



Legislation Text

File #: 18-0879, **Version:** 1

Community Development Services, Department of Transportation, recommending the Board take the following actions pertaining to the 2017 Happy Valley Road Storm Damage Repair, Contract 2769, PW 17-31206, CIP 78724:

- 1) Award the Construction Contract to the lowest responsive, responsible bidder, Trinity River Construction, Inc.;
- 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: Local and State discretionary funding initially (100% Road Fund), with Department of Transportation staff working with the Federal Emergency Management Agency and the California Office of Emergency Services to obtain reimbursement. (Local, State, and Federal)

DEPARTMENT RECOMMENDATION

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

On June 7, 2018, Community Development Services, Department of Transportation (Transportation) opened bids for the 2017 Happy Valley Road Storm Damage Repair (Project), Capital Improvement Program (CIP) 78724. Two bids were received ranging from to \$459,569.00 to \$496,721.87.

Transportation issued the All Bidders Letter on June 11, 2018, notifying bidders of the recommendation to the Board for award and initiating the two-day bid protest period. The bid protest period ended at 5:00 p.m. on Wednesday, June 13, 2018 with no protests filed.

Trinity River Construction, Inc. (Trinity) submitted the lowest responsive, responsible bid in the amount of \$459,569.00. Transportation recommends award of the Construction Contract to Trinity who submitted the lowest responsive, responsible bid.

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.

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 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 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 Traffic Control and Water Pollution Control items totaling 5% of the original Contract value in the amount of \$22,978.45 for this Contract. 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. The budget for contingencies on this Contract is \$45,956.90. 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 \$35,478.45 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

This Project is necessary to repair damage to Happy Valley Road caused by the storms of 2017. The Project consists of drainage, roadway, retaining wall and ditch improvements to repair a failed culvert and section of the roadway that includes: installing 60" storm drainage manhole with grate, installing 30" reinforced concrete pipe culvert, installing concrete reinforced retaining wall with micropiles, removal of an existing 16" steel culvert, roadway excavation, installing Class 2 AB, installing HMA (Type A) and installing rock slope protection. The roadway will remain closed for the duration of this Project.

Happy Valley Road will be fully closed to traffic for forty-three (43) calendar days. Access through the closed area will be via a detour to Mount Aukum Road and Happy Valley Cut Off Road, as described in the Detour Plan and Special Event Permit/Road Closure Authorization, approved by the Director on February 8, 2018. Transportation has coordinated with emergency services, schools, and transit. 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.

Due to the potential for federal funding, both CEQA and NEPA compliance are required. The CEQA Notice of Exemption was filed on May 18, 2017. FEMA has neither provided a Record of

Environmental Consideration (REC) nor issued an email stating NEPA Categorical Exclusion is authorized. However, FEMA has advised that waiting for the written NEPA clearance is not required due to time constraints. FEMA has advised to make sure that permits and permit requirements are received and complied with as needed. No environmental permits were required for this Project as determined by the County's environmental consultant.

One Temporary Construction Easement and one Slope and Drainage Easement have been executed for APN 093-100-026. The Grants of Easements were signed by the Owner on March 14, 2018 and by the Director on March 15, 2018. Escrow is in progress and will be recorded upon completion.

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 9%.

The Project was approved for advertisement on May 15, 2018 (Item 15).

ALTERNATIVES

- 1) Do not award the 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 FEMA funds for the Project work completed to date.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel and Risk Management reviewed and approved the Contract Documents on April 10, 2018.

CAO RECOMMENDATION

It is recommended that the Board approve this item.

FINANCIAL IMPACT

Total Funding for this Project in the amount of \$868,000 is included in the 2017 CIP Book approved by the Board on June 27, 2017 (Item 25) and includes the construction phase of the Project in the amount of \$680,000. These approximate Project amounts are included in the 2018 CIP that is scheduled to go to the Board for adoption in June 2018.

The current estimate for the construction phase of the Project is \$597,439.70 that includes the bid amount of \$459,569.00; construction management, survey, materials testing and design support during construction totaling \$68,935.35; supplemental of \$22,978.45, and contingency of \$45,956.90.

This Project is eligible for 75% reimbursement by FEMA and 18.75% reimbursement by California Office of Emergency Services. The remaining 6.25% is local and state discretionary funding. Transportation will continue working with these agencies to obtain the maximum allowable reimbursement.

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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Community Development Services, Department of Transportation