

Recording Requested by and
When Recorded Mail to:

***16**

City of Milpitas
455 East Calaveras Boulevard
Milpitas, CA 95035
Attention: Office of the City Clerk

Record without fee under
Section 6103 - Government Code
State of California

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS APPROVING INITIAL ACCEPTANCE AND REDUCING PERFORMANCE BOND OF SOUTH MILPITAS BOULEVARD WATERLINE REPLACEMENT AND LOS COCHES VALVE REPLACEMENT, PROJECT NO. 7098

WHEREAS, the City of Milpitas has heretofore entered into a contract with Preston Pipelines, Inc., for the subject project, and the City Engineer of the City of Milpitas has recommended acceptance of said improvement as completed in accordance with plans, specifications and approved change orders and correction lists, and in accordance with the final inspection of said City Engineer.

NOW, THEREFORE, the City Council hereby finds, determines, and resolves as follows:

1. The City Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
2. Milpitas does hereby accept said improvement as completed on this 7TH day of August 2012, and does hereby authorize and direct the City Engineer of the City of Milpitas to file a Notice of Completion in accordance with the provisions of Section 3093 of the Civil Code of the State of California, and does hereby authorize and direct the City Engineer to file a Certificate of Completion in accordance with the provisions of Section 4005 of the Government Code of the State of California, if said work was by day's labor or force account. The penal sum of the faithful performance bond securing said improvement may be reduced to the sum of \$267,294.64 upon request of principal and surety, said penal sum as reduced to apply from the date of completion and acceptance of said improvements and to extend for the balance of the term of said bond, provided that said term shall not be less than one year.

PASSED AND ADOPTED this 7th day of August, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Mary Lavelle, City Clerk

Jose S. Esteves, Mayor

APPROVED AS TO FORM:

Michael J. Ogaz, City Attorney

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CITY OF MILPITAS

NOTICE OF COMPLETION
(Civil Code Section 3093)

NOTICE IS HEREBY GIVEN:

1. On or about May 17, 2011, the City of Milpitas, a municipal corporation of the State of California, whose address is City Hall, 455 East Calaveras Boulevard, Milpitas, California, 95035 (as owner) entered into a contract for work of: **South Milpitas Boulevard Water Line Replacement and Los Coches Valve Replacement, Project 7098.**
2. A description of the site of which the City is owner for said work of improvement is: **South Milpitas Boulevard, between East Calaveras Boulevard and Yosemite Drive, in City of Milpitas, Santa Clara County, California.**
3. The nature and interest or estate of the City as owner of said site is: **City of Milpitas.**
4. The name and address of the original contractor is: **Preston Pipelines, Inc., 133 Bothelo Avenue, Milpitas, California, 95035.**
5. A general statement of the kind of work done or materials furnished to the City is as follows: **Replacement of approximately 4,800 lineal feet of 16-inch diameter water main along South Milpitas Boulevard, between East Calaveras Boulevard and Yosemite Drive**
6. The name of the sureties upon the bond of the Contractor for said work of improvement is: **Safeco Insurance Company of America, 1001 4th Avenue, Suite 1700, Seattle, WA, 98154, Bond# 6635062.**
7. Said work of improvement was accepted by the Milpitas City Council as completed on August 7, 2012.

I, the undersigned, declare that I am the City Engineer of the City of Milpitas and am authorized to execute the foregoing Notice of Completion and this Verification thereof. I have read the foregoing Notice of Completion. I declare under penalty of perjury that the foregoing Notice of Completion is true and correct. Executed on _____ at Milpitas, California.

