



Santa Clara Valley Water District

File No.: 20-0443

Agenda Date: 6/23/2020

Item No.: 3.2.

BOARD AGENDA MEMORANDUM

SUBJECT:

Receive and Direct the Clerk to File the Notice of Completion of Contract and Acceptance of Work for the Canoas Creek Rodent Damage Repair Project, Establishment Maintenance Phase - Stage 2, Granite Construction Company, Contractor, Project No. 30114002, Contract No. C0612 (San Jose) (District 6).

RECOMMENDATION:

- A. Accept the work on the Canoas Creek Rodent Damage Repair Project, Establishment Maintenance Phase - Stage 2, Granite Construction Company, Contractor, Project No. 30114002, Contract No. C0612 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 to the Santa Clara County Clerk-Recorder.

SUMMARY:

The Construction Contractor, Granite Construction Company, has completed the Establishment Maintenance Phase (Stage 2) for the Canoas Creek Rodent Damage Repair Project (Project). The construction contract was awarded in the amount of \$5,448,300.00 and the final contract amount through the completion of Stage 2 is \$5,437,253.15. Subject to any withholds required by law or the contract, acceptance of the work by the Board will allow for the release of \$3,110.00 in retention to the contractor.

Project Background

The objective of the Canoas Creek Rodent Damage Repair Project was to repair approximately one mile of damaged creek levee and embankment from Nightingale Drive to Hillsdale Avenue, reduce frequent maintenance costs associated with routine bank erosion repair, and reduce the risk of levee and embankment slope failure due to damage caused from burrowing animals.

The Contractor completed the Project's Construction Phase (Stage 1) in December 2016 and the Board accepted that portion of the contract on June 27, 2017. Stage 2 of the work consisted of maintaining the vegetation installed during Stage 1 for a three-year period, which commenced in December 2016. The Contractor completed Stage 2 in December 2019. Please note that in the June 27, 2017 agenda item, staff inadvertently reported that completion of the Stage 2 work would be completed in June 2020, instead of December 2019. This Board action is only for acceptance of the

Establishment Maintenance Phase (Stage 2).

Previous Board Actions

On February 23, 2016, the Board adopted the plans and specifications and authorized advertisement for bids for the construction of the Project.

On May 10, 2016, the Board awarded the subject contract to Granite Construction Company, in the amount of \$5,448,300.00 and approved a contingency fund of \$544,830. The Board authorized the Chief Executive Officer (CEO) or designee 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.

On June 27, 2017, the Board accepted the Construction Phase (Stage 1) of the contract.

Contract Change Orders

During the previously accepted Construction Phase of the Project, a total of two (2) contract change orders totaling the credit amount of \$23,246.85 were executed for this contract to address various unforeseen site conditions, unknown buried utilities, delay impacts, quantity adjustments, Valley Water requested changes to benefit the Project, and credits to the contract.

During the Establishment Maintenance Phase, one (1) change order was executed which resulted in an increase in the amount of \$12,200.00. This change order was for additional work to repair a storm drain outfall downstream of Hillsdale Avenue.

The final contract amount is \$5,437,253.15 which includes a net total decrease of \$11,046.85 in contract changes, both additive and deductive from Stage 1 and Stage 2 work, within the Board-approved contingency fund.

Table 1 presents a summary of the construction contract.

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

	Contract Amount	Contingency Amount
Original Contract	\$5,448,300.00	\$544,830.00
Change Order No. 1 and 2 (Construction Phase, accepted June 27, 2017) - includes work due to unforeseen site conditions and Valley Water requested changes, and quantity adjustments	<\$23,246.85>	\$0.00
Change Order No. 3 (Staff Approved) - additional repair of a storm drain outfall	\$12,200.00	<\$12,200.00>

Final Contract Amount and Remaining Contingency	\$5,437,253.15	\$532,630.00
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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 the Contract and Acceptance of all 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 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.

Construction Contract Retention

California law requires Valley Water 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.

Valley Water is currently withholding retention funds totaling five percent (5%) of the contract items associated with Stage 2 (\$3,110.00) in accordance with the Public Contract Code. Per the construction contract documents, Valley Water 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.

Recording a Notice of Completion is recommended for the Stage 2 work.

Project Expenditures

As indicated in the Summary of Construction Contract and Contingency Amounts (Table 1), the original contract amount of \$5,448,300.00 has been decreased by \$11,046.85 to \$5,437,253.15, a decrease of approximately 0.20 percent.

FINANCIAL IMPACT:

Total financial costs were detailed in previous sections of the agenda memorandum. 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
Attachment 2: Construction Contract Acceptance
Attachment 3: Project Completion Letter
Attachment 4: Construction Summary
Attachment 5: Project Delivery Process Chart

UNCLASSIFIED MANAGER:
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