



## ***CIFAC Progress and Accomplishments***

***JULY 1 through JULY 31, 2013***

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### **NORTHERN CALIFORNIA**

#### **INVESTIGATIONS**

##### **Stanislaus County MT130701** (CUCCAA – \$45,000)

While reviewing the Board of Supervisor agenda, Tucker found an item that would allow the County and City of Modesto to contract with each other for road work. The City was in need of chip seal work and did not possess chip seal equipment and the County needed paving work and did not possess the appropriate equipment. The agreement specified that no exchange of funds would be required as the project value for both projects was almost the same. Tucker contacted the Public Works Director for more information. She was sent a map of the county and city owned portions of the roadways. In addition, it was explained that the paving performed by the City would be maintenance work. The Streets and Highways Code allows these agencies to create agreements for construction, repair and maintenance to be performed by the other party. Tucker sent the information to CIFAC’s main office. It is Tucker’s opinion that legislation would need to be pursued to stop this practice from occurring.

Approximate Value: \$125,000

Status: Resolved/Monitor

##### **Salinas City Elementary School District MT130702** (CUCCAA – \$45,000) Monterey County

Tucker was contacted regarding two projects. The District previously approved the use of a lease lease-back contract for the Access Control Project at University Park Elementary School. After value engineering the project, the District rescinded its previous decision and awarded contracts to two separate contractors for the fence and gate construction that includes electrical work and a separate contract for rear parking lot improvements. Tucker sent a public information request to the District inquiring about their method of procurement and is waiting for a response.

Approximate Value: \$200,000

Status: On-Going

##### **Manteca Unified School District MT130703** (CUCCAA – \$45,000) San Joaquin County

Tucker was contacted regarding the use of the lease lease-back method of construction on several projects throughout the District. Included in the Summer 2013 Paving Project was the removal and installation of new asphalt at East Union High School, Calla High School and Nile Garden Elementary School. Tucker contacted the District regarding the process used. A competitive process for lease lease-back contracts is not required and was not used on this particular project. The District informed Tucker that they generally do use

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a competitive process however, did not on this particular project. They chose to contract with a contractor with whom they had previously worked. They also worked with an outside estimator to ensure the contractor pricing was a good value for the District. Tucker and the District discussed the benefits of using a competitive process for the procurement of contractors on these types of projects.

Approximate Value: \$906,000

Status: Resolved/Identified

**Caltrans District 5 MT130704** (Major Maintenance – \$125,000) Santa Cruz County

Tucker was contacted regarding construction work on Highway 1, near the town of Watsonville. The caller was concerned that the project may not have been competitively bid. Tucker contacted the Caltrans office for project information. The Erosion Control & Slope Stabilization project was competitively bid in April 2013. Six bidders submitted bids for this project and the contract was awarded to the lowest bidder. This was a small business project and only certified small businesses were allowed to submit bids on the project.

Approximate Value: \$83,000

Status: Resolved

**Hartnell Community College District MT130705** (CUCCAA – \$45,000) Monterey County

Tucker was contacted regarding a lease lease-back contract for the construction of the new Science building on campus. It was Tucker's understanding that the board of directors decided to rescind the lease lease-back contract award and pursue a design-build contract. There was concern that the plans and specifications cost incurred would be a waste of public funds as the design build firm would create their own set of plans and spec's to use. Upon researching documents online, Tucker found that the College Board decided to follow a traditional bid process for this project, not design build. Tucker concluded that no further action was necessary.

Approximate Value: \$27 million

Status: Resolved

**City of Porterville MT130706** (Charter – \$5,000) Tulare County

While reviewing agenda's online, Tucker noticed an item to approve the use of city crews to perform asphalt overlay on various streets within City limits. Included was Westwood, Main, Second and Third Streets; Worth Road and Pioneer Avenue. Tucker contacted the Public Works Director to inquire about the depth of asphalt that will be placed. She was informed that crews will place a thin blanket, approximately  $\frac{3}{4}$  of an inch to existing streets for roadway preservation. The State Controllers Office defines maintenance as paving of less than one inch. Tucker concluded that no further action was necessary.

