



## Legislation Text

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**File #:** 18-0424, **Version:** 1

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Community Development Services, Department of Transportation, recommending the Board consider the following pertaining to the Newtown Road Storm Damage Repair Project, PW 17-31185, CIP 78706, and Contract 2685:

- 1) Award the Construction Contract to Hooker Creek, Inc., who submitted the lowest responsive, responsible bid of \$909,301.00;
- 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:** Federal Highway Administration anticipated reimbursement (88.53%), California Disaster Assistance Act anticipated reimbursement (8.60%), Road Fund (2.87%).

### **DEPARTMENT RECOMMENDATION**

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

On Wednesday, March 28, 2018, the Community Development Services, Department of Transportation (Transportation), opened bids for the Newtown Road Storm Damage Repair Project (Project). One bid was received for \$909,301.00.

Transportation issued the All Bidders Letter on April 5, 2018, notifying the bidder of the recommendation to the Board for award and initiating the two-day bid protest period. The bid protest period ended at 4:00 p.m. on Monday, April 9, 2018 with no protests filed.

Hooker Creek, Inc. submitted the lowest responsive, responsible bid in the amount of \$909,301.00. Transportation recommends award of the Construction Contract to Hooker Creek, Inc. who submitted the lowest responsive, responsible bid.

#### Authorize the Director of Transportation (Director), or Successor, to Sign Escrow Agreement:

Pursuant to Special Provisions Section 9-1.16F, "Retentions," Transportation will retain 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, or successor, 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 Escrow Account and

any interest earned thereon. A portion of the retention and interest will be retained in the Escrow Account until 35 days after the recordation of the Notice of Acceptance of the Contract at which time, upon written notification from the 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.

#### 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 \$90,930.10. PCC Section 20142 and County Resolution 102-2012 authorizes 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 \$57,965.05 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**

The Work to be performed includes: tree removal, roadway and culvert excavation, including removal of an existing 18" corrugated metal pipe under Newtown Road, installation of a new 18" corrugated steel pipe and an 8" corrugated steel pipe down drain with rock slope protection and a retaining wall, placement of a new structural section, paving, and striping work. The roadway will remain closed for the duration of this Project. Other items or details not mentioned above, that are required by the Plans, Standard Plans, Standard Specifications, or these Special Provisions must be performed, constructed, or installed.

Newtown Road will be fully closed to traffic for eighty-six (86) calendar days. Access through the closed area will be via a detour on Fort Jim Road, as described in the Detour Plan and Special Event Permit/Road Closure Authorization. Detour notifications will be posted one week in advance of the closure. Transportation has coordinated with local businesses, schools, and emergency services regarding this closure, including a meeting with the County Office of Emergency Services to discuss options should an evacuation be required during the time at which Newtown Road is impassable. Further notification will be given at least one week in advance of the closure once the construction schedule is known. Transportation will also notify the public of this road closure at least one week in advance via the County website, press release, and portable changeable message signs.

The Contract Documents include all required federal provisions and incorporate the current California Department of Transportation's Disadvantaged Business Enterprise (DBE) requirements. The DBE goal is 12%.

### **ALTERNATIVES**

- 1) Do not award contract and direct Transportation to re-advertise for construction bids.
- 2) Cancel the Project. Note: The Board has previously approved the Project and the County would not be reimbursed with Federal Highway Administration (FHWA, or California Disaster Assistance Act (CDAA) funds for the Project work completed to date.

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

County Counsel and Risk Management

### **CAO RECOMMENDATION / COMMENTS**

It is recommended that the Board approve this item.

### **FINANCIAL IMPACT**

The Project was authorized by the Board on March 6, 2018 (Item 26) with an estimated total Project cost of \$1,707,000.

The estimate for the construction phase of the Project is \$1,136,626.25, which includes a bid of \$909,301.00; construction management, survey, materials testing and design support during construction totaling \$136,395.15; and a contingency of \$90,930.10.

The estimated construction cost is included in the Project budget, which is funded by FHWA, CDAA, and local discretionary Funds.

### **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 securing the Chair's signature.
- 2) Clerk will forward one (1) fully executed Construction Contract to CDS Transportation, attention of Brian Franklin, Office Engineer, for further processing.

### **STRATEGIC PLAN COMPONENT**

Infrastructure

### **CONTACT**

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