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County of El Dorado

Legislation Details (With Text)

File #:	23-1260 **Version:** 1		
Type:	Agenda Item	**Status:**	Approved
File created:	6/20/2023	**In control:**	Board of Supervisors
On agenda:	7/25/2023	**Final action:**	7/25/2023

Title: Department of Transportation recommending the Board take the following actions pertaining to the Intersection Safety Improvements Project, Capital Improvement Program Numbers 36105061/36105062:
1) Waive the minor bid irregularity as an immaterial difference in B & M Builders, Inc.'s bid;
2) Award the Construction Contract to B & M Builders, Inc., the lowest responsive, responsible bidder;
3) Authorize an increase in the estimated total project cost from $1,368,000 to $1,682,652;
4) Approve and authorize the Chair to sign the Construction Contract, subject to review and approval by County Counsel and Risk Management; and
5) 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.
(District III)

FUNDING: Highway Safety Improvement Program - HSIP (49%), RSTP Advance - El Dorado County Transportation Commission - EDCTC (38%), Highway Infrastructure Program - HIP (8%), Transportation Development Act - TDA (5%) (Federal Funds).

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - 23-1260 Bid Summary, 2. Executed Agreement 7443

Date	Ver.	Action By	Action	Result
7/25/2023	1	Board of Supervisors	Approved	Pass

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DISCUSSION / BACKGROUND

The Intersection Safety Improvements Project (Project) consists of two Capital Improvement Program (CIP) projects that are being constructed together to increase administrative efficiency. This combined project will construct ADA compliant crosswalks, sidewalks, and pedestrian curb ramps in the towns of El Dorado and Diamond Springs. This Project will also improve sight distance at the intersections of Pleasant Valley Road and Cedar Ravine and Pleasant Valley Road and Newtown Road.

A CEQA Notice of Exemption was filed on October 1, 2019, for both projects. A NEPA Categorical Exclusion was approved on November 4, 2019, for both projects, and re-validations were approved on May 27, 2022, and June 6, 2022.

All necessary environmental permits have been obtained for this Project.

All needed right of way has been secured for the project.

The Contract Documents include all required federal provisions and incorporate the current Caltrans Disadvantaged Business Enterprise (DBE) requirements. The DBE goal is 15%.

Authorization for construction funding (E-76) has been received for this Project.

The Project was approved for advertisement by the Board on June 6, 2023 (Item 37, Legistar 23-1014).

Award and Sign Construction Contract with Lowest Responsive, Responsible Bidder:
On Thursday, July 6, 2023 at 2:00 p.m., Department of Transportation (Transportation) opened bids for the Project. Four (4) bids were received ranging from $996,990.00 to $1,214,247.37.

All Bidders are required to complete the Subcontractor Listing Form in the Proposal, which requires listing the bid item number and bid item name for each item a bidder chooses to subcontract. B & M Builders, Inc. (B&M) listed the correct bid item name, but the incorrect bid item number for items on their subcontractor list. It is clear from the bid item name which items B&M will subcontract. Listing the incorrect bid item number is an immaterial difference and does not affect B&M's bid or the outcome of the Project.

Transportation issued the All-Bidders Letter on Thursday, July 13, 2023, notifying the bidders of the recommendation to the Board for award of the Contract to B & M Builders, Inc. (Contractor) and initiating the bid protest period. The bid protest period ended with no protests filed.

Increase to Total Project Cost:
The low bid received for this Project was $966,990, which is $273,340 more than the engineer's estimate of $723,650. After increasing the contingency and construction management budgets to reflect the low bid being higher than anticipated, the Project has a total funding shortfall of $304,175, which Transportation is rounding up to $315,000. Caltrans will provide HSIP Reserve Funding to cover $100,000 of this shortfall, and El Dorado County Transportation Commission will provide $130,777 of Highway Infrastructure Program funding and $84,223 of Transportation Development Act funding to cover the remaining $215,000. Increasing the construction phase budget by $315,000 will increase the total project cost from $1,367,652 to $1,682,652.

Authorize the Director of Transportation (Director) to Sign Escrow Agreement:
Pursuant to Section 9-1.16F(1), "Retentions" of the Contract Documents, 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 $60,849.50, which is based on the original contract amount. This authority is also for a cumulative total of contingency CCOs not to exceed 10% of the original Contract value.

ALTERNATIVES
1) The Board could choose not to award the Contract and direct Transportation to re-advertise for construction bids.
2) The Board could choose to cancel the Project.

PRIOR BOARD ACTION
May 10, 2022 (Legistar 22-0696, Item 29) the Chair signed an Agreement between the EDCTC and County of El Dorado for Fiscal Year 2021-22 Surface Transportation Block Grant Program Exchange Funds.
June 6, 2023 (Legistar 23-1014, Item 37) the Board approved advertisement for the Project.

OTHER DEPARTMENT / AGENCY INVOLVEMENT
County Counsel and Risk Management

CAO RECOMMENDATION / COMMENTS
Approve staff recommendation.

FINANCIAL IMPACT
The total estimated combined cost for Project construction is $1,207,737.50, which includes construction items of work, supplemental items of work, construction management, environmental monitoring, inspection, materials testing, and contingencies.

Funding for the combined Projects in the amount of $1,368,000 is approved in the 2023 Capital Improvement Program approved by the Board on June 6, 2023 (Legistar #23-0851, Item No. 56). The low bid received for this Project was $966,990, which is $273,340 more than the engineer's estimate of $723,650. After increasing the contingency and construction management budgets to reflect the low bid received, the Project has a total shortfall of $304,175, which Transportation is rounding up to $315,000. Caltrans will provide HSIP Reserve Funding to cover $100,000 of this shortfall, and El Dorado County Transportation Commission will provide $130,777 of Highway Infrastructure Program funding and $84,223 of Transportation Development Act funding to cover the remaining $215,000. Increasing the construction phase budget by $315,000 will increase the total project cost from $1,367,652 to $1,682,652.

CLERK OF THE BOARD FOLLOW UP ACTIONS

1) Upon approval by County Counsel and Risk Management, Department of Transportation will forward two (2) originals of the Construction Contract #7446, 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 Department of Transportation, attention of Jen Rimoldi, Office Engineer Group, for further processing.

STRATEGIC PLAN COMPONENT

Infrastructure

CONTACT

Rafael Martinez, Director
Department of Transportation