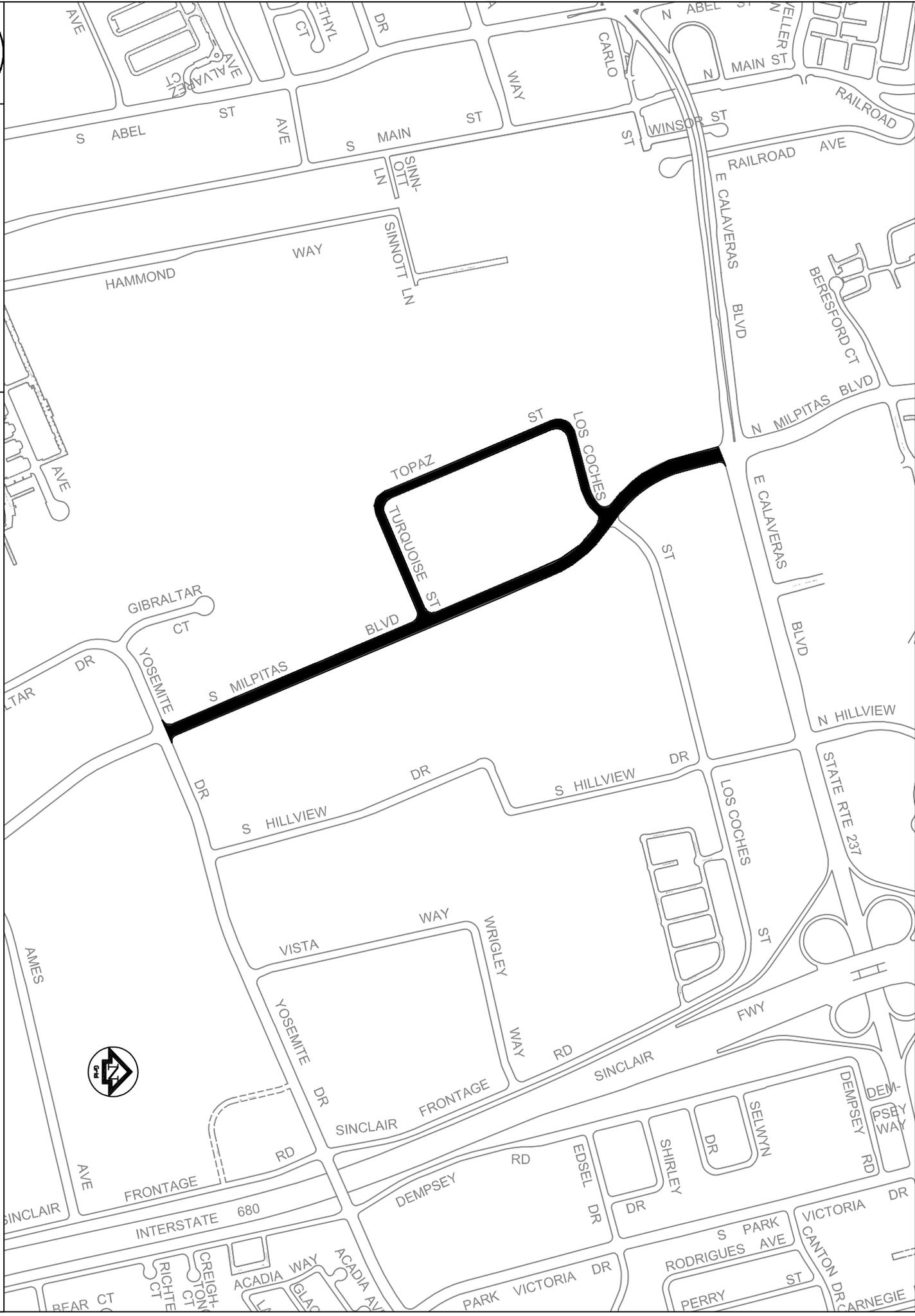
Kathleen Phelan, Acting PW/Director/City Engineer
City of Milpitas

NOTE: RECORD WITHIN 10 DAYS OF ACCEPTANCE WITH COUNTY RECORDER OF SANTA CLARA COUNTY



LOCATION MAP

SOUTH MILPITAS BOULEVARD WATER LINE REPLACEMENT
AND LOS COCHES VALVE REPLACEMENT
PROJECT NO. 7098



City of Milpitas, California

BUDGET CHANGE FORM

Type of Change	From		To	
	Account	Amount	Account	Amount
Check one: <input checked="" type="checkbox"/> Budget Appropriation <input type="checkbox"/> Budget Transfer	400-2970 401-951709815- 3899	\$ 125,000 125,000	400-3999 401-95170987- 4800	\$ 125,000 125,000

Explain the reason for the budget change:

Background: On May 17, 2011 the City Council authorized the City Manager to award and execute a construction contract to Preston Pipelines for construction of the South Milpitas Boulevard Water Line Replacement and Los Coaches Valve Replacement, Project No. 7098. The project provided for the replacement and seismic enhancement of over 4,000 linear feet of aging and fragile water line. The replacement work was completed at night within South Milpitas Boulevard from East Calaveras Boulevard to Yosemite Drive, and included work along the Los Coches loop.

Construction of this project was extremely difficult due to the depth of the trench work and the number of unknown buried utilities, concrete obstructions, and poor soil conditions encountered. These conditions required several alignment changes and adjustment which affected the contractor's progress, and required additional materials and equipment to complete the work. Now that construction has been completed, staff recommends the approval of a balancing change order to compensate the contractor for the additional work required to complete the project. Staff has negotiated a not to exceed amount for the final change order of \$110,000. The approval of a budget appropriation from the Water Fund in the amount of \$125,000 is required to cover the cost of this balancing change order and to close out the project.

Staff also recommends the City Council adopt a resolution granting initial acceptance of the project, and authorize the reduction of the contractor's faithful performance bond to \$267,294.64, which is 10% of the final contract value.

Fiscal Impact: Approve a \$125,000 budget appropriation from the Water Fund into the project.

Check if City Council Approval required.

Meeting Date: August 7, 2012

Requested by:	Department Head:	Date:
Reviewed by:	Finance Director: <i>M. C. K...</i>	Date: 7/31/12
Approved by:	City Manager:	Date:

Date approved by City Council, if required:

Confirmed by: