



Board Agenda Item 39

DATE: March 7, 2017

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Award Contract No. 16-10-C Bituminous Seal Coats (re-bid 15/16), Various Locations in Fresno County

RECOMMENDED ACTION(S):

- 1. Award Contract No. 16-10-C, Bituminous Seal Coats (re-bid 15/16), Various Locations in Fresno County, to the lowest bidder, Telfer Pavement Technologies, LLC., 4522 Parker Avenue, Building 700, Suite 350, McClellan, CA, in the total amount of \$1,142,407.90 including the base bid and additive bids 4A and 5A.**
- 2. Authorize the Director of Public Works and Planning or his designee to execute Contract Change Orders up to \$69,620, which is approximately 6.09% of the total contract construction cost, the limit allowable under Public Contract Code 20395(d) for Contract 16-10-C.**

The first recommended action will authorize the award of the Bituminous Seal Coats (re-bid 15/16) project. The second recommended action will allow the Director or his designee to execute change orders up to the statutory limits.

ALTERNATIVE ACTION(S):

If the first recommended action is not approved, the project will be cancelled or delayed. If the second recommended action is not approved the Director or his designee's authority to approve Contract Change Orders will be limited to \$33,924.

FISCAL IMPACT:

There will be no Net County Cost associated with the recommended actions. The anticipated construction cost of the project for the base bid and additives 4A and 5A, based on the low bid and including an allowance for contingencies, is \$1,212,028. Sufficient appropriations for the base bid are included in the Public Works and Planning - Roads Org 4510 FY 2016-17 Adopted Budget. Sufficient appropriations to fund additive locations 4A and 5A are included in the FY 2016-17 Adopted Budgets for County Service Areas (CSAs) 35B - Org 9155 and 35C - Org 9158.

DISCUSSION:

The work to be done consists, in general, of furnishing and placing screenings over asphaltic emulsion at various existing roads in Fresno County. The project covers 31.5 miles of roadway on County-maintained roads and 3.1 miles of roadway within CSAs.

This project was previously advertised on February 2, 2016, and bids were opened on March 17, 2016. The apparent low bidder's bid was unsealed and was rejected due to this irregularity. The apparent second-low bidder requested bid relief, claiming that there was an error in their bid, which resulted in rejection of their bid. These issues resulted in a delay in the processing of the agenda item to award the project and, had the project been awarded at that time, construction would not have commenced until June 2016. Bituminous seal coats should not be constructed during the summer months due to high temperatures that are not conducive to proper curing of the material. Consequently, on May 24, 2016, the Board approved an agenda item recommending that all bids be rejected.

For road projects, Public Contract Code (PCC) Section 20392(d) limits the extent to which the Director may be authorized to execute Contract Change Orders to 10% of the first \$250,000, plus 5% of the contract amount in excess of \$250,000, up to a maximum authorization of \$210,000. For this project, this amounts to \$25,000, plus 5% of \$892,408 for a total authorization of \$69,620. However, the Board's policy, last updated in 1991, limits the Director's authority to the amount of 10% of the first \$250,000 plus 1% of the contract amount in excess of \$250,000, up to a maximum authorization of \$100,000. For this project, this amounts to \$25,000, plus 1% of \$892,408 for a total authorization of \$33,924. The Board's authorization for the Director to approve Contract Change Orders up to the limit would prevent the Department from returning to the Board to approve change orders in excess of the Board's policy limit. This will reduce the time required to process changes, reduce paperwork, help keep cost down, and reduce potential claims for additional cost and time due to administrative delays. This Change Order authorization would not apply to, nor allow changes to the scope of the work.

The Department received five bids for this project on February 2, 2017. The lowest bid was \$1,479,923.15, which is \$85,609 or 5.47% lower than the engineer's estimate of \$1,565,532. The basis of award for the contract is the total of the base bid and all additive bids; however, only the base bid and additive bids 4A and 5A are recommended for award. The award of additive locations 1A, 2A, and 3A would exceed project costs budgeted in the Road Fund.

The bidders and their respective bid amounts are shown below:

<u>Bidder</u>	<u>Base Bid + All Additives (Basis of Award)</u>
Telfer Pavement	\$1,479,923.15
Northwest Paving, Inc.	\$1,481,902.60
Sierra Nevada Construction, Inc.	\$1,714,007.00
Graham Construction, Inc.	\$2,198,896.15
Intermountain Slurry Seal, Inc.	\$2,222,252.00

Specifications were prepared by the Department's Design Division. It is anticipated that construction will begin in May 2017 and that the project will be completed in June 2017.

REFERENCE MATERIAL:

BAI #28, February 2, 2016
 BAI #42, April 12, 2016
 BAI #67, May 24, 2016

ATTACHMENTS INCLUDED AND/OR ON FILE:

Location Map
 Exhibit A

CAO ANALYST:

John Hays