



Legislation Text

File #: 21-0583, **Version:** 1

Department of Transportation recommending the Board take the following actions pertaining to the Country Club Heights Erosion Control Project - Phase III, Capital Improvement Program 95191/36107009, Contract 5408:

- 1) Award the Construction Contract to Rapid Construction, Inc., the lowest responsive, responsible bidder;
- 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: Funding for Phase III work is as follows: United States Forest Service (28% - Federal), California Tahoe Conservancy (60% - State), and Tahoe Regional Planning Agency - Water Quality/Stream Environment Zone Mitigation (12% - Local).

DEPARTMENT RECOMMENDATION

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

On Tuesday, May 18, 2021 at 2:00 p.m., the Department of Transportation (Transportation), opened bids for the Country Club Heights Erosion Control Project - Phase III Project (Project). Five bids were received ranging from \$567,765.40 to \$827,657.60.

Transportation issued the All Bidders Letter on Thursday, May 20, 2021, notifying the bidders of the recommendation to the Board for award of the contract to lowest responsive, responsible bidder, Rapid Construction, and initiating the bid protest period. No bid protests were received.

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 County Resolution 102-2012 authorize the Director to execute individual CCOs, the maximum value of \$40,888.27, 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 Country Club Heights - Phase III Erosion Control Project (Project) site is within an existing residential development located in the unincorporated area of South Lake Tahoe, east of U.S. Highway 50/State Route 89 at Elks Club Drive and includes the old Elks Lodge parking lot. The proposed Project will reduce impacts to water quality, enhance recreation and access opportunities, and provide for Stream Environment Zone habitat restoration. Improvements will include restoration of the site through removal of non-native fill material, a constructed infiltration basin, and a multiuse trail for recreational access from the existing parking lot to the Upper Truckee River. The Project will help to meet goals identified in the El Dorado County Stormwater Resource Plan and the Lake Tahoe Environmental Improvement Program.

A Mitigated Negative Declaration for the Project was adopted by the Board on April 7, 2020 (Legistar #19-1728 Item 16), in accordance with the California Environmental Quality Act.

All work is to be completed within County maintained rights of way and California Tahoe Conservancy owned parcels with a license agreement in place to complete the work. There are no utility relocations associated with the project.

The Project was authorized by the Board for advertisement on April 20, 2021, Legistar #21-0282 (Item 17).

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 have reviewed and approved the Contract Documents.

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

The total estimated cost for the construction phase of the Project is \$709,706.75, which includes a low bid of \$567,765.40; construction management, survey, materials testing and design support during construction totaling \$85,164.81; and contingency of \$56,776.54.

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

Rafael Martinez, Director
Department of Transportation