



## Legislation Text

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**File #:** 18-0599, **Version:** 1

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Community Development Services, Department of Transportation, recommending the Board consider the following pertaining to the Country Club Heights Erosion Control Project, Contract PW 18-0599, CIP 95191, Contract 2532:

- 1) Award the Construction Contract to V & C Construction, who submitted the lowest responsive, responsible bid of \$745,738.95;
- 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:** United States Forest Service (78% - Federal) and California Tahoe Conservancy (22% - State).

### **DEPARTMENT RECOMMENDATION**

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

On April 26, 2018, the Community Development Services, Department of Transportation (Transportation) opened bids for the Country Club Heights Erosion Control Project (Project). Two bids were received ranging from \$745,738.95 to \$938,840.70. V & C Construction was determined to be the lowest responsive, responsible bidder, with a bid of \$745,738.95. Transportation recommends awarding the Contract to the lowest, responsive, responsible bidder, V & C Construction.

Transportation issued the All Bidders Letter on Thursday, April 26, 2018, notifying bidders of the recommendation to the Board for award and initiating the five-day bid protest period. The bid protest period ended at 5:00 p.m. on Thursday, May 3, 2018, with no protests filed.

#### 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.

#### Supplemental CCOs

Certain types of work are necessary to complete the Project which cannot be estimated accurately because they require a variable effort to complete. These items are referred to as Supplemental items and are identified in the Contract Documents as CCO work to be performed and paid for on a time and material basis, using the California Department of Transportation (Caltrans) standard force account billing procedures. The work is authorized by issuance of a CCO, which also encumbers the funds anticipated to be needed for each of the planned supplemental items of work and is billed against as the work progresses. The amount of each CCO is based on an evaluation by Transportation staff of the Project components, area, and time frame. Supplemental items in this contract include rock excavation and unsuitable material items totaling 1% of the original Contract value. Because this work is anticipated and budgeted for separately, Supplemental CCOs are not included in the 10% cap normally associated with Contingency CCOs.

#### 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 County 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. 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 was bid as a Base Bid (Schedule A) and Additive Alternate Bid (Schedule B) in accordance with the Proposal and Special Provisions. Base Bid (Schedule A) consists of construction of erosion control improvements including sediment traps, culverts, drainage inlet, conveyance channels, rolled curb and gutter, and rock slope protection (Sheets P-1 to P-10 of the Plans). Additive Alternate Bid (Schedule B) consists of construction of rock slope protection on Meadow Vale Drive (Sheet P-11 of the Plans). 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.

In order to perform the construction of the rock work, Contractor will be allowed full closure of Meadow Vale Drive, from Thunderbird Drive to 1695 Meadow Vale Drive. The exact dates of the closure will be determined once weather conditions permit the start of construction activities.

Detour notifications will be posted a minimum of one week in advance of the closure. Access for local residents and visitors, as well as emergency personnel and law enforcement, will be through a detour utilizing Southern Pines Drive. Transportation will notify the public of this road closure via the County website, a press release, and construction signs at the site. A copy of the Project Traffic Control Plan is included for your reference (Attachment D).

Transportation has coordinated with local emergency agencies regarding the closure and will notify these agencies once the dates of the closure are set. A County Special Event Permit for the road closure of Meadow Vale Drive has been fully executed by the Director.

### **ALTERNATIVES**

- 1) Do not award contract and direct Transportation to re-advertise for construction bids.
- 2) Cancel the Project. Transportation would be required to return all United States Forest Service grant funds spent 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 April 3, 2018 (Item 24) with an estimated Project construction cost of \$911,580.

The estimate for the construction phase of the Project is \$911,580, which includes an estimated bid of \$745,739; supplemental costs of \$5,000; construction management, survey, materials testing and design support during construction totaling \$86,267; and a contingency of \$74,574.

The estimated construction cost is included in the Project budget, which is funded by United States Forest Service and California Tahoe Conservancy grant 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 of the Board for securing the Chair's signature.
- 2) The Clerk of the Board 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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