



Town Council Agenda Report

Date: February 9, 2021 Item No. 4

To: Honorable Mayor and Town Council

Subject: NAVAJO ROAD DRAINAGE IMPROVEMENTS - PROJECT NO. 2020-07 – AWARD CONTRACT FOR CONSTRUCTION.

From: Douglas Robertson, Town Manager

Submitted by: Brad Miller, Town Engineer
Engineering Department

Budgeted Item: Yes No N/A

RECOMMENDED ACTION

That the Town Council award a contract to Kelley's Underground Construction, Inc. for the Navajo Road Drainage Improvements – Project No. 2020-07 in an amount not to exceed \$474,470.45 (four hundred seventy-four thousand, four hundred seventy dollars and forty-five cents).

BACKGROUND

The purpose of the project is to direct storm water runoff from Navajo Road to James Woody Park. This will alleviate the current situation of potential roadway flooding along Navajo Road during significant rain events.

Additionally, staff identified priority areas throughout Apple Valley in which the installation of new infiltration chambers and construction of drainage improvements will mitigate flooded roadways during the rainy season.

For efficiency and economy of scale the two projects were combined into one contract.

Plans, Specifications and Engineer's Estimate were prepared with the goal to provide necessary labor, equipment, transportation and materials to clear, excavate and install storm drain pipe extension, infiltration chambers, drywells and appurtenances, all in accordance with the project plans, standard specifications, special provisions, and as directed by the Town Engineer.

The Town Clerk’s Office received eight sealed bids for the Navajo Road Drainage Improvements (Project No. 2020-07) on January 14, 2021, in response to the Notice Inviting Sealed Bids issued by the Engineering Department on December 9, 2020.

After carefully reviewing each response for compliance with the requirements outlined in the notice, Engineering Department staff concluded that all eight submitted bids were complete and that Kelley’s Underground Construction, Inc., is the lowest responsible, responsive bidder. The results are as follows:

1. Kelley’s Underground Construction, Inc.	\$474,470.45
2. DDH Apple Valley Construction, Inc.	\$504,648.00
3. Christensen Brothers General Engineering, Inc.....	\$618,809.30
4. High Desert Underground, Inc.	\$701,032.50
5. Roadway Engineering & Contracting, Inc.	\$730,088.00
6. TE Roberts, Inc.	\$793,848.00
7. Gentry General Engineering, Inc.	\$1,153,851.00
8. AID Builders, Inc.	\$1,210,699.00

In accordance with Section 200, number 16 “Basis of Award” of the project’s “Bid and Contract Documents”, Engineering Department recommends that Council award the contract to the lowest responsible, responsive bidder Kelley’s Underground Construction, Inc. in an amount not to exceed \$474,470.45 (four hundred seventy-four thousand, four hundred seventy dollars and forty-five cents).

ANALYSIS

The bid documents for the project were reviewed by staff for accuracy and constructability. The bid documents and the authorization to advertise were approved by Town Council on December 8, 2020. Staff reviewed the bid submissions for completeness and considers Kelley’s Underground Construction, Inc. to be a qualified, responsible and responsive bidder.

