



## Legislation Details (With Text)

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**On agenda:** 8/16/2022      **Final action:** 8/16/2022

**Title:** Department of Transportation recommending the Board take the following actions pertaining to the San Bernardino Class 1 Bike Trail Project, Capital Improvement Program project number 36107017 (95117), Contract 5971, with an estimated construction phase total cost of \$3,790,487.45

- 1) Award the Construction Contract to AM Development, Inc., the lowest responsive, responsible bidder;
- 2) Authorize an increase in the estimated total project cost from \$2,906,821 to \$4,322,155;
- 3) Approve and authorize the Chair to sign the Construction Contract, subject to review and approval by County Counsel and Risk Management; and
- 4) 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:** Congestion Mitigation and Air Quality Program (9% - Federal), Highway Infrastructure Program (9% - Federal), Surface Transportation Block Grant (50% - Federal), Coronavirus Response and Relief Supplemental Apportionments Act of 2021 Program (24% - Federal), and Tahoe Regional Planning Agency (8% - Local).

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. A - 5971 Addendum No1.pdf, 2. B - 5971 Bid Summary.pdf, 3. Executed 5971 Addendum No. 1

Date	Ver.	Action By	Action	Result
8/16/2022	1	Board of Supervisors	Approved	Pass

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## **DISCUSSION / BACKGROUND**

The San Bernardino Class 1 Bike Trail Project (Project) is located in the Tahoe Basin along West and East San Bernardino Avenues from North Upper Truckee Road to Apache Avenue, in the community of Meyers. The work consists of constructing a bridge over the Upper Truckee River, a Class 1 shared-use trail comprised of an eight-foot paved path with two-foot aggregate base shoulders, and a precast concrete boardwalk system. The Project will provide a crucial link for non-motorized traffic between the North Upper Truckee Road and the Apache Avenue neighborhoods.

On April 5, 2022, the Board adopted and approved the Plans and Specifications and authorized advertisement for construction bids for the Project (Legistar #22-0335, Item 18). The Department of Transportation (Transportation) then opened the Project for bidding, with the bid opening scheduled for July 15, 2022.

The Contract Documents include all required federal provisions and incorporate the current Caltrans DBE requirements. The DBE goal is 12%.

Transportation received two bids, which were opened at 2:00 p.m. on July 15, 2022. The bid prices received were \$3,032,389.96 and \$3,161,837.45 (Engineer's estimated bid was \$2,018,120.30), which originally exceeded the Project's direct construction budget of \$2,375,154. Transportation contacted the bidders and a supply vendor for the Project and learned that increased construction material costs, longer lead times, trucking, and fuel costs may have attributed to the higher bid prices.

Transportation reallocated \$1,951,986 of Congestion Mitigation and Air Quality (CMAQ) Program funding from another Transportation project to cover the Project shortfall. The CMAQ funds had been identified for use on the Apache Avenue Pedestrian Safety and Connectivity Project, however, that project is not scheduled for construction until 2024, which allows for Transportation to apply for and secure additional funding. The use of these funds for the San Bernardino Class 1 Bike Trail Project may delay construction of the Apache Avenue Pedestrian Safety and Connectivity Project, however, this change will allow for both projects to continue toward completion.

## **DEPARTMENT RECOMMENDATION**

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

On Friday, July 15, 2022, at 2:00 p.m., Transportation opened bids for the San Bernardino Class 1 Bike Trail Project, Capital Improvement Program (Project). Two Bids were received ranging from \$3,032,389.96 to \$3,161,837.45.

AM Development, Inc. (AM) submitted the lowest bid for the Project. In review of the bids, Transportation discovered that AM did not acknowledge the addendum in the proposal. Upon further review and evaluation, Transportation believes this should be waived as an immaterial difference. In order to be able to submit an electronic bid on the Quest e-bid system, AM was required to download the addenda for this project. In addition to this, a project audit report downloaded from the Quest's e-bid system showed AM downloaded the addendum on July 13, 2022, at 10:43 AM CDT. It was clear that AM was aware of and downloaded the electronic addenda for this project.

Transportation issued an All Bidders Letter on Thursday, July 21, 2022, notifying the bidders of the recommendation to the Board for award of the contract to AM Development and initiating the 5 business day bid protest period. No bid protests were received. AM Development's total bid for the project is \$3,032,389.96.

### 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. The budget for contingencies on this Contract is \$303,239.00. PCC Section 20142 and Resolution 102-2012 authorize the Director to execute individual CCOs, the maximum value of \$164,119.50, which is based on the original contract amount with a not-to-exceed limit. This authority is also for a cumulative total of contingency CCOs not to exceed 10% of the original Contract value.

### **ALTERNATIVES**

N/A

### **PRIOR BOARD ACTION**

See Discussion/Background section above.

### **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

N/A

### **CAO RECOMMENDATION / COMMENTS**

Approve as recommended.

### **FINANCIAL IMPACT**

The Engineer's Estimate for the construction phase of the Project is \$3,790,487.45, which includes an estimated bid of \$3,032,389.96; construction management, survey, materials testing, and design support during construction totaling \$454,858.49; contingency of \$303,239.00.

Funding for the Project is budgeted in the 2022 Capital Improvement Program approved by the Board on June 14, 2022 (Legistar #22-0521, Item 48), with construction funds provided by Congestion Mitigation and Air Quality Program, Highway Infrastructure Program, Surface Transportation Block Grant, Coronavirus Response and Relief Supplemental Apportionments Act of 2021 Program, and Tahoe Regional Planning Agency mitigation funds. The required budget changes for the increase in project costs and funding will be completed during the final budget adoption.

### **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 Donald Palaroan, Senior Civil Engineer, for further processing.

### **STRATEGIC PLAN COMPONENT**

Infrastructure

### **CONTACT**

Rafael Martinez, Director  
Department of Transportation