

Orders will be limited to \$31,121.

FISCAL IMPACT:

There will be no Net County Cost associated with the recommended actions. The anticipated construction cost of the project, based on the low bid and including an allowance for contingencies, is \$917,655. Sufficient appropriations for the project are included in the FY 2016-17 Public Works and Planning - Roads Org 4510 Adopted Budget.

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 seal coat will be placed on 25.5 miles of roadway on County roads. These roads are showing signs of distress such as alligator, block, longitudinal, and transverse cracking. The seal coat 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 \$612,052 for a total authorization of \$55,603. 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 \$612,052 for a total authorization of \$31,121. 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 four bids for this project on February 9, 2017. The lowest responsive bid was \$1,536,420.30, which is \$109,368.30, or 7.66% lower than the engineer's estimate of \$1,427,052. The basis of award for the contract is the total of the base bid and all additive bids; however only the base bid is recommended for award. Award of the additive locations 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 Technologies, LLC	\$1,536,420.30
Northwest Paving, Inc.	\$1,569,327.00
Sierra Nevada Construction, Inc.	\$1,765,007.00
VSS International, Inc.	\$1,940,000.00

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

REFERENCE MATERIAL:

BAI #41, January 10, 2017

ATTACHMENTS INCLUDED AND/OR ON FILE:

Location Map

Exhibit A

CAO ANALYST:

John Hays