act requirement for this Project. Due to the nature of the project, no environmental permits or right of way are required.

The Project was approved for advertisement on December 17, 2019, Legistar 19-1738, Item 31.

ALTERNATIVES

- 1) Award Base Bid Schedule A with additive Alternative Bid schedules B and C.
- 2) Award Base Bid Schedule A with additive Alternative Bid schedule C.
- 3) Award Base Bid Schedule A only.
- 4) Do not award the contract and direct Transportation to re-advertise for construction bids.
- 5) Cancel the Project. Note: The Board has previously approved the Project and the County would not recover the benefits of the Project work completed to date.

PRIOR BOARD ACTION

See Discussion/Background section above.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel and Risk Management reviewed and approved the Plans and Contract Documents on November 8, 2019.

CAO RECOMMENDATION

It is recommended the Board approve this item.

FINANCIAL IMPACT

The Engineer's Estimate for the construction phase of the Project based on low bid is \$1,108,899.00, which includes the Base Bid (Schedule A) plus Additive Alternative Bid (Schedules B and C) of \$889,908.00; construction management, survey, materials testing and admin support during construction totaling \$130,000.00; and contingency of \$88,991.00.

The initial Engineer's Estimate and the amount approved by the Board on the Advertise Item was \$980,000.00, which included construction items of work, construction management, inspection, materials testing, and contingencies. Based on review of the bid results, the primary difference between the estimate and the bids received is within the Prefabricated Building costs and is due

mostly to the sourcing of the manufactured building. Most of the contractors, including the low bidder, went with the local manufacturer, Star Buildings. In an effort to reduce cost, the estimate was based on quotes from Durabeam out of Florida. The estimated cost for this item was \$30,000 in materials and blueprints, \$25,000 in building erection, \$100,000 in foundation and construction support, and \$25,000 for miscellaneous expenses and contingency for a total Prefabricated Building item cost of \$180,000. The item cost of low bidder is \$362, 000 for a difference in the Prefabricated Building item alone of \$182,000.

It is also worth noting that due to the award being based on the total of Base Bid plus Additive Alternates and only the Base Bid guaranteed to award, there are fixed costs included in the Base Bid Items that are recovered independent of Additive Alternatives awarded. Costs in the Additive Alternates were similar to and in most cases significantly lower than the Engineer's Estimate. For this reason, Transportation recommends the award of Base Bid plus all Additive Alternative Bids to realize a cost savings in the Additive Alternative items of work. If these items of work get built under a separate contract at a later time, it is likely that the item prices and supporting costs will be significantly higher.

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 Transportation, attention of Brian Franklin, Office Engineer, for further processing.

STRATEGIC PLAN COMPONENT

Infrastructure

CONTACT

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