



Santa Clara Valley Water District

File No.: 22-0164

Agenda Date: 5/10/2022

Item No.: 3.3.

BOARD AGENDA MEMORANDUM

SUBJECT:

Accept the Work as Complete and Direct the Clerk to File the Notice of Completion of Contract and Acceptance of Work for the Rinconada Water Treatment Plant Interim Site Restoration Project, NTK Construction, Inc., Contractor, Project No. 93294057, Contract No. C0670 (Los Gatos) (District 7).

RECOMMENDATION:

- A. Accept the work on the Rinconada Water Treatment Plant Interim Site Restoration Project, NTK Construction, Inc., Contractor, Project No. 93294057, Contract No. C0670 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 County of Santa Clara Clerk-Recorder.

SUMMARY:

The Rinconada Water Treatment Plant (RWTP) Interim Site Restoration Project (Project) was important to daily plant operations and was not part of Santa Clara Valley Water District's (Valley Water) previous RWTP Reliability Improvement Project (Reliability Project). This new Project scope was collaboratively developed by Valley Water staff in the Capital, Maintenance, and Operations Units.

The successful completion of this Project will support both the current and future RWTP phases of work. Major items of work included paving, grading, drainage, and stabilization of disturbed areas to restore road and slope surfaces which will prevent erosion and sediment transport. The work also included installation of drainage infrastructure and removal of temporary sump pumps, and other miscellaneous mechanical work associated with process pumps and piping.

Project Background

The RWTP was completed in 1967 and is Valley Water's second largest plant. RWTP has the capacity to deliver up to 80 million gallons of water each day to retailers who then supply residential and commercial users. The RWTP draws water from the South Bay Aqueduct, the San Luis Reservoir, as well as the Anderson and Calero Reservoirs.

On May 26, 2015, the Board awarded a construction contract (Contract) to Balfour Beatty Infrastructure, Inc. (BBII) for the Reliability Project to upgrade the plant to improve reliability while meeting stringent standards for water quality, seismic stability, and safety issues. The work was divided into six phases to allow RWTP to remain online throughout construction.

An amendment to the Contract reduced the scope of work, resulting in BBII completing Phases 1 and 2 of the Reliability Project, and eliminating most of Phases 3, 4, 5, and 6. Completion of the remaining phases cannot immediately resume, as to do so will require repackaging of the plans and specifications to reflect the current status of the work. This Project was initiated to address select outstanding items that are important to the daily operations at RWTP.

Previous Board Actions

On April 12, 2021, the Board adopted the plans and specifications and authorized advertisement for bids to construct the Project.

On June 22, 2021, the Board awarded the subject contract to NTK Construction, Inc. in the amount of \$2,271,660 and approved a contingency fund of \$341,000. The Board authorized the Chief Executive Officer (CEO) or designee to approve individual change orders up to the total amount of the contingency.

Contract Change Orders

A total of two (2) contract change orders totaling in a net credit of \$48,797.73 were executed for this contract to address various issues, including unforeseen site conditions, post-design clarifications, Valley Water requested changes, and credits back to the contract for deleted items of work and adjustments to bid items based on final quantity measurements.

These changes included:

- A. \$2,369.11 for additional work required to address unforeseen site conditions, additional work to address post-design clarifications and credit for deleted items of work. This includes the additional work due to unforeseen slurry blocks discovered during excavation; additional curb and gutter work; replacement work for a corroded storm drain pipe; installation of a storm drain pipe by the Wash Water Recovery Facility Warehouse and credit for deletion of pavement and curb work near the Wash Water Recovery Facility.
- B. <\$51,166.84> for additional work required to address post-design clarifications, the cost of which was offset by credits from supplemental bid items and other work removed from the awarded scope. The additional Work included unforeseen utility conflicts, implementation of utility protection details, grading modifications, and credits occurred from removal of slurry seal, removal of Supplemental Bid Items #1-5, removal of Alum Pump work, and removal of Powdered Activated Carbon work.

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

TABLE 1. SUMMARY OF CONSTRUCTION CONTRACT AMOUNTS

	Contract Amount	Contingency Amount
Original Contract	\$2,271,660.00	\$341,000.00
Change Order No. 1 (staff approved)	\$2,369.11	<\$2,369.11>
Change Order No. 2 (staff approved)	<\$51,166.84>	\$0
Final Contract Amount and Remaining Contingency	\$2,222,862.27	\$338,630.89

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 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. The Project Delivery Process Chart is included in Attachment 5.

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 with the County of Santa Clara Clerk-Recorder. 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 (\$111,143.12) 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.

Project Expenditures

As indicated in the Summary of Construction Contract and Contingency Amounts (Table 1), the original contract amount of \$2,271,660.00 has been decreased by \$48,797.73 to \$2,222,862.27, a decrease of approximately 2.1 percent (2.1%).

ENVIRONMENTAL JUSTICE IMPACT:

Valley Water staff was in constant communication with the impacted and surrounding community to

address any Project impacts. There are no Environmental Justice impacts associated with this item.

FINANCIAL IMPACT:

The Rinconada Water Treatment Plant Reliability Improvement Project, Project No. 93294057 is included in the Five-Year 2023-27 Capital Improvement Program (CIP) and in the FY 2022-23 Adopted Budget. The overall total Project cost remains unchanged. The Project is funded by the Water Utility Enterprise Fund (Fund 61) with 100% of the costs allocated to Zone W-2 (North County). 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/Acceptance of Work
Attachment 2: Contract Acceptance
Attachment 3: Project Completion Letter
Attachment 4: Construction Photos
Attachment 5: Project Delivery Process Chart

UNCLASSIFIED MANAGER:

Emmanuel Aryee, 408-630-3074