



# County of Monterey

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

## Board Report

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**File #:** 19-0675, **Version:** 1

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- a. Award a contract to Papich Construction Company, Inc. the lowest responsible bidder, for the Arroyo Seco Road Overlay, Project No. 1154, in the total amount of \$1,536,797;
- b. Award a contract to Papich Construction Company, Inc. the lowest responsible bidder, for the River Road Overlay, Project No. 1161, in the total amount of \$3,061,999;
- c. Approve the Performance and Payment Bonds executed and provided by Papich Construction Company, Inc.;
- d. Authorize a contingency, not to exceed 10% of the contract amount or \$153,680, to provide funding for approved contract change orders for Arroyo Seco Road Overlay, Project No. 1154;
- e. Authorize a contingency, not to exceed 10% of the contract amount or \$306,200, to provide funding for approved contract change orders for River Road Overlay, Project No. 1161;
- f. Authorize the Resource Management Agency Director to execute the contracts and, subject to the terms of the Public Contract Code, approve change orders to the contracts that do not exceed 10% of the original contract amount and do not significantly change the scope of work; and
- g. Authorize the Resource Management Agency Director to execute a Certificate of Completion and record a Notice of Completion with the County Recorder when the Director determines that the contracts are complete in all respects in accordance with the Plans and Special Provisions for the construction of Arroyo Seco Road Overlay, Project No. 1154 and River Road Overlay, Project No. 1161.

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Award a contract to Papich Construction Company, Inc. the lowest responsible bidder, for the Arroyo Seco Road Overlay, Project No. 1154, in the total amount of \$1,536,797;
- b. Award a contract to Papich Construction Company, Inc. the lowest responsible bidder, for the River Road Overlay, Project No. 1161, in the total amount of \$3,061,999;
- c. Approve the Performance and Payment Bonds executed and provided by Papich Construction Company, Inc.;
- d. Authorize a contingency, not to exceed 10% of the contract amount or \$153,680, to provide funding for approved contract change orders for Arroyo Seco Road Overlay, Project No. 1154;
- e. Authorize a contingency, not to exceed 10% of the contract amount or \$306,200, to provide funding for approved contract change orders for River Road Overlay, Project No. 1161;
- f. Authorize the Resource Management Agency Director to execute the contracts and, subject to the terms of the Public Contract Code, approve change orders to the contracts that do not exceed 10% of the original contract amount and do not significantly change the scope of work; and
- g. Authorize the Resource Management Agency Director to execute a Certificate of Completion and record a Notice of Completion with the County Recorder when the Director determines that the contract is complete in all respects in accordance with the Plans and Special Provisions for the construction of Arroyo Seco Road Overlay, Project No. 1154 and River Road Overlay, Project No. 1161.

### SUMMARY:

Staff recommends awarding two (2) construction contracts to Papich Construction Company, Inc. as the lowest responsible, responsive bidder:

- 1) Arroyo Seco Road Overlay. Resurface about 1.3 miles, from US Highway 101 to Paraiso Springs Road

(\$1,536,797 construction bid + \$153,680 contingency = \$1,690,477 total).

- 2) River Road Overlay. Resurface about 3.1 miles from Chualar River Road to Limekiln Road (\$3,061,999 construction bid + \$306,200 contingency = \$3,368,199 total).

These projects are part of the list of projects the County listed to be completed in the Measure X program/campaign.

The total cost for both projects, including design, construction and project management (\$6,069,469) is funded through the Road Fund (Measure X, SB 1, and Transient Occupancy Tax). There is currently sufficient appropriation in the adopted FY 2019-20 Road Fund budget for these two (2) projects to proceed into construction.

#### DISCUSSION:

Each project, in general, consists of rehabilitating the existing asphalt roadway by grinding the existing pavement and reutilizing it as road base (known as Full Depth Reclamation, or FDR), overlaying hot mix asphalt (HMA) concrete, including but not limited to, clearing and grubbing, installing pavement traffic stripes and performing traffic control. Arroyo Seco Road Overlay, Project No. 1154 is to resurface Arroyo Seco Road from US Highway 101 to Paraiso Springs Road, approximately 1.3 miles. River Road Overlay, Project No. 1161 is to resurface River Road from Chualar River Road to Limekiln Road, approximately 3.1 miles.

