



County of Monterey

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

Board Report

File #: 20-515, Version: 1

- a. Award a contract to A. Teichert & Son, Inc. dba Teichert Construction, the lowest responsible bidder for the River Road Rehabilitation, Project No. 1162, in the total amount of \$3,692,461; to rehabilitate River Road from State Route 68 to Las Palmas Parkway, approximately 2.7 miles;
- b. Award a contract to Granite Rock Company, the lowest responsible bidder for the River Road Reconstruction, Project No. 1168, in the total amount of \$4,945,889; to reconstruct River Road from Limekiln Road to Gonzales River Road Bridge, approximately 4.6 miles;
- c. Award a contract to Granite Construction Company, the lowest responsible bidder for the Gloria Road, Iverson Road, and Johnson Canyon Road Reconstruction, Project No. 1575, in the total amount of \$5,130,968; to reconstruct Gloria Road (from US Highway 101 to Iverson Road), Iverson Road (from Gloria Road to Johnson Canyon Road), and Johnson Canyon Road (from Iverson Road to the Salinas Valley Solid Waste Authority landfill entrance), approximately 5 miles;
- d. Approve the Performance and Payment Bonds executed and provided by A. Teichert & Son, Inc. dba Teichert Construction, Granite Rock Company, and Granite Construction Company;
- e. Authorize a contingency, not to exceed ten percent (10%) of the contract amount or \$369,246, to provide funding for approved contract change orders for River Road Rehabilitation, Project No. 1162;
- f. Authorize a contingency, not to exceed ten percent (10%) of the contract amount or \$494,589, to provide funding for approved contract change orders for River Road Reconstruction, Project No. 1168;
- g. Authorize a contingency, not to exceed ten percent (10%) of the contract amount or \$513,097, to provide funding for approved contract change orders for Gloria Road, Iverson Road, and Johnson Canyon Road Reconstruction, Project No. 1575;
- h. 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 ten percent (10%) of the original contract amount and do not significantly change the scope of work; and
- i. 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 River Road Rehabilitation, Project No. 1162, River Road Reconstruction, Project No. 1168 and Gloria Road, Iverson Road, Johnson Canyon Road Reconstruction, Project No. 1575.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Award a contract to A. Teichert & Son, Inc. dba Teichert Construction, the lowest responsible bidder for the River Road Rehabilitation, Project No. 1162, in the total amount of \$3,692,461; to rehabilitate River Road from State Route 68 to Las Palmas Parkway, approximately 2.7 miles;
- b. Award a contract to Granite Rock Company, the lowest responsible bidder for the River Road Reconstruction, Project No. 1168, in the total amount of \$4,945,889; to reconstruct River Road from Limekiln Road to Gonzales River Road Bridge, approximately 4.6 miles;
- c. Award a contract to Granite Construction Company, the lowest responsible bidder for the Gloria Road, Iverson Road, and Johnson Canyon Road Reconstruction, Project No. 1575, in the total amount of \$5,130,968; to reconstruct Gloria Road (from US Highway 101 to Iverson Road), Iverson Road (from Gloria Road to Johnson Canyon Road), and Johnson Canyon Road (from Iverson Road to the Salinas Valley Solid Waste Authority landfill entrance), approximately 5 miles;

- d. Approve the Performance and Payment Bonds executed and provided by A. Teichert & Son, Inc. dba Teichert Construction, Granite Rock Company, and Granite Construction Company;
- e. Authorize a contingency, not to exceed ten percent (10%) of the contract amount or \$369,246, to provide funding for approved contract change orders for River Road Rehabilitation, Project No. 1162;
- f. Authorize a contingency, not to exceed ten percent (10%) of the contract amount or \$494,589, to provide funding for approved contract change orders for River Road Reconstruction, Project No. 1168;
- g. Authorize a contingency, not to exceed ten percent (10%) of the contract amount or \$513,097, to provide funding for approved contract change orders for Gloria Road, Iverson Road, and Johnson Canyon Road Reconstruction, Project No. 1575;
- h. 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 ten percent (10%) of the original contract amount and do not significantly change the scope of work; and.
- i. 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 River Road Rehabilitation, Project No. 1162, River Road Reconstruction, Project No. 1168 and Gloria Road, Iverson Road, Johnson Canyon Road Reconstruction, Project No. 1575.

SUMMARY:

Staff has processed plans for three (3) projects identified as top priority projects under the Measure X program/campaign. In addition, the County has entered into an agreement with the City of Gonzales and the Salinas Valley Waste Authority for a joint project on Gloria Road, Iverson Road, and Johnson Canyon Road. All three (3) projects were bid concurrently for construction this summer/fall. Based on bids received, staff recommends awarding three (3) construction contracts to the lowest responsible, responsive bidder as follows:

- 1) River Road Rehabilitation (Teichert Construction). Rehabilitate River Road from State Route 68 to Las Palmas Parkway, approximately 2.7 miles (\$3,692,461 construction bid + \$369,246 contingency = \$4,061,707 total).
- 2) River Road Reconstruction (Granite Rock Company). Reconstruct River Road from Limekiln Road to Gonzales River Road Bridge, approximately 4.6 miles (\$4,945,889 construction bid + \$494,589 contingency = \$5,440,478 total).
- 3) Gloria Road, Iverson Road, and Johnson Canyon Road Reconstruction (Granite Construction Company). Reconstruct Gloria Road (from US Highway 101 to Iverson Road), Iverson Road (from Gloria Road to Johnson Canyon Road), and Johnson Canyon Road (from Iverson Road to the Salinas Valley Solid Waste Authority landfill entrance), approximately 5 miles (\$5,130,968 construction bid + \$513,097 contingency = \$5,644,065 total).