FISCAL IMPACT

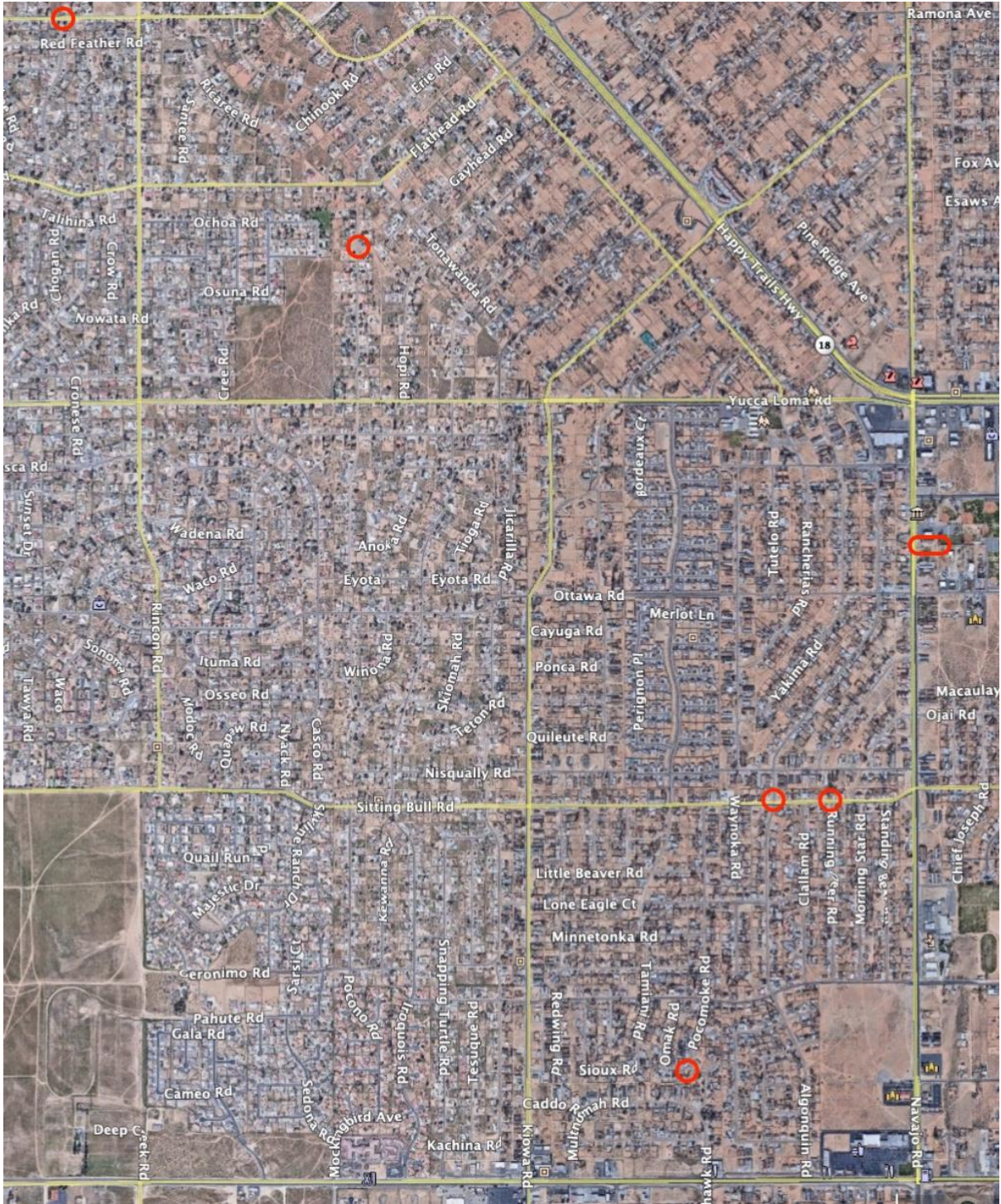
Funding for this project has been appropriated in the proposed FY 2020-2021 budget. The Town will use Drainage Impact Fees to cover for the construction expenses.

ATTACHMENTS

- A. Vicinity Map.
- B. Contract for construction.

Attachment A

Vicinity Map



Attachment B

Contract for construction

SECTION 400 - CONTRACT FOR CONSTRUCTION

THIS CONTRACT is made this 9th day of February, 2021, in San Bernardino County, State of California, by and between the Town of Apple Valley, hereinafter called Town, and Kelley's Underground Construction, Inc., hereinafter called Contractor. Town and Contractor agree, for valuable consideration, as follows:

ARTICLE 1. SCOPE OF WORK. The Contractor shall perform all Work and provide all labor, materials, equipment, tools, utility services, and transportation to complete all of the Work required in strict compliance with the Contract Documents (specified in Article 5 below) for the public work of improvement titled:

Navajo Road Drainage Improvements

The Contractor and its surety shall be liable to the Town for any damages arising as a result of the Contractor's failure to comply with this obligation.

ARTICLE 2. CONTRACT TIME. Time is of the essence in the performance of the Work. The Work shall be commenced on the date stated in the Town's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents within **90** Working Days from the commencement date stated in the Notice to Proceed, hereafter the Contract Time. By its signature hereunder, Contractor agrees the Contract Time is adequate and reasonable to complete the Work.

ARTICLE 3. CONTRACT PRICE. The Town shall pay to the Contractor as full compensation for the performance of the Contract, subject to any additions or deductions as provided in the Contract Documents, and including all applicable taxes and costs, the sum of four hundred seventy-four thousand, four hundred seventy dollars and forty-five cents Dollars (\$ 474,470.45), hereinafter, the Contract Price. Payment shall be made as set forth in the General Conditions.

