



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 2/26/2019

Agenda Placement: 10B

NAPA COUNTY BOARD OF SUPERVISORS

Board Agenda Letter

TO: Board of Supervisors

FROM: Steven Lederer - Director of Public Works
Public Works

REPORT BY: Graham Wadsworth, Engineering Supervisor - 259-8331

SUBJECT: Devlin Road Segment E Project (RDS 11-06) - Award of Construction Contract

RECOMMENDATION

Director of Public Works requests the following:

1. Award of the construction contract for the Devlin Road Segment E Project (RDS 11-06) to Ghilotti Construction Company, Inc. of Santa Rosa, California based on their low base bid of \$4,274,989 and authorize the Chair to sign the construction contract for \$3,923,269 (base bid with deduction for (1) City of American Canyon (City) Sewer and Recycled Facilities of \$115,670 which will not be constructed at the City's request, and (2) City of American Canyon Water Facilities of \$236,050, which will only be included in the contract award if paid for by the City) with the award to include the deductive item for the City Water Facilities for a total contract amount of \$4,159,319 contingent upon the City executing a cost-share agreement with Napa County, by March 15, 2019, for an amount to include the cost of constructing City Water Facilities and an appropriate share of other soft costs;
2. Adopt a resolution approving a loan from the Accumulated Capital Outlay Fund to the Traffic Mitigation - Airport Industrial Fund to construct the Project;
3. Authorize the Chair to accept and execute a reimbursement agreement to be negotiated by the Public Works Director and approved as to form by County Counsel with the City of American Canyon for the city to provide cost-sharing funding to the County for the cost of City Water Facility construction and appropriate share of other soft costs.; and
4. Approval of Budget Transfer No. DPW028 for the following (4/5/ vote required):
 - a. Increase transfer out appropriation by \$1,224,000 in the Accumulated Capital Outlay (ACO) Fund (Fund 3000, Sub-Division 3000000) offset by use of its available fund balance for the loan to the Traffic Mitigation-Airport Industrial Fund (Fund 2440, Sub-Division 1220050) (TMF-Airport);
 - b. Increase transfer out appropriation by \$849,554 in the Traffic Mitigation - American Canyon Special Revenue Fund (Fund 2440, Sub-Division 1220051) (TMF-Am Can) offset by use of its available fund balance to the Roads Capital Improvement Project, Devlin Road Segment E project (Fund 2040, Sub-Division 2040500, Program 10002) (Devlin Seg E);
 - c. Increase transfer out appropriation by \$4,206,606 in the TMF-Airport from its available fund balance

- to Devlin Segment E project; and
- d. Increase construction services appropriation by \$5,937,791 in the Devlin Seg E project offset by \$4,206,606 transfer from the TMF-Airport, \$849,554 transfer from the TMF-Am Can, \$384,600 from CalRecycle grant, and \$497,031 from the City of American Canyon.

EXECUTIVE SUMMARY

The proposed project will extend the existing Devlin Road northerly from Tower Road approximately 1,100 lineal feet to Airpark Road, with a 92-foot clear span bridge crossing Fagan Creek within the Napa Valley Business Park of Napa County. The site is currently vacant with two abandoned buildings to be demolished. The planned roadway section consists of one travel lane in each direction with a two-way turn lane in the middle, and with curb, gutter and sidewalk on the west side of the road. There is also a 10-foot wide Class 1 multi-use path for pedestrian and bicycle traffic on the east side of the road. The bridge design consists of a single-span with precast-prestressed concrete girders and piles, with a cast-in-place concrete deck.

The project includes demolition of two buildings, constructing new retaining walls, rock slope protection to protect the bridge abutments, underground utilities, and bioretention swales. The project was advertised for bid on December 19, 2018. Bids were opened on January 31, 2019 and six bids were received. The project includes Base Bid (entire project), Deduct Alternatives (elements we could choose to eliminate, including components of sewer, recycled water, and water facilities for the City of American Canyon) and Add Alternatives (elements we can optionally add) in order to maximize construction flexibility within the funding available to the County based on the received bids.

