

**City Manager's Report**  
**January 14, 2020 City Council Meeting**  
**Prepared by: A. Cory Schiestel, Associate Civil Engineer**  
**Item #: 12.5**



**Subject:** Adopt a Resolution:

1. Making the following findings: that the City waives notice of five working days; that a mistake was made in the bid of Vinciguerra Construction; that the mistake made the bid materially different than intended; and that the mistake was made in filling out the bid and not due to an error of judgment or carelessness; and
2. Consenting to Vinciguerra Construction withdrawing its bid; and
3. Approving a Construction Contract with C.E. Cox Engineering, Inc. for the Mosquito Road Stabilization – Clay Street to City Limits project (CIP #41819) in an amount not to exceed of \$987,815, and authorizing the City Manager to execute the said contract; and
4. Approving contract amendment No. 2 with R.E.Y. Engineers, Inc. in the amount of \$40,730 for construction management support for the said project; and

**Purpose:** To repair or replace the existing water, storm drain, and sewer mains located within Mosquito Road as necessary prior to repaving.

**Background:** The City's Pavement Management Program cites a Pavement Condition Index (PCI) ranging from 12 to 31 for this segment of Mosquito Road where less than 25 is considered very poor or failed and 25 to 49 is considered poor. Mosquito Road is a minor arterial with an average daily traffic count of approximately 5,000 vehicles per day and serves as a direct connection to neighborhoods, commercial and local retail, Placerville Station Park-N-Bus, US highway 50, and the City limit to the north. For those reasons, the Project is considered a high priority.

Initially the limits of the underground rehabilitation phase of the project were expected to be from Dimity Lane to the City Limit due to a known existing water main found within those limits in need of replacement, but after additional subsurface exploration of the existing water main, the limits of the project were expanded to Clay Street to accommodate the replacement of the water main in its entirety as well as sewer collection system, drainage system, and roadway base improvements. Phase I of the project is comprised of these underground utility and subsurface improvements.

On May 14, 2019, the City Council approved a consulting services agreement with R.E.Y. Engineers, Inc. (R.E.Y.) for engineering design services and construction support for the stabilization and overlay of Mosquito Road from Clay Street to the City Limit, the overlay work is now considered Phase II. Concurrently with R.E.Y.'s overlay design, the Engineering Department completed in-house design for Phase I and developed plans, specs, and bid documents for the rehabilitation of underground utilities located within the proposed overlay area. The overlay phase (Phase II) of the Project is anticipated to be advertised and constructed as a separate project immediately following the completion of the underground work. Phase II is anticipated to begin late Spring/early Summer and based on the most recent engineer's estimate, it is anticipated that additional funding will be needed for the overlay work.

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On August 13, 2019, the City Council approved contract amendment #1 under the existing consulting services agreement with R.E.Y. for the development of a contaminated soil management plan (SMP) since contamination is expected to be encountered by the contractor during the installation of the new 8-inch water main. The SMP is included as an appendix with the project contract documents. On September 10, 2019, the City Council authorized staff to release the contract documents for public bidding, and bids were opened on November 14, 2019.

**Discussion:** The City received a total of 9 bids and they are summarized below in order of value:

1. Vinciguerra Construction: \$882,020
2. Caggiano General Engineering, Inc.: \$945,165.22
3. CE.Cox General Engineering, Inc: \$987,815
4. Lund Construction: \$994,505
5. Doug Veerkamp General Engineering, Inc.: \$1,046,018.80
6. Garney Pacific, Inc.: \$1,058,144
7. Burdick Excavating Co., Inc.: \$1,096,120
8. Herback General Engineering: \$1,111,838
9. Soracco, Inc.: \$1,225,963.70

Following evaluation of the submitted bid packages, Bidder #1 (Vinciguerra Construction) was notified they would be deemed a non-responsible bidder. Vinciguerra Construction requested that they be able to withdraw their bid due to an error in the bid in accordance with Public Contract Code Section 5100 et. Seq., per the letter attached to staff's report. As part of this evening's action, Council would be waiving the 5 working day time limit to receive such a request and would be allowing Vinciguerra Construction to withdraw their bid in compliance with section 5100 et seq.