ARTICLE 4. LIQUIDATED DAMAGES. Contractor acknowledges that Town will sustain actual damages for each and every Working Day completion of the Project is delayed beyond the Contract Time. Because of the nature of the Project, it would be impracticable or extremely difficult to determine the Town's actual damages. Accordingly, as provided in Government Code section 53069.85, it is agreed that the Contractor will pay the Town the sum of **\$1,160.00** for each and every Working Day of delay in completing the Work beyond the Contract Time, as Liquidated Damages and not as a penalty or forfeiture. In the event the Liquidated Damages are not paid, Town may deduct that amount from any money due or that may become due the Contractor under the Contract. This Article does not affect the Town's rights to other damages or remedies specified in the Contract Documents or allowed by law.

Should Contractor be inexcusably delayed in the performance of the Work, Town may deduct liquidated damages based on its estimate of when Contractor will achieve Final Completion or other Milestones. Town need not wait until Final Completion to withhold liquidated damages from Contractor.

Liquidated damages are not a penalty but an agreed estimate of the actual damages that would be sustained by the Town for delay, including but not limited to loss of revenue, inconvenience to the Town and the public, and increased Project administration expenses such as extra inspection, construction management, staff time, and architectural and engineering expenses.

Liquidated damages do not include damages the Town incurs on account of claims by third parties against the Town on account of any delay.

Should money due or to become due to Contractor be insufficient to cover liquidated damages or other offsets due, then Contractor forthwith shall pay the remainder of the assessed liquidated damages to Town.

ARTICLE 5. COMPONENT PARTS OF THE CONTRACT. The "Contract Documents" include only the following documents, each of which is incorporated into this Contract for Construction by reference:

- Notice Inviting Bids
- Instructions to Bidders
- Contractor's Bid Forms
- Contractor's Certificate Regarding Workers' Compensation
- Bid Bond
- Designation of Subcontractors
- Information Required of Bidders
- Non-Collusion Declaration Form
- Iran Contracting Act Certification
- Public Works Contractor Registration Certification
- Performance Bond
- Payment (Labor and Materials) Bond
- General Conditions
- Special Provisions (or Special Conditions)
- Technical Specifications
- Standard Specifications (Excluding sections 1-9 in their entirety)
- Addenda
- Plans prepared by Giron Engineers, Inc., approved 10/13/2020
- Exhibits "TOAV DRAINAGE IMPROVEMENTS 2020", dated 11/23/2020
- Change Orders executed by Town

The Contactor shall complete the Work in strict accordance with all of the Contract Documents.

All of the Contract Documents are intended to be complementary. Work required by one of the Contract Documents and not by others shall be done as if required by all. In the event of a conflict, the various Contract Documents will be given effect in the order set forth in Article 2.b of the General Conditions.

This Contract constitutes the full and complete agreement between the parties with regard to the Project and the Work, and supersedes any prior agreement of the parties, whether written or oral. The Contract can be modified only by a written Change Order executed in accordance with the Contract Documents.

ARTICLE 6. PROVISIONS REQUIRED BY LAW. Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Work.

ARTICLE 7. INDEMNIFICATION. Contractor shall provide indemnification and defense as set forth in the General Conditions.

ARTICLE 8. PREVAILING WAGES. Contractor shall pay not less than the prevailing rate of wages in accordance with the Labor Code, which rates have been determined by the Director of the California Department of Industrial Relations and shall be made available at the office of the Town Clerk or may be obtained online at <http://www.dir.ca.gov/dlse>.

If the Work involves federal funds or otherwise requires compliance with the Davis-Bacon Fair Labor Standards Act, the Contractor and all its subcontractors shall pay the higher of the state or federal prevailing wage rates.

The wage rates must be posted at the job site.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, this Contract has been duly executed by the above-named parties, on the day and year above written.

TOWN OF APPLE VALLEY

**Kelley's Underground
Construction, Inc.**

By: _____
Scott Nassif
Mayor

By: _____
Jennifer Kelley
President

ATTEST:

Ms. La Vonda M. Pearson, Town Clerk

APPROVED AS TO CONTENT:

Douglas B. Robertson, Town Manager

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP

Thomas Rice, Town Attorney

END OF CONTRACT