

Date: November 27, 2007
Committee Meeting Date: N/A
Board Meeting Date: January 3, 2008
ACTION ITEM

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
Board of Directors

THROUGH: Michael T. Burns
General Manager

FROM: Mark S. Robinson
Acting Chief Engineering & Construction Officer

SUBJECT: Construction Contract Amendment
River Oaks Bicycle and Pedestrian Bridge

Policy-Related Action: No Government Code Section 84308 Applies: No

RECOMMENDATION:

Approve the settlement reached with Stevens Creek Quarry, Inc. to resolve the Government Code Claim on the River Oaks Bicycle and Pedestrian Bridge construction contract in the total amount of \$500,486 which includes release of retention in the amount of \$148,486 and additional payment in the amount of \$352,000. Authorize the General Manger to amend the construction contract by \$352,000 for a new contract amount of \$2,142,096. This exceeds the currently approved Board authorized contract authority by \$97,651. Additionally, to fund the settlement and associated administrative costs, authorize a \$250,000 increase in appropriation to the River Oaks Bicycle and Pedestrian Bridge Project in the VTP Highway Program. This appropriation will increase the project budget from \$3,322,000 to \$3,572,000.

BACKGROUND:

The VTP Highway Program includes the River Oaks Bicycle and Pedestrian Bridge Project. The project constructed a 230 foot bicycle and pedestrian pre-fabricated bridge structure over the Guadalupe River, a 400 foot switchback ramp, a stairway, and includes 980 feet of trail. The River Oaks Bicycle and Pedestrian Bridge provides a safe and efficient pedestrian and bicycle connection between the cities of San Jose and Santa Clara across the Guadalupe River and a convenient access to the River Oaks LRT Station and VTA bus service.

At its February 2005 meeting, the VTA Board of Directors awarded the River Oaks Bicycle and Pedestrian Bridge construction to Stevens Creek Quarry (SCQ). At its May 2006 meeting, the VTA Board of Directors approved an increase to the project budget due to delays in the project schedule that impacted construction support costs. As a result of that budget increase, the current project budget is \$3,322,000 with the funding breakdown shown in Table 1 below:

Table 1
Current Funding for the River Oaks Bicycle and Pedestrian Bridge Project

Funding Source	Amount
City of San Jose	\$600,000
City of Santa Clara	\$600,000
Bicycle Expansion Program (1996 Measure B)	\$1,922,000
Bicycle Expansion Program (TFCA)	\$200,000
Total	\$3,322,000

In August 2007, the Contractor filed a Government Code Claim requesting payment of the remaining balance of the construction contract in the amount of \$152,780, plus additional compensation in the amount of \$1,036,372, for a total of \$1,189,152.

DISCUSSION:

Subject to Board approval, settlement negotiations between the parties resulted in a compromise of the claims on both sides. VTA agreed to a time extension of 92 days, including 77 compensable days, as well as additional compensation for inefficiencies and constructive acceleration incurred in the completion of the contract. SCQ agreed to compromise its claim demand and accept \$352,000 for extra work and release of contract retention in the amount of \$148,486, for a total settlement amount of \$500,486.

A \$250,000 increase in appropriation authority is required to close out this project due to construction support costs resulting from late construction completion, claim defense, and staff time spent on contractor negotiations. Staff has identified savings in the Route 152 Improvements Project within the 1996 Measure B Highway Program that can be used to fund this change. Table 2 below shows the proposed funding breakdown:

Table 2
Proposed Funding for the River Oaks Bicycle and Pedestrian Bridge Project

Funding Source	Amount
1996 Measure B Highway Program Savings	\$250,000
City of San Jose	\$600,000
City of Santa Clara	\$600,000
Bicycle Expansion Program (1996 Measure B)	\$1,922,000
Bicycle Expansion Program (TFCA)	\$200,000
Total	\$3,572,000

ALTERNATIVES:

There are no practical alternatives to the recommended action.

FISCAL IMPACT:

This action increases the VTP Highway Program appropriation by \$250,000. This additional appropriation will be funded from savings to the Route 152 Improvements Project in the 1996 Measure B Highway Program.

Operating Budget Impact: No increase in operating costs is associated with the requested action.

SMALL BUSINESS ENTERPRISE (SBE) PARTICIPATION:

Based on the limited scope of work and subcontracting opportunities, no specific SBE goal was established for this contract. Staff is awaiting the final SBE report from the Contractor.