



Board Agenda Item 40

DATE: February 28, 2017

TO: Board of Supervisors

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

SUBJECT: Award Contract No. 16-14-C, Slurry Seals, Various Locations in Fresno County

RECOMMENDED ACTION(S):

1. **Award Contract No. 16-14-C, Slurry Seals, Various Locations in Fresno County, to the bidder with the lowest responsive bid, Sierra Nevada Construction, Inc., 2055 East Greg Street, Sparks, NV, in the total amount of \$464,489.50 including the base bid and additive bids 5A, 6A and 7A.**
2. **Authorize the Director of Public Works and Planning or his designee to execute Contract Change Orders up to \$35,724.48, which is approximately 7.69% of the total contract construction cost, the limit allowable under Public Contract Code 20395(d) for Contract 16-14-C.**

The first recommended action will authorize the award of a budgeted road improvement project. The second recommended action will allow the Director or his designee to execute change orders up to the statutory limit.

ALTERNATIVE ACTION(S):

If the first recommended action is not approved, it will result in cancellation of the project. If the second recommended action is not approved, the Director or his designee's authority to approve contract change orders will be limited to \$27,144.90.

FISCAL IMPACT:

There will be no Net County Cost associated with the recommended actions. Sufficient appropriations are included in the FY 2016-17 Public Works and Planning - Roads Org 4510 Adopted Budget for construction of the base bid. Funds for additive locations 5A, 6A and 7A are included in various County Services Area (CSA) budgets. CSA maintenance activities are funded through annual assessments to the benefitting properties.

DISCUSSION:

The work to be done consists, in general, of placing a slurry seal of asphaltic emulsion and sand mixture on approximately 17 miles of various existing roads in Fresno County, including approximately 3.5 miles of roadway within various CSAs. These roads are showing signs of distress such as alligator, block, longitudinal, and transverse cracking. The slurry seal would extend the useful life of the roadway at these locations.

For road projects, Public Contract Code (PCC) Section 20395(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 \$214,489.50 for a total authorization of \$35,724.48. 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 \$214,489.50 for a total authorization of \$27,144.90. The Board's authorization for the Director to approve Contract Change Orders up to the PCC 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 Contract Change Order authorization would not apply to, nor allow changes to the scope of the work.

The Department received seven bids for this project on January 19, 2017. The lowest responsive bid was \$721,007.00, which is \$36,235.50, or 4.79% lower than the engineer's estimate of \$757,242.50. 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 5A, 6A and 7A are recommended for award. The award of additive locations 3A and 4A 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>
Sierra Nevada Construction, Inc.	\$ 721,007.00
Telfer Pavement Technologies, LLC	\$ 729,790.00
Intermountain Slurry Seal, Inc.	\$ 761,761.00
American Pavement Systems, Inc.	\$ 807,551.50
Pavement Coatings Co.	\$ 845,415.00
VSS International, Inc.	\$1,015,000.00
Graham Contractors, Inc.	\$1,459,880.00

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

REFERENCE MATERIAL:

BAI #45, December 13, 2016

ATTACHMENTS INCLUDED AND/OR ON FILE:

Location Maps

CAO ANALYST:

John Hays