As noted above, the total cost for the three (3) projects, including design, construction and project management is \$18.2 million. All three (3) contractors are locally known and very reputable. However, three (3) projects with three (3) separate contractors will place a large (cumulative) burden on County staff for construction/project management with other projects currently underway, requiring outside assistance. If the County consolidated these projects under one (1) contractor, Granite Rock was the lowest bid for River Road Reconstruction (difference of \$175,232) and the second lowest bid for the other two (2) projects (total difference of \$144,478). Cumulatively, awarding all three (3) contracts to Granite Rock would reduce overall construction costs by \$30,754 and would reduce management costs. However, per California Public Contract Code Section 20103.8, award is based on the lowest responsible responsive bidder.

These projects are funded through the Road Fund (Measure X, SB 1, and Transient Occupancy Tax). In

addition, the Salinas Valley Solid Waste Authority and the City of Gonzales are contributing \$2.2 million and \$400,000 (respectively) to the Gloria Road, Iverson Road, and Johnson Canyon Road Reconstruction project. There is sufficient appropriation in the adopted FY 2020-21 Road Fund budget for these projects to proceed with construction.

DISCUSSION:

Measure X program/campaign promised certain projects would be completed should the measure pass. These three (3) projects are part of that commitment. Each project, in general, consists of reconstructing the existing asphalt roadway by grinding the existing pavement and reutilizing it as road base, overlaying hot mix asphalt (HMA) concrete, including application of asphaltic emulsion seal coat, clearing and grubbing, installing pavement traffic stripes and performing traffic control.

On April 21, 2020, the Board of Supervisors approved the Plans and Special Provisions for the River Road Rehabilitation, Project No. 1162, the River Road Reconstruction, Project No. 1168, and Gloria Road, Iverson Road, and Johnson Canyon Road Reconstruction, Project No. 1575. The three (3) projects were subsequently advertised and bids were received and opened on May 21, 2020. RMA received four (4) bids for Project No. 1168 and for Project No. 1575; and received five (5) bids for Project No. 1162. **Attachment C** shows the bid results for the three (3) projects, in summary:

- Project No. 1162 (River Road Rehabilitation), the lowest responsive, responsible bidder was Teichert Construction with a bid of \$3,692,461, which is 17% below the Engineer's Estimate of \$4,431,216. The second lowest bidder was Granite Rock Company with a bid amount of \$3,723,050 (difference of \$30,589).
- Project No. 1168 (River Road Reconstruction), the lowest responsive, responsible bidder was Granite Rock Company with a bid of \$4,945,889, which is 22% below the Engineer's Estimate of \$6,371,232. The second lowest bidder was Granite Construction Company with a bid amount of \$5,121,121 (difference of \$175,232).
- Project No. 1575 (Gloria Road, Iverson Road, and Johnson Canyon Road Reconstruction), the lowest responsive, responsible bidder was Granite Construction Company with a bid of \$5,130,968, which is 22% below the Engineer's Estimate of \$6,612,027. The second lowest bidder was Granite Rock Company with a bid amount of \$5,244,857 (difference of \$113,889, shared with City of Gonzales and Salinas Valley Waste Authority).

The projects have been determined to be categorically exempt (Class 1) from the California Environmental Quality Act (CEQA) because the projects are to perform repair and maintenance of existing streets and similar facilities which involve no expansion of an existing use (See CEQA Guidelines, California Code of Regulations (CCR) Section 15301 Existing Facilities).

OTHER AGENCY INVOLVEMENT:

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

FINANCING:

The total estimated project cost is \$18.2 million, including engineering, construction management, and construction, which is divided between each project as follows: \$4.6 million for the River Road (SR-68 to Las

Palmas Parkway) Rehabilitation project; \$6.3 million for the River Road (Limekiln Road to Gonzales River Road Bridge) Reconstruction project; and \$7.3 million for the Gloria Road, Iverson Road, and Johnson Canyon Road Reconstruction project.

The three (3) projects are being funded by Road Funds, including Measure X, SB 1, and Transient Occupancy Tax (TOT). In addition to these funds, the Salinas Valley Solid Waste Authority and the City of Gonzales are contributing \$2.2 million and \$400,000 (respectively) to the Gloria Road, Iverson Road, and Johnson Canyon Road Reconstruction project. Contributions totaling \$2.6 million from these agencies reduce the total County cost to \$15.6 million.

Estimated costs for fiscal year (FY) 2020-21 are \$4.4 million for River Road Rehabilitation Project No. 1162, \$6.0 million for River Road Reconstruction Project No. 1168, and \$6.7 million for Gloria Road, Iverson Road, and Johnson Canyon Road Reconstruction Project No. 1575. The adopted FY 2020-21 budget includes \$4.7 million, \$6.6 million, and \$9.9 million, respectively. There is sufficient appropriation in the adopted FY 2020-21 Road Fund 002 budget for these three (3) projects to proceed into construction.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The projects will reconstruct/rehabilitate approximately 12.3 miles of County maintained roads, extending the pavement life. They are part of the commitment made to support approval of Measure X, including improvements to the Ag Winery Corridor. The recommended action supports the following Board of Supervisors' Strategic Initiatives:

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

Prepared by: Jonathan L. Pascua, P.E., Senior Civil Engineer, 755-8963
Reviewed by: Randell Ishii, M.S., P.E., P.T.O.E., Chief of Public Works
Approved by: Carl P. Holm, AICP, RMA Director

The following attachments are on file with the Clerk of the Board:

- Attachment A - Contracts, Insurances, & Bonds
- Attachment B - Project Budget
- Attachment C - Bid Summary
- Attachment D - Location Map