



Legislation Text

File #: 20-0850, **Version:** 2

Department of Transportation recommending the Board takes the following actions pertaining to the Silva Valley Parkway Bike Path Drainage Improvement Project, CIP 72313, Contract 4750:

- 1) Authorize an increase in the construction phase budget of \$13,000;
- 2) Award the Construction Contract to Martin General Engineering, Inc. who was the lowest responsive, responsible bidder, pending El Dorado County Transportation Commission allocation of an additional \$13,000 of Urban State Transportation Block Grant funding;
- 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. (Cont. 7/21/2020, Item 11)

FUNDING: Tribe agreement funds (4%), Local advance construction (AC) funds with federal reimbursement of STBGP funds (Federal Funds) (96%) initially; fully-funded by STBGP funds (100%) anticipated.

DEPARTMENT RECOMMENDATION

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

The Department of Transportation (Transportation) received sealed bids for the Silva Valley Parkway Bike Path Drainage Improvement Project (Project) on Thursday, July 2, 2020 at 2:00 p.m. The bid summary is attached to this item.

Three Bids were received ranging from \$ 240,568.40 to \$300,223.40. Transportation issued the All Bidders Letter on July 10, 2020 notifying the bidders of the recommendation to the Board for award of the contract to Martin General Engineering, Inc. (Martin) and initiating the bid protest period. Martin met all bidding requirements as well as all Disadvantaged Business Enterprise (DBE) requirements. The bid protest period ended with no protests filed.

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.

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 which is based on the original contract amount with a not-to-exceed limit of \$24,056.84. This authority is also for a cumulative total of contingency CCOs not to exceed 10% of the original Contract value.

DISCUSSION / BACKGROUND

The Project will provide drainage improvements along the Silva Valley Parkway Class I Bike Path. Drainage improvements include construction of interceptor swales, HMA shoulder ditches, HMA overside drains, pipe drainage inlets, plastic pipe culverts, hydroseeding, rock slope protection, HMA dike, and HMA paving.

Due to federal funding, both California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) compliance are required. A CEQA Notice of Exemption was filed on October 21, 2019. A California Department of Transportation (Caltrans) NEPA Categorical Exemption/Categorical Exclusion Determination was issued on October 25, 2019. No mitigation measures or environmental permits are required for this Project. This Project does not require the acquisition of any right of way and is fully within currently owned County property.

The Contract Documents include all required federal provisions and incorporate the current Caltrans Disadvantaged Business Enterprise (DBE) requirements. The DBE goal is 17%. The Project was approved for advertisement on June 9, 2020, Item 36, Legistar 20-0695.

ALTERNATIVES

- 1) The Board could choose to not award the contract and direct Transportation to re-advertise for construction bids.
- 2) The Board could choose to cancel the Project. Canceling the Project may include the consequence of reimbursing all federal funding received to date.

PRIOR BOARD ACTION

See Discussion/Background section above.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel and Risk Management reviewed and approved the Contract Documents.

CAO RECOMMENDATION

Approve as recommended.

FINANCIAL IMPACT

Prior to receiving bids, the estimated construction phase costs were as follows:

Construction items (engineer's estimate):	\$230,636.00
Construction management:	\$34,596.00
Contingency:	<u>\$22,768.00</u>
Total estimated construction phase budget:	\$288,000.00

The low bid received for this project was \$240,568.40, which is \$9,932.40 higher than the engineer's estimate. Therefore, the actual budget required for this project's construction phase has increased to \$300,710.50, as detailed below:

Construction items (low bid received):	\$240,568.40
Construction management:	\$36,085.26
Contingency:	<u>\$24,056.84</u>
Total required construction phase budget:	\$300,710.50

This leaves a construction phase budget shortfall of \$12,710.50. This project is funded with Urban State Transportation Block Grant (Urban STBG) funding, which is allocated by the El Dorado County Transportation Commission (EDCTC). EDCTC staff supports the allocation of the additional \$12,710.50 in Urban STBG funds to cover the shortfall, but the allocation must be made by a majority vote of the EDCTC members, and the next EDCTC meeting is August 6, 2020. If Transportation were to wait to request your Board authorize the award of this project until after the EDCTC authorizes the additional Urban STBG funding on August 6, that award would not occur until your Board meets on August 25, 2020. This would result in an undesirably late start to construction (approximately October 5, 2020).

Alternatively, and to greatly increase the chances for completing this project's drainage improvements before winter, Transportation recommends that the Board award the Project to Martin General Engineering pending the EDCTC allocation of the additional \$12,710.50. This would allow for the Project award to occur on or about August 7, 2020, which would result in an anticipated construction start date of September 8, 2020. If the EDCTC does not allocate the additional \$12,710.50 on August 6, the Project award will not occur, and Transportation will return to the Board with a request for funding from an alternative funding source.

Should the Board approve the item today, it is anticipated that construction would be completed during the 2020 construction season. If the Board chooses to wait until action is taken by the EDCTC on the award of additional funding, it is likely that construction would not be completed until the following construction season.

Following approval of the item and pending the award of additional STBGP funds from EDCTC, Transportation will return to the Board with a budget transfer to allocate funding, if necessary, which would require a 4/5th vote.

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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Department of Transportation