The lowest responsible responsive bidder is Ghilotti Construction Company, Inc., based on their Base Bid of \$4,274,989. The proposed award of the construction contract for \$3,923,269 is for the base bid with deduct alternates for (1) City of American Canyon sewer and recycled water (with Cathodic Protection) facilities in the amount of \$115,670 and (2) City of American Canyon drinking water facilities in the amount of \$236,050, with an understanding that the award will be \$4,159,319 if the City of American Canyon accepts and executes, by March 15, 2019, a cost-share agreement with the County for an amount to include the cost of constructing the city water facilities and an appropriate share of project soft costs. The City of American Canyon has expressed interest in negotiating and executing a cost-share agreement. If the City of American Canyon does not enter into an agreement with the County by March 15, 2019, the City of American Canyon's water facility scope will not be included in the final executed construction contract, and the budget will be adjusted accordingly to \$3,923,269. If the City of American utilities are not installed as part of this project, the future installation of water, sewer, and recycled water facilities, if required, will be City of American Canyon's responsibility. In order to avoid cutting into new pavement, options for future installation would include the City of American Canyon acquiring utility easements from private property owners on the west side of the road or trenchless excavations under the road if feasible and approved by the county.

The estimated construction phase cost is \$5,937,791 (construction, construction management, field engineering, inspection, material testing, construction administration, environmental monitoring, post construction monitoring and reporting, etc.) , which includes a 15% contingency due to the complexities of this project (work in the creek, hazardous materials in the buildings to be demolished, hazardous material in the soil, and crane work near the Napa County Airport that requires coordination with Federal Aviation Administration (FAA)). A loan from the Accumulated Capital Outlay Fund and funding for the water facilities from the City of American Canyon are necessary to fund the construction, as sufficient Traffic Mitigation Fee (TMF) revenues are not yet on hand to fully fund the project.

Ghilotti Construction Company, Inc. of Santa Rosa, is not a local vendor.

The Director of Public Works is recommending that the Board of Supervisors adopt a resolution approving the loan, authorize the Chair to sign a reimbursement agreement with the City of American Canyon, approve budget transfer No. DPW028, award the construction contract to Ghilotti Construction Company, Inc., and authorize the Chair to sign the construction contract for the project.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Total increase to the appropriation of \$5,937,791 will be funded by the following: <ul style="list-style-type: none"> \$2,982,606 from TMF - Airport available fund balance \$849,554 from TMF Am. Can available fund balance \$384,600 in grant funds from CalRecycle's Tire Derived Aggregates (TDA) Program \$497,031 in City of American Canyon Revenue (for the water facilities) \$1,224,000 loan from the ACO to TMF - Airport
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	A construction contract must be awarded in order for the road and bridge to be constructed.
Is the general fund affected?	Yes
Future fiscal impact:	Construction will commence in Fiscal Year 2018-19 and end in Fiscal Year 2019-20. The future fiscal impact will be limited to routine maintenance of the road and bridge funded by the Roads Fund. Studies by CalRecycle show that the use of TDA as a fill material does not change the long-term maintenance costs.
Consequences if not approved:	The Devlin Road Segment E Project will not be constructed and traffic on Highway 29 will not have an alternative route through the Napa Valley Business Park. The County would also be in violation of a 2008 agreement with the City of American Canyon to build the Devlin Road Extension in the unincorporated area of the Napa Valley Business Park.
Additional Information:	See attached budget. <p>The loan will be repaid to the General Fund as TMF-Airport (Fund 2440, Sub-Division 1220050) collects fees and as TMF- Am Can (Fund 2440, Sub-Division 1220051) funds are available to reimburse funds spent in accordance with the approved use of the fund. While it is not possible to predict the exact timing of the receipt of TMF fees, based on expected developments, it is believed the full loan can be paid back within 2 years.</p>

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: Mitigated Negative Declaration prepared and Board adopted the Mitigated Negative Declaration on January 29, 2013. According to the Mitigated Negative Declaration, the proposed project would have, if mitigation measures are not included, potentially significant environmental impacts in the following areas: Biological Resources. This project site is not on any of the lists of hazardous waste sites enumerated under Government code section 65962.5.