Approximate Value: \$480,000

Status: Resolved

**Caltrans District 5 MT130707** (Major Maintenance – \$125,000) Santa Cruz County

Tucker was contacted regarding an electrical project on Highway 1 near the City of Santa Cruz. The caller was concerned that the project may not have been competitively bid. Tucker contacted Caltrans for project information. The scope of work included the reconstruction of metal beam guard rail, upgraded drainage, and modification to electrical at three locations on Highway 1 in Santa Cruz. The project was advertised in September of last year with a bid opening date of October 23, 2012. The contract was awarded to the second bidder in April 2013, as the low bid contractor was deemed non-responsive.

Approximate Value: \$1.9 million

Status: Resolved

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**Stanislaus Union School District MT130708** (\$15,000) Stanislaus County

Tucker was contacted regarding the installation of a shade structure at the Eisenhut Elementary School. The site work was competitively bid and awarded. The concern was that the shade structure purchase and installation may not have been bid. Tucker sent a public information request letter to the District to inquire about the procedures used on this project. She is waiting for a response.

Approximate Value: \$150,000                      Status: On-Going

**City of Modesto MT130709** (Charter – \$50,000) Stanislaus County

Tucker was contacted regarding work performed by city crews on Claus Avenue. Tucker visited the site and it appears that extensive patching has been performed along the majority of the street. It was Tucker's understanding that city crews patched the road within a five week time frame. Tucker will send a public information request letter to the City to inquire about project cost. Although city crews are allowed to perform maintenance work, it may be more cost effective for contractors to perform the work.

Approximate Value: \$Unknown                      Status: On-Going

**Jamestown Sanitary District MT130710** (CUCCAA – \$45,000) Tuolumne County

Tucker was contacted regarding work performed in Jamestown near 5<sup>th</sup> Street. Scope of work was for the installation of approximately 7,000 feet of replacement sewer line. Tucker contacted the District for more information. The project was competitively bid with bid opening on June 17 and awarded to the lowest responsible bidder. Tucker concluded that no further action was necessary.

Approximate Value: \$900,000                      Status: Resolved

**Turlock Irrigation District MT130711** (Unspecified) Stanislaus County

Tucker was contacted in regards to a pipeline replacement project near Crows Landing Road. Tucker was informed that a contractor was working in the area and uncovered an issue with a waterline. The District then hired another contractor to replace 125 feet of the existing pipe. Tucker sent a public information request letter to the District and is waiting for copies of documents.

Approximate Value: \$Unknown                      Status: On-Going

**Merced Union High School District MT130601** (\$15,000) Merced County

Tucker was contacted regarding allegations of bid irregularities on several projects within the district. Included was the Covered Walkway Re-Roof project, Asphalt Paving Project and Quad Landscape Improvement projects at Merced High School. Tucker sent a public information request to the District to inquire about project advertising and bid procedures used. Each project was individually advertised in the local newspaper and builders exchanges. Public bid openings were held and the contracts were awarded to the lowest responsible bidders. Tucker did not find any issues or concerns with any of these projects.

Approximate Value: \$380,000                      Status: Resolved

**Merced Union High School District MT130604** (\$15,000) Merced County

Tucker was contacted regarding the Portable Classrooms Relocation project at Golden Valley High School. She was asked to review the bid procedures used on this project. Tucker sent a public information request to

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the District and received the bid advertisement, Notice to Bidders and bid results. The project was advertised in April, with a bid opening date of April 30. Notice to proceed was issued May 9 to the lowest bidder on the project. The District followed the correct bid procedures on this project.

