



Santa Clara Valley Water District

File No.: 19-0316

Agenda Date: 4/9/2019

Item No.: 3.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Notice of Completion of Contract and Acceptance of Work for the Almaden Valley Pipeline Inspection and Rehabilitation Project, Con-Quest Contractors, Inc., Contractor, Project No. 95084002, Contract No. C0631 (San Jose, Los Gatos, Unincorporated Santa Clara County) (Districts 4 and 7).

RECOMMENDATION:

- A. Accept the work as complete on the Almaden Valley Pipeline Inspection and Rehabilitation Project, Con-Quest Contractors, Inc., Contractor, Project No. 95084002, Contract No. C0631; and
- B. Direct the Clerk of the Board to sign the Notice of Completion of Contract and Acceptance of Work, and submit for recording to the County of Santa Clara Office of the Clerk-Recorder.

SUMMARY:

The construction contractor, Con-Quest Contractors, Inc., has completed the Almaden Valley Pipeline Inspection and Rehabilitation Project (Project). The construction contract was awarded in the amount of \$2,389,250 and the final contract amount is \$2,530,324.85. Subject to any withholds required by law or the contract, acceptance of the work by the Board will allow for the release of \$253,032.49 in retention to the contractor.

Project Background

The objective of the Project was to conduct inspections, maintenance and rehabilitative work on the Almaden Valley Pipeline (AVP) and Santa Teresa Force Main (STFM) as part of the District's Pipeline Maintenance Program (PMP). AVP is approximately a twelve-mile long, 72- to 78-inch diameter raw water transmission pipeline consisting of Pre-Stressed Concrete Cylinder Pipe (PCCP), Concrete Cylinder Pipe and Welded Steel Pipe. STFM is a 72-inch diameter raw water transmission pipeline made of PCCP that is approximately 1,500 feet in length.

The Project included the following elements:

1. Completely drain and remove water from the AVP and STFM.
2. Perform repairs in the raw water transmission pipeline and remove and replace appurtenances and piping at ninety-three (93) appurtenance vault sites.

3. Prepare and coat all in-vault and exposed pipeline appurtenances and associated piping assembly components on AVP.
4. Provide logistical support for and participate in the internal visual and electromagnetic inspection of the AVP and STFM by the District and its third-party consultant.
5. Provide logistical support for the installation of the Acoustic Fiber Optic monitoring system for the AVP and STFM by the District and its third-party consultant.
6. Replace existing or install new ladders, pipe markers, bollards, and hatches at appurtenance vaults.

Previous Board Actions

On August 8, 2017, the Board adopted the plans and specifications and authorized advertisement for bids for the Project.

On September 26, 2017, the Board awarded the subject contract to Con-Quest Contractors in the amount of \$2,389,250 and approved a contingency fund of \$358,000. The Board authorized the Chief Executive Officer (CEO) to approve individual change orders up to the total amount of the contingency, with the Engineering Unit Manager and Deputy Operating Officer to approve individual changes up to \$30,000 and \$50,000, respectively.

Contract Change Orders

A total of four (4) contract change orders totaling \$141,074.85 were executed for this contract to address unforeseen site conditions, District-requested changes, post-design clarifications, and credit for deleted items of work and adjustments based on final quantity measurements.

These changes included:

- A. \$25,998 for additional work required to address unforeseen site conditions. This includes work ranging from controlling and preventing groundwater intrusion at AVP Vault 59 for \$7,535 to repairing damaged mortar lining inside AVP discovered during internal inspections for \$18,463.
- B. \$56,810 for additional District-requested changes. This includes work ranging from installation of new flowmeter and piping modifications on AVP at Ross Creek Turnout for \$7,198 to electrical work to supply power to the data acquisition unit for \$37,800.
- C. \$91,757 for additional work required to address post-design clarifications. This includes work ranging from coating STFM appurtenances for \$13,114 to furnishing additional materials (ball valves, air release valves, and gaskets) to complete rehabilitation work on AVP and STFM for

\$49,938.

- D. \$33,490.15 credit for deleted items of work and adjustments based on final quantity measurements.

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

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

	Contract Amount	Contingency Amount
Original Contract	\$2,389,250.00	\$358,000.00
Change Order No. 1 (staff approved)	\$48,891.00	<\$48,891.00>
Change Order No. 2 (staff approved)	\$49,938.00	<\$49,938.00>
Change Order No. 3 (staff approved)	\$27,252.00	<\$27,252.00>
Change Order No. 4 (staff approved)	\$14,993.85	<\$14,993.85>
Final Contract Amount and Remaining Contingency	\$2,530,324.85	\$216,925.15

Acceptance of the Work and Recording Notice of Completion of Contract

The California Civil Code allows an owner or agent to execute a Notice of Completion of Contract after 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 her knowledge, in accordance with the plans and specifications, and recommends acceptance. The Designated Engineer's recommendation of construction acceptance is included in Attachment 2. The Project Completion Letter is included as Attachment 3. Photos of the completed Project are included in Attachment 4. The Project Delivery Process Chart is included in Attachment 5.

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. Interest payment on retention due to the contractor may be avoided by meeting the requisite deadlines.

The District is currently withholding retention funds totaling ten percent (10%) of the contract (\$253,032.49) 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.

Project Expenditures

As indicated in the Summary of Construction Contract and Contingency Amounts (Table 1), the original contract amount of \$2,389,250.00 has been increased by \$141,074.85 to \$2,530,324.85, an increase of approximately 6 percent.

FINANCIAL IMPACT:

Total financial costs were detailed in previous sections of the agenda memorandum. The Project has been completed and no additional funding is recommended.

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 and Acceptance of Work
- Attachment 2: Construction Contract Acceptance
- Attachment 3: Project Completion Letter
- Attachment 4: Construction Summary
- Attachment 5: Project Delivery Process Chart

UNCLASSIFIED MANAGER:

Katherine Oven, 408-630-3126