BACKGROUND AND DISCUSSION

The Devlin Road Segment E Project has been in the design, environmental and permitting phase for many years. Due to lack of available funding, construction of the project has been delayed. As a result, it was necessary to make revisions to the plans and specifications to meet current codes and standards. Additionally, the environmental permits had to be renewed. The construction cost has increased due to current demands in the construction industry. The construction climate and the high demand for drill rigs, cranes, fabricators of girders and piles, etc., necessities starting construction in spring 2019 in order to complete work in the creek this construction season. Although available fund balance in Traffic Mitigation Fee (TMF) fund is insufficient to cover the full cost of the project, staff is recommending approval of a loan from the Accumulated Capital Outlet (ACO) in order to move forward to complete the project this year. Further delays will result in higher costs in the future. Staff anticipates the loan can be repaid with future TMF revenues from County and American Canyon development and most likely within about 2 years.

The estimated construction phase cost is \$5,937,791 (construction, construction management, field engineering, inspection, material testing, construction administration, environmental monitoring, post construction monitoring and reporting, etc.), which includes a 15% contingency because of the complexities of this project.

The project was advertised for bid on December 19, 2018 and the following bids were opened on January 31, 2019.

Ghilotti Construction Company, Inc., Santa Rosa, CA	\$4,274,989
Ghilotti Brothers, Inc., San Rafael, CA	\$4,393,465
Bridgeway Civil Constructors, Vacaville, CA	\$4,465,000
Gordon N. Ball Inc., Alamo, CA	\$4,670,054
McCullough Construction, Inc., Arcata, CA	\$4,897,020
Northern Pacific Corporation, Napa, CA	\$4,997,735

The lowest responsible responsive bidder is Ghilotti Construction Company, Inc., based on their Base Bid of \$4,274,989. The proposed award of the construction contract for \$3,923,269 is for the base bid with deduct alternatives for (1) City of American Canyon sewer and recycled water (with Cathodic Protection) facilities in the amount of \$115,670 and (2) City of American Canyon drinking water facilities in the amount of \$236,050, with an

understanding that the award will be \$4,159,319 if the City of American Canyon accepts and executes, by March 15, 2019, a cost-share agreement with the County in an amount to include the cost of constructing the city water facilities and an appropriate share of project soft costs.

When the low bid received caused the project to be more expensive than the available Traffic Mitigation Fee funding to construct the project, County staff evaluated options for funding and financing the project. One option was to eliminate the drinking water facilities from the project. Another was to negotiate a cost-share agreement with the City of American Canyon requiring them to pay for the drinking water facilities that the City will own and maintain. County staff presented City staff with a draft agreement for the City to pay for the water facility construction as well as related design and construction management ("soft costs"). City staff is interested in participating in the project but it will take time for City staff to negotiate and have the cost-share agreement executed by City Council. However, the County must move forward quickly with a construction contract to meet the short duration of time that the regulatory permits allow for work in Fagan Creek. To reduce the risk of delaying the project to 2020 and incurring significant cost increases, County staff is requesting direction to the Director of Public Works to negotiate an agreement, in a form approved by County Counsel, and authorization for the Chair to execute the cost-share agreement. If a cost-share agreement cannot be negotiated, the City water facilities would not be included in the construction contract and the Director of Public Works will report this to the Board.

Construction is tentatively scheduled to start in March 2019 and to be complete in February 2020. Ghilotti Construction Company, Inc. is not a local vendor. Public Contract Code requires that the construction contract be awarded to the lowest responsible and responsive bidder regardless of whether the low bidder is local or not. Staff outreach to the local construction contractor community included advertising the "Notice to Contractors" inviting bids in the Napa Valley Register, in the Solano-Napa Builder's Exchange, and through posting on the County website. Staff also sent "Notices to Contractors" to the local construction community. Once the construction contract is awarded, County staff will contact the Napa County Workforce Investment Board (WIB) and will require the successful contractor to contact the WIB informing them of hiring needs.

In order for the project to move into the construction phase, staff recommends adoption of a resolution approving a loan from the ACO to complete funding for the project, authorization for the Chair to sign a reimbursement agreement with the City of American Canyon in a form approved by County Counsel, approval of Budget Transfer DPW028, and award of and authorization for the Chair to sign a construction contract with Ghilotti Construction Company, Inc.

SUPPORTING DOCUMENTS

A . Resolution

B . BUDGET DEVLIN SEG E

CEO Recommendation: Approve

Reviewed By: Leigh Sharp