



# Santa Clara Valley Water District

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**File No.:** 17-0856

**Agenda Date:** 5/8/2018

**Item No.:** 3.5.

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## BOARD AGENDA MEMORANDUM

### **SUBJECT:**

Notice of Completion of Contract and Acceptance of Work for the El Camino Storm Drain Erosion Repair Project, Granite Construction, Inc., Contractor, Contract No. C0626, Project No. 62084001, Facility ID No. 2037 (Santa Clara) (District 5).

### **RECOMMENDATION:**

- A. Accept the work as complete; and
- B. Direct the Clerk of the Board to sign the Notice of Completion of Contract and Acceptance of Work and submit for recording at the Santa Clara County Clerk-Recorder.

### **SUMMARY:**

The Construction Contractor, Granite Construction, Inc. (Granite), has completed the El Camino Storm Drain Erosion Repair Project (Project). The construction contract was awarded by the Board on July 25, 2017 in the amount of \$2,647,777.00 with a 10% contingency of \$264,000.00. The Project was completed on Dec 31, 2017 and the final contract amount is \$1,963,846.79 which is approximately 26% less than the original contract award amount. Subject to any withholds required by law or the contract, acceptance of the work by the Board will allow for the release of \$95,356.03 in retention to the contractor.

The objective of the Project was to address the existing erosion damage to the facility, and to minimize the threat of erosion to the impacted areas.

The Project included the following major items of work:

1. Clearing and grubbing within the project limits, including the removal of wooden fences, vegetation, rock riprap, trees and other miscellaneous items;
2. Control of stream and groundwater flows;
3. Construction and removal of temporary access ramps;
4. Channel excavation and disposal of all excavated soil materials;
5. Channel embankment by restoring the eroded channel to as-built conditions and hydroseeding over permeable erosion control blanket;
6. Grading of the existing channel bottom for the work areas;
7. Winterization of the area upon completion of the work;
8. Compliance with District's Stream Maintenance Program Permit;

9. Implementing work adjacent Caltrain's railroad tracks, which required Caltrain flagger oversight.

### ***Contract Change Orders***

One contract change order (CCO No. 01) was executed in March 2018 for this contract to address issues that occurred during the construction. CCO No. 01 included cost reduction for quantity adjustments attributed by value engineering; non-implementation of supplemental bid items; and cost increases for addressing contaminated soil, delays due to Caltrain flagger cancellation, double-handling wet materials and re-hydroseeding. The net CCO No. 01 amount was (\$683,930.21), resulting in a final contract amount that was less than the original contract award amount

Table 1 presents a summary of the construction contract and contingency amounts.

**TABLE 1: SUMMARY OF CONSTRUCTION CONTRACT AND CONTINGENCY AMOUNTS**

<b>Description</b>	<b>Contract Amount</b>	<b>Contingency Amount</b>
<b>Original Contract (Board approved)</b>	\$2,647,777.00	\$264,000.00
CCO No. 01 (CEO approved)	<\$683,930.21>	\$264,000.00
<b>Final Contract Amount and Remaining Contingency</b>	<b>\$1,963,846.79</b>	<b>\$264,000.00</b>

### ***Acceptance of the Work and Recording Notice of Completion Contract***

The California Civil Code allows an owner or its agent to execute a Notice of Completion of Contract Acceptance of the work by the Board. The Notice of Completion of Contract and Acceptance of Work is included in Attachment 1. The Designated Engineer has determined that the work has been completed, to the best of his knowledge, in accordance with the plans and specifications, and recommends acceptance. The Designated Engineer's Recommendation of the Construction Contract Acceptance is included in Attachment 2. The Project Completion Letter is included in Attachment 3. Photos of the completed Project are included in PowerPoint Presentation of Construction Summary in Attachment 4.

### ***Construction Contract Retention***

California law requires the District to release contract retention in accordance with certain time frames, which will commence once the Notice of Completion is recorded at the Santa Clara County Clerk-Recorder. Interest payment on retention due to the contractor may be avoided by meeting the requisite deadlines.

The District is currently withholding retention funds totaling approximately five percent (5%) of the

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contract amount (\$95,356.03) in accordance with the Public Contract Code. Per the construction contract documents, the District is required to release retention funds associated with the contract 35 days after recording the Notice of Completion of Contract and Acceptance of Work, subject to any withholds required by law or the contract.

**FINANCIAL IMPACT:**

The Project has been completed and no additional funding is recommended. As indicated in the Summary of Construction Contract and Contingency Amounts (Table 1), the original contract amount of \$2,647,777.00 was decreased to the final contract amount of \$1,963,846.79, because of CCO No. 01, a reduction of approximately 26%. The remaining unspent encumbrance amount of \$683,930.21 together with the originally approved 10% contingency fund of \$264,000.00, resulting in a total of \$947,930.21, will be released and will be available to be spent for the Project's other future tasks.

**CEQA:**

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

**ATTACHMENTS:**

- Attachment 1: Notice of Completion of Contract, Acceptance of Work
- Attachment 2: Recommendation of Contract Acceptance
- Attachment 3: Project Completion Letter
- Attachment 4: PowerPoint
- Attachment 5: Project Delivery Process Chart

**UNCLASSIFIED MANAGER:**

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