Bidder #2 (Caggiano General Engineering) was determined to be non-responsive in their submittal (incomplete bid package). Bidder #4 (Lund Construction) was also determined to be non-responsive. However, Bidder #3 (C.E Cox, Inc.) submitted a complete bid package, therefore, the revised bid summary is provided below:

1. CE.Cox General Engineering, Inc: \$987,815
2. Doug Veerkamp General Engineering, Inc.: \$1,046,018.80
3. Garney Pacific, Inc.: \$1,058,144
4. Burdick Excavating Co., Inc.: \$1,096,120
5. Herback General Engineering: \$1,111,838
6. Soracco, Inc.: \$1,225,963.70

The bid from C.E. Cox, Inc. was found to be below the engineer's estimate of \$1,100,000. Staff performed an analysis of the bid proposal and found it to be in conformance with the requirements of the contract proposal terms, and C.E, Cox, Inc. to be in good standing with current licenses. As such, staff has concluded that C.E. Cox, Inc. is the lowest responsive and responsible bidder and recommends award of the construction contract.

Given the size and complexity of the project, and understanding that unforeseen items can arise in the field, a request is included to grant the City Manager authority and ability to implement expedient solutions during construction for efficient use of the public funds to address any additional unforeseen items beyond the awarded contract scope of work and prevent a costly construction delay. The City Manager will be able to negotiate and execute any necessary contract

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change orders (CCOs) with C.E. Cox, Inc. up to \$25,000 per change order requested for a not to exceed aggregate amount of the recommended project contingency value of \$305,248. The \$25,000 single approval amount is consistent with the City Manager's current purchasing authority approved at the regularly scheduled Council Meeting on October 24, 2017. The aggregate amount of \$305,248 represents an approximate contingency of 30.9% of the total contract value. The process of using this proposed authority will be upon evaluation in the field during construction, the City Engineer will review time and material tracked options and make a recommendation to the City Manager to address any out of scope work that will deliver a more complete and maintainable project while protecting public interest and funding. All approved CCOs will be brought back to the Council for approval or ratification at the next available meeting. To further avoid potential delay in construction and potential public inconvenience, the City Manager may request a special Council meeting to approve any CCOs above the purchasing limit.

Project construction is anticipated to occur over the next couple of months and is within staff's abilities to administer this 100% locally funded project. Therefore, Engineering Staff will administer Construction Management and Inspection (CM&I) of the project in-house. For budgeting purposes, full-time inspection, materials testing and construction staking costs are estimated to be \$165,000. If full-time CM&I services were contracted to an outside consultant, it is estimated it would cost approximately \$330,000. Performing these services in-house yields an estimated savings of \$165,000 (50%) for this locally funded project. Furthermore, having the Project Designer, who possesses firsthand knowledge of the contract as its author, perform the duties of the Resident Engineer consolidates two project team positions into one, resulting in significant project cost savings and efficiency. When construction commences, minor technical construction support tasks such as construction staking, materials submittal reviews, and compaction testing will be required. The City does not have the resources to execute these few required tasks in-house, so a contract amendment in an amount not to exceed \$40,730 to the existing paving/overlay design contract with REY Engineers Inc. is recommended with the award of the construction contract.

### **Options:**

1. Approve the award of the construction contract to C.E Cox Engineering, Inc., and contract Amendment #2 to REY Engineers Inc, for the Mosquito Road Stabilization Project – From Dimity Lane to the City Limits, Phase I, and related budget appropriations as recommended by staff.
2. Direct staff to negotiate difference terms for the construction contract, and/or construction support amendment.
3. Direct staff to reject all bids re-issue the project for public bidding.

**Cost:** The cost for the proposed construction contract with C.E, Cox Engineering, Inc. is \$987,815. A 30.9% construction contingency of \$305,248 is also recommended. The cost of proposed contract Amendment #2 with R.E.Y. Engineers, Inc. for construction management support is not to exceed \$40,730, which is included with the total CM&I cost estimate of \$165,000.

**Budget Impact:** The City Council adopted the Fiscal Year 2017/2018 Capital Improvement Program Budget which appropriated \$1,122,000 for the Mosquito Road Stabilization – Clay Street to City Limits Project (CIP #41819). At its meeting held on May 14, 2019, the City Council approved a \$10,000 budget liquidation for a total project budget of \$1,112,000. It's important to note that \$240,000 of the \$1,112,000 project budget has been funded to date. At their meeting held on December 9, 2019, the Measures H/L Sales Tax Committee, recommended a \$421,469 budget appropriation from the Measure H Fund and a \$801,594 budget appropriation from the Measure L

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Fund for the Mosquito Road Stabilization-Clay Street to City Limits project (CIP #41819) as shown in Attachment D . If the Committee’s budget recommendations are approved by the Council tonight, the project will have a total of \$1,463,063 in funding.

