



Joint Exercise of Powers Agency

City of Antioch City of Brentwood City of Oakley County of Contra Costa

Board of Directors

Thursday, July 13, 2006

7:05 p.m.

Tri-Delta Transit Meeting Room
801 Wilbur Avenue
Antioch, California

SUPPLEMENTAL MAILING

ITEM 5.A

Board of Directors:

Mary N. Piepho, Chair
Donald P. Freitas, Vice Chair
Annette Beckstrand
Brad Nix

Authority Staff Office:

Contra Costa County
255 Glacier Drive
Martinez, CA 94553
(925) 686-0619

**STATE ROUTE 4
BYPASS AUTHORITY**

DATE: July 13, 2006

TO: Board of Directors

FROM: Dale Dennis, Program Manager

SUBJECT: Provide Direction to Staff Regarding Segment 3 Bid Opening and Subsequent Award

Recommendation: **RECEIVE** status report on the SR4 Bypass project and the Laurel Road Extension project and **PROVIDE** direction to staff regarding the July 18, 2006 Bid Opening and subsequent award for the Segment 3 construction per the options discussed below:

- A. Option 1: Provided staff has received assurances from the resource agencies regarding issuance of permits within the 30-day award period (July 18th thru August 17th, 2006), open bids as scheduled on July 18, 2006 and award contract to apparent low bidder upon receipt of permits.
- B. Option 2: Delay the Bid Opening for Segment 3 until receipt of permits.

Discussion:

Current Status

Based on recent staff discussions with US Fish and Wildlife Service and the US Army Corps of Engineers (USACE), it is anticipated that the biological opinion will be issued by July 31, 2006 and USACE permit would follow immediately thereafter. Currently, construction bids are scheduled to be opened on July 18, 2006 and the contract would need to be awarded within 30 days from the Bid Opening or by August 17, 2006. Presented below are two options for proceeding at this time.

DOD:bl:tr
Z:\GrpData\TransEng\2006\SR4BP\StaffReports\July-Sept\ddStaffReport July18bidopen.doc

ACTION OF BOARD ON _____ **APPROVED AS RECOMMENDED** ___ **OTHER** _____

VOTE OF DIRECTORS
_____ **UNANIMOUS (ABSENT** _____ **)**
AYES: _____ **NOES:** _____
ABSENT: _____ **ABSTAIN:** _____

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Directors on the date shown.

ATTESTED _____
Secretary to the Authority

Option 1: Provided staff has received assurances from the resource agencies regarding issuance of permits within the 30 day award period (July 18th thru August 17th), open bids as scheduled on July 18, 2006 and award contract to apparent low bidder upon receipt of permits:

Advantage: The advantage of proceeding with this option is that it would minimize the time to get Segment 3 under construction, which would provide the greatest opportunity to have the Balfour Rd to Marsh Creek Rd/Walnut Blvd intersection portion opened at the same time Segment 1 is ready to be opened. It would not require a Special Board Meeting be held upon receipt of the permits. The Authority would still have the following options should the permits not be issued by August 17, 2006: 1) the Authority could request that the bidders reaffirm their bids as valid through a future date; 2) the Authority could award the contract, recognizing that it would still take 2-4 weeks to get the contract documents in place (bid bonds, insurance certificates, executed contract) and continue to seek issuance of the permits during that time; or 3) the Authority could reject all bids and re-advertise.

Disadvantage: Should the permits not be issued by August 17, 2006, or any extended date, the Board may need to re-advertise the Segment 3 Project, which could delay the project by several weeks. A delay could make it difficult to complete the Balfour Rd to Marsh Creek Rd/Walnut Blvd intersection portion at the same time Segment 1 is ready to be opened. Further, if the permits are not received by the time a contract is awarded and effective, the Authority may be required to pay the contractor delay costs.

Option 2: Delay Bid Opening until permits are received:

Advantage: The advantage of delaying the Bid Opening until the permits are issued is that the clock will not start for the 30-day award period until the bids are opened. A Special Board Meeting could be held to award as soon as possible after Bid Opening.

Disadvantage: If the Authority continues to delay the Bid Opening, at some point, we may start losing bidders.

See copy of attached letter from DeSilva Gates Construction dated July 5, 2006 regarding July 18, 2006 bid opening.



DESILVA GATES

C O N S T R U C T I O N

11555 Dublin Boulevard
P. O. Box 2909
Dublin, California 94568-2909
925/829-9220

CONTRACTORS LICENSE NO. 704195 A

VIA FACSIMILE & US MAIL

July 5, 2006

Mr. Dale O. Dennis
State Route 4 Bypass Authority
Program Manager
255 Glacier Dr.
Martinez, CA 94553

Project No. 4660-6X4475
State Route 4 Bypass Segment 3 (Re-Bid)
Outstanding Permits

Dear Mr. Dennis:

As of today, the Re-Bid of the above referenced project is scheduled for July 18, 2006 at 2:00 PM.

In accordance with Section 5-1.40 'Permits and Licenses' of the Project Bid Documents, the Bypass Authority has applied for and will be obtaining various permits. As you are aware, several of the applied for permits have not been issued by the applicable agencies to the Bypass Authority as of today. Per the "Special Meeting" conducted by the Bypass Authority on May 11, 2006, the outstanding permits were the reason for the rejection of the April 25, 2006 bids. Obviously, the terms and conditions of the outstanding permits will be a critical part of the project and will need to be read and analyzed by bidders and sub-bidders.

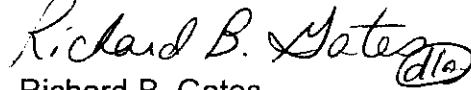
Due to these factors, even if all the outstanding permits were issued to and received by the Bypass Authority today, the current 8 business days until the scheduled Re-Bid date of July 18, 2006, is not enough time to analyze, distribute to subcontractors and vendors, modify our schedule to incorporate any permit constraints, calculate the additional costs involved, request bidder inquiries within 5 days of the Re-Bid regarding the outstanding permits, etc. We request that the Bypass Authority extend the Re-Bid date to provide at least 15 business days of bid preparation time once all prospective bidders and plan holders are provided copies of these outstanding permits as an addendum to the Re-Bid documents.

Mr. Dale O. Dennis
State Route 4 Bypass Authority
July 5, 2006
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In order for the Bypass Authority to avoid any potential mistakes and irregularities regarding the Re-Bid, our request should be reviewed and considered by the Authority. Further, this letter is a protest in accordance with Section 15 of the Proposal and Contract.

Your expeditious written response to the above is appreciated.

Very truly yours,

A handwritten signature in cursive script that reads "Richard B. Gates" with a circled "dla" to the right.

Richard B. Gates
President

RBG:dla

cc: State Route 4 Bypass Authority Board Member:
Mary N. Piepho, Chair
Donald P. Freitas, Vice Chair
Annette Beckstrand
Brad Nix
Parsons Brinckerhoff – Craig Carney