Approximate Value: \$522,000

Status: Resolved

**State of California Department of Motor Vehicles MT130605** (\$25,000) Merced County

Tucker was contacted regarding several projects at the DMV office in the City of Merced. The complaint stemmed from possible bid splitting on the exterior light, exterior sign replacement and new flooring installation projects. Tucker contacted the DMV and received copies of the bid documents. The flooring replacement project was canceled. Each project was individually advertised and awarded. Bid splitting occurs when an agency breaks up a project into more than one piece with the intent of staying under their bid threshold to evade bidding. Since each of the projects was individually advertised, Tucker concluded that bid splitting was a non-issue. Tucker concluded that no further action was necessary.

Approximate Value: \$200,000

Status: Resolved/Monitor

**Cayucos Sanitary District MT130410** (CUCCAA – \$45,000) San Luis Obispo County

Tucker was contacted regarding three sewer line installation projects. The B Street Sewer Main Replacement project, Borchard Alley Sewer Main Replacement project and Cayucos Creek Road Sewer Line Realignment project were all contracted to the same two contractors without the use of a competitive bid process. The District requested an estimate for pipe bursting, reconnection of sewer laterals and installation of new manhole covers from a contractor. They then proceeded to split the project into multiple parts and give the contracts away. It is Tucker's opinion that the District bid split the B Street Sewer Main Replacement project. The B Street and Borchard alley work, including the installation of manholes was one project for determining value. The Cayucos Creek Road Sewer Line Realignment project was a separate project that also should have been bid. Due to the work already having been completed, Tucker sent a letter to the District reminding them of the bid requirements that must be followed on future projects. She received a response indicating the District's appreciation for our letter and their intention to use our comments to re-evaluate and update their contracting policies as necessary.

Approximate Value: \$320,000

Status: Resolved/Influenced

**Stanislaus County MT130408** (CUCCAA – \$45,000)

Tucker was contacted regarding county road crews performing road work near Hammett Road and Pironne Road. She visited the site and it appeared to be some minor shoulder improvements work. She received several calls indicating that additional work had been performed after her site visit. Tucker received project invoices and accounting for the project. The County filled potholes, performed shoulder improvements and applied a thin overlay on top of the asphalt. Included was grinding work on the edges of the pavement to allow for a smooth transition onto the old section of road. Tucker concluded that no further action was necessary at this time.

Approximate Value: \$178,000

Status: Resolved

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## **OTHER**

The City of Porterville has created a charter review committee to review their current charter and make recommendations for changes. The City currently follows the Public Contract Code requirements. Tucker will continue to monitor for any changes to their current bid procedures.

Tucker attended the July 8, 2013 Arroyo Grande Charter Advisory Committee meeting held at the City Council chambers in Arroyo Grande. The Committee discussed the remaining sections of the draft charter but decided to postpone review of the bidding procedures and prevailing wage exemptions for their future meeting on September 16, 2013.

Tucker's coverage area now includes the County of San Luis Obispo and all agencies within the county. Please refer to the Southern Region report for networking and project information.

## **NETWORKING**

Tucker attended the Arroyo Grande Charter Advisory Committee meeting. In attendance were representatives from various trade organizations and contractors.

Tucker attended the July 15 Monterey Santa Cruz Building Construction Trades Council Meeting in Castroville. She spoke about CIFAC's current accomplishments.

Tucker met with the Operating Engineers, Local 3 District 50 District Representative and agents in Fresno. This District has two new agents. Tucker provided CIFAC manuals and spoke about CIFAC.

Tucker continues to maintain contact with her network, answers Public Contract Code questions and searches for new bidding opportunities for the industry within her coverage area.