Given the high priority of this project and its readiness for construction, staff is recommending utilizing construction funds on projects that are still in the early stages of conceptual design and will not be construction ready this fiscal year. A portion of those project budgets will still be reserved to allow for design to proceed and future budget recommendations for construction funding would be brought back to Council as part of the next fiscal year budget development process.

The current and proposed project budgets are as shown:

Description	Adopted Project Budget	Proposed Project Budget	Increase/ (Decrease)
Construction	\$ 900,000	\$ 987,815	\$ 87,815
Environmental Document	10,000	5,000	(5,000)
Construction Engineering	100,000	-	(100,000)
Construction Engineering, Management & Inspections	-	165,000	165,000
Contingency	112,000	305,248	193,248
<b>Total</b>	<b>\$ 1,122,000</b>	<b>\$ 1,463,063</b>	<b>\$ 341,063</b>

To date, the following costs have been encumbered by the project:

C.E. Cox Engineering, Inc. (Proposed Agreement)	\$ 987,815
C.E. Cox Engineering, Inc. (Previous Agreement)	15,520
REY Engineers, Inc. (Original Agreement)	98,947
REY Engineers, Inc. (Amendment No. 1)	42,583
REY Engineers, Inc. (Proposed Amendment No. 2)	40,730
Mountain Democrat	241
City Staff Time	48,744
<b>Total</b>	<b>\$ 1,234,580</b>

As you can see, the \$1,234,580 in project encumbrances, including the proposed \$987,815 construction contract with C.E. Cox Engineering, Inc. and the proposed \$40,730 construction management support contract Amendment No. 2 with R.E.Y. Engineers, Inc., is well within the proposed \$1,463,063 project budget.

### Recommendation:

1. Approving the project bid results prepared for this Project pursuant to Public Contract Code 5100 et. Seq.; and

2. Making the following findings: that the City waives notice of five working days; that a mistake was made in the bid of Vinciguerra Construction; that the mistake made the bid materially different than intended; and that the mistake was made in filling out the bid and not due to an error of judgment or carelessness; and
3. Consenting to Vinciguerra Construction withdrawing its bid; and
4. Approving a Construction Contract with C.E. Cox Engineering, Inc. for the Mosquito Road Stabilization – Clay Street to City Limits project (CIP #41918) in an amount not to exceed of \$987,815, and authorizing the City Manager to execute the said contract; and
5. Approving contract amendment No. 2 with R.E.Y. Engineers, Inc. in the amount of \$40,730 for construction management support for the said project; and
6. Approving a budget liquidation in the amount of \$161,469 in Measure H Funds from the Mosquito Road Sewer Main Replacement (CIP #41823); and
7. Approving a budget liquidation in the amount of \$110,000 in Measure H Funds from the Conrad Street Sewer Line Replacement (CIP #41916); and
8. Approving a budget liquidation in the amount of \$150,000 in Measure H Funds from the Myrtle Avenue Sewer Line Repair (CIP #42010); and
9. Approving a budget liquidation in the amount of \$281,392 in Measure L Funds from the Cedar Ravine Road Sewer Line Replacement (CIP #41825); and
10. Approving a budget liquidation in the amount of \$170,063 in Measure L Funds from the Mosquito Road Overlay Project (CIP #41820); and
11. Approving a budget liquidation in the amount of \$75,000 in Measure L Funds from the Water Valve Replacement Project (CIP #42007); and
12. Approving a budget liquidation in the amount of \$190,000 in Measure L Funds from the Mosquito Road Overlay Clay Street to Dimity Lane (CIP #41928); and
13. Approving a budget liquidation in the amount of \$23,139 in Measure L Funds from the Clay Street Crosswalk Repair (CIP #41834); and
14. Approving a \$421,469 budget appropriation from the Measure H Fund for the Mosquito Road Stabilization – From Clay Street to City Limits project (CIP #41819); and
15. Approving a \$801,594 budget appropriation from the Measure L Fund for the Mosquito Road Stabilization – From Clay Street to City Limits project (CIP #41819); and
16. Authorize the City Manager to negotiate and execute any necessary Contract Change Orders with C.E. Cox Engineering, Inc. up to \$25,000 per change order for either project for a not to exceed aggregate amount of \$305,248. Said change orders shall be brought to the next available City Council meeting for approval or ratification.



**M. Cleve Morris, City Manager**



**Rebecca Neves, City Engineer**

Attachments:

- A. Resolution
- B. Bid Summary
- C. Vinciguerra Construction Request to Withdraw Bid
- D. Proposed Measure H Fund and Measure L Fund CIP Budget Revisions #2
- E. Project Exhibit