

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SAN BERNARDINO  
AND RECORD OF ACTION**

**August 6, 2019**

**FROM**

**KEVIN BLAKESLEE, Director, Department of Public Works – Transportation**

**SUBJECT**

Contract with Sully-Miller Contracting Company for the Needles Highway Segment 1A Project, Needles Area

**RECOMMENDATION(S)**

1. Approve Addendum No 1, issued on April 15, 2019 to the bid documents for the Needles Highway Segment 1A Project located in the Needles area (Project).
2. Award a construction **Contract No. 19-543** to Sully-Miller Contracting Company (Brea, CA), in the amount of \$2,992,000 for the Project in the Needles area.
3. Approve Escrow Agreement for Security Deposits in Lieu of Retention (Escrow Agreement) with Sully-Miller Contracting Company and US Bank pursuant to Public Contract Code section 22300.
4. Authorize the Director of Public Works to execute the Escrow Agreement and to provide and receive written notice under the agreement.
5. Direct the Director of Public Works to transmit all documents in relation to Escrow Agreement to the Clerk of the Board after execution.
6. Authorize a contingency fund of \$299,200 for the Project.
7. Authorize the Director of Public Works to approve the expenditure of the contingency fund of \$299,200 for verified quantity overruns for this unit priced construction contract.
8. Authorize the Director of Public Works to order any necessary changes or additions in the work being performed under the contract for a total amount not to exceed \$162,100 of the \$299,200 contingency fund, pursuant to Public Contract Code section 20142.
9. Authorize the Director of Public Works to accept the work when 100% complete and execute and file the Notice of Completion.

(Presenter: Kevin Blakeslee, Director, 387-7906)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Ensure Development of a Well-Planned, Balanced, and Sustainable County.**

**Provide for the Safety, Health and Social Service Needs of County Residents.**

**FINANCIAL IMPACT**

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). All costs associated with the construction of the Project are funded by Federal Public Lands Highways (PLH) funds through the State of California Department of Transportation (Caltrans). Sufficient appropriation and revenue are included in the 2019-20 Road Operations budget (6650002000-14H14874) and will be included in future recommended budgets.

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**BACKGROUND INFORMATION**

The length of the proposed Project rehabilitation and reconstruction Project is 1.5 miles long, the limits of which are defined from 600 feet north of Balboa Place to 500 feet south of Park Road, in the City of Needles. The Project consists of pulverizing, cold planing and removing the existing asphalt concrete, and constructing asphalt concrete over cement treated base, Geogrid Type 3 and Class 2 base, and constructing concrete tilt sections, cut off walls and concrete rock slope protection, including installing tortoise fencing, painting traffic stripe and pavement markings, etc.

On August 19, 2014, (Item No. 38), the Board of Supervisors (Board) adopted a Mitigated Negative Declaration for the improvement project on 16 miles of Needles Highway, from “N” Street to the California/Nevada state line pursuant to the California Environmental Quality Act. The specifications include all regulatory permits to construct the Project.

The Project aligns with the County and Chief Executive Officer’s goals and objectives of working with other agencies, providing for the safety, health and social service needs of County residents, and operating in a fiscally-responsible and business-like manner.

Following Board approval of this item, construction is anticipated to commence in mid-September, 2019 and be completed by the end of December, 2019.

**PROCUREMENT**

On March 12, 2019 (Item No. 41), the Board approved the Project’s plans and specifications, as well as authorized the Director of the Department of Public Works to advertise the Project for bids. This Project was advertised in the Daily Press on March 13, 2019, in the River City News, Lake Havasu, AZ on March 13, 2019, in the Mohave County Newspaper’s Inc., dba The Standard, Kingman, AZ, in the Precinct Reporter on March 15, 2019, and released on the County Electronic Procurement Network (ePro) on March 13, 2019. Notice inviting bids was also provided to specified construction trade journals as required by Public Contract Code section 22036. On April 18, 2019, the following two bids were received:

<u>Contractor</u>	<u>Location</u>	<u>Total Bid</u>
Sully-Miller Contracting Company	Brea, CA	\$2,992,000
Granite Construction Company	Indio, CA	\$3,308,979

The following addendum was issued during the bidding phase.

Addendum No. 1: Added the Federal Prevailing Wage Requirements, which superseded the wages already included in the Project Special Provisions.

The Department reviewed the bids and determined that they are responsive, and recommends entering into a contract with Sully-Miller Contracting Company, the lowest responsible bidder.

The federal funding requirements for this Project required that a Disadvantaged Business Enterprise (DBE) goal be established. The second lowest bidder, Granite Construction Company, expressed concern that Sully-Miller did not meet the DBE goal in its bid. The Department has conducted appropriate reviews and evaluations and has determined that Sully-Miller has demonstrated good faith efforts to be eligible for the award of the construction contract.

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This Project will have a 10 percent contingency fund of \$299,200 to compensate the contractor for verified quantity overruns, as well as changes in the contract under certain circumstances. Under an established formula based on the contract amount, Public Contract Code section 20142 allows the Board to authorize the Director of Public Works to order changes in the contract, including for unforeseen conditions or design shortfalls, should they become necessary in the future, for a total amount not to exceed \$162,100 of the \$299,200 contingency fund.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Suzanne Bryant, Deputy County Counsel, 387-5455) on July 8, 2019; Purchasing (Jason Cloninger, Lead Buyer, 387-8258) on July 10, 2019; Finance (Wen Mai, Administrative Analyst, 387-4020) on July 17, 2019; and County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on July 18, 2019.

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Record of Action of the Board of Supervisors  
County of San Bernardino

**APPROVED (CONSENT CALENDAR)**

Moved: Robert A. Lovingood Seconded: Dawn Rowe  
Ayes: Robert A. Lovingood, Janice Rutherford, Dawn Rowe, Curt Hagman, Josie Gonzales

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: August 6, 2019



cc: PW/Trans- Ali w/agree  
Contractor- C/O PW/Trans w/agree  
File- w/agree  
la 08/9/2019