On July 9, 2019, the Board of Supervisors approved the Plans and Special Provisions for the Arroyo Seco Road Overlay, Project No. 1154 and the River Road Overlay, Project No. 1161. The two (2) projects were subsequently advertised, and bids were opened on August 2, 2019. RMA received five (5) bids for each project. For the Arroyo Seco Road Overlay project, the lowest responsive, responsible bidder was also Papich Construction Company, Inc. with a bid of \$1,536,797, which is twenty two percent (22%) under the Engineer's Estimate of \$1,968,954. The second lowest bidder was also Granite Rock Company with a bid amount of \$1,629,000. For the River Road Overlay project, the lowest responsive, responsible bidder was Papich Construction Company, Inc. with a bid of \$3,061,999, which is twenty four percent (24%) under the Engineer's Estimate of \$4,026,059. The second lowest bidder was Granite Rock Company with a bid amount of \$3,403,278. Attachment C shows the bid results for both projects.

The projects have been determined to be categorically exempt (Class 1) from the California Environmental Quality Act (CEQA) because it is to perform repair and maintenance of existing streets and similar facilities, which involves no expansion of an existing use (See CEQA Guidelines California Code of Regulations (CCR) § 15301 Existing Facilities). All work takes place within the existing, improved right of way.

#### OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel-Risk Management, and Contracts/Purchasing, attended the bid opening and reviewed the low bid for conformance with applicable regulations. The Office of the County Counsel-Risk Management, and Auditor-Controller have reviewed and approved the Contract and Bonds as to form, insurance provisions and fiscal terms, respectively.

#### FINANCING:

The total estimated project cost for each project, including engineering, construction management, and construction is \$2,046,798 for the Arroyo Seco Road project, and \$4,022,671 for the River Road project. Total project costs (\$6,069,469) are funded by Measure X funds in the amount of \$3,534,469, SB 1 in the amount of \$946,250, and Transient Occupancy Tax (TOT) in the amount of \$1,588,750.

Estimated costs for fiscal year (FY) 2019-20 are \$2,011,477 for Arroyo Seco Road project and \$3,930,199 for River Road project. The adopted FY 2019-20 budget includes \$1,190,000 and \$2,125,000, respectively meaning the construction bids exceed programming estimates used for the FY 2019-20 budget. However, the bids are consistent with the engineer's estimate. Staff finds that there is currently sufficient appropriation in the adopted FY 2019-20 Road Fund 002 budget for these two projects to proceed into construction. Funding is available for Arroyo Seco Road project from available, but unprogrammed Measure X and SB1 revenue in the amount of \$686,206 and \$135,271, respectively. Measure X and SB1 revenue is also available, but unprogrammed for the River Road project in the amount of \$1,683,558 and \$121,641, respectively.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

The project will resurface Arroyo Seco Road and River Road extending the pavement life of each road. These two projects were identified as top priority projects under the Measure X program and are part of the Agricultural and Winery Corridor. These projects are part of the County's first phase of accomplishing Measure X projects in the Measure X program/campaign. Over successive years, more projects will be phased in and accomplished in the program.

- ☐ Economic Development
- ☐ Administration
- ☐ Health & Human Services
- ☒ Infrastructure
- ☒ Public Safety

Prepared by: Jonathan L. Pascua, PE, Senior Civil Engineer, 755-8963

Reviewed by: Randell Ishii, PE, Chief of Public Works

Approved by: Carl P. Holm, AICP, RMA Director

Attachments on file with the Clerk to the Board:

Attachment A - Contract for Public Work, Insurance, & Bonds

Attachment B - Project Budget

Attachment C - Bid Summary

Attachment D - Location Map