## **INVESTIGATIONS**

### **City of Eureka SR130701** (Charter – \$15,000) Humboldt County

The City of Eureka put a project out to bid. The Martin Slough drilling project had two bidders. Riley was asked to check on the project since one bidder submitted a \$6.2 million bid and the other a \$3.8 million bid. The difference concerned industry members. Riley contacted the City to see if they were going to award the project. She then spoke with contractors; the high bidder had difficulty finding subcontractors with whom to work. The process that the low bidder is using will be not only economical, but meet the budget available.  
Approximate Value: \$3.8 million                      Status: Resolved

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**City of Shasta Lake SR130702** (General Law – \$5,000) Shasta County

A contractor was observed building a water feature in front of the Justice Center. No one had seen an advertisement or bid date for the work and Riley was asked to check on what was being done. She contacted the City and found that this work is to complete the Justice Center project from two years ago. The original contractor experienced difficulties on the project and their bonding company stepped in to manage the project and see to its completion. The water feature was included in the original project.

Approximate Value: \$500,000                      Status: Resolved

**Caltrans-District 2 SR130703** (Major Maintenance – \$125,000) Tehama County

Riley was asked to check on work being done by Caltrans and others on I-5. They are having a contractor lay oil and then Caltrans is spreading chips and doing the traffic control. Riley contacted Caltrans and was told that they are doing more projects in this fashion to save funds. Instead of contracting out the entire project, they choose the parts that they can't perform. This allows for more miles to be covered. Riley expressed concern that they be sure that the costs are comparable and consider that private business may be able to do the work in a more cost effective manner.

Approximate Value: \$Unknown                      Status: Resolved/Monitor

**U.S. Justice Department SR13074** Federal Project in Humboldt County

After seeing a news article on a new Federal Courthouse being built in Humboldt County, Riley was asked to do research. She found that this project was private work between the Federal Government and the developer/owner of the land. The developer had negotiated an agreement to build the Courthouse to the Governments specifications. This will be the only magistrate court north of San Francisco. After it is built, it will be leased for \$1 million a year for 20 years. Research showed that the work did not have to be bid. Riley further sent inquiries regarding a number of questions about the building project and is waiting for a response. She will follow up.

Approximate Value: \$10 million                      Status: On-Going

**Mendocino County SR130705** (CUCCAA – \$45,000)

The County of Mendocino, Department of General Services, contacted Riley about recent work that had hit a major problem. They were having the final inspection done on a building remodel and the inspector found that a previous project had not been done correctly. The person responsible for inspecting that work is no longer available. They now find that they have to do an additional amount of work. This includes installing drop ceilings, installing a sprinkler system, tearing up a parking lot, running water lines and repaving. They wanted to know if they could bid out each section, as they each take a different type of work. Even though some of the parts of work could be informally bid, they will formally bid all of the work.

Approximate Value: \$300,000                      Status: Resolved

**Sacramento County SR130608** (CUCCAA – \$45,000)

Riley received numerous calls about the County of Sacramento doing major road work and road reconstruction on North Gate and North Market streets in North Sacramento. She contacted the Director of Public Works about the required declaration and the approximate cost. She received both, but they did not

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appear to be accurate. The declaration was not done in a public forum, and costs, according to those that had seen the work, seemed low. She requested costs of labor, equipment and materials for the project. The Director of Public Works said that he would have staff compile the information, but he would not continue to do this for Riley. Riley noted that the County did not appear to finish what they had stated was a \$100,000 job for approximately 4 weeks. She is still waiting for the costs and will send a formal letter at the beginning of August if she doesn't receive the information.

Approximate Value: \$Unknown                      Status: On-Going

## **OTHER**

Riley attended a Redding City Council meeting and spoke to an agenda item regarding the possible use of pre-qualification in the City. A council member wanted the City to disqualify any contractor that litigated or entered binding arbitration with the City. He felt those contractors should be declared non-responsible. Riley explained the prequalification process to the Council and then answered numerous questions for council members. She suggested that there might be other ways the City and the Industry could work together to limit litigation. She explained that many times contractors who had experienced serious problems just started another company under a different name and thus would not be impacted by the council's suggestion. The Council voted not to pursue this process at this time.

## **NETWORKING**

Riley answered questions for various entities on the public contract code and the procedures they needed to follow.

Riley assisted the field representatives and the main office on various projects throughout the month.

