

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 4/23/2013	(3) CONTACT/PHONE Tiburcio Perez, Resident Engineer (805) 781-5138	
(4) SUBJECT Submittal of a resolution authorizing execution of notice of completion for the Maria Vista Estates – Phase 3 Improvements, Nipomo, and authorize a budget adjustment in the amount of \$721,844. District 4.			
(5) RECOMMENDED ACTION It is our recommendation that your Honorable Board: <ol style="list-style-type: none"> 1. Adopt the attached resolution, which authorizes the execution of a notice of completion and acceptance of construction of Maria Vista Estates – Phase 3 Improvements, Contract No. 300435; and 2. Authorize a budget adjustment, by a 4/5th's vote, in the amount of \$721,844 to transfer the remaining settlement proceeds into the Road Fund designated for the ongoing maintenance of public improvements associated with the sub-division (Tracts 1802 and 1856). 			
(6) FUNDING SOURCE(S) Performance Bond Proceeds	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: 1213113 <input checked="" type="checkbox"/> 4/5th's Vote Required <input type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: 9/18/12, #11; 7/17/12, #1; 4/27/10, A5	
(17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i>			
(18) SUPERVISOR DISTRICT(S) District 4 -			

Reference: 13APR23-C-2

County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works
Tiburcio Perez, Resident Engineer
Glenn Marshall, Project Manager

VIA: Dave Flynn, Deputy Director of Public Works

DATE: 4/23/2013

SUBJECT: Submittal of a resolution authorizing execution of notice of completion for the Maria Vista Estates – Phase 3 Improvements, Nipomo, and authorize a budget adjustment in the amount of \$721,844. District 4.

RECOMMENDATION

It is our recommendation that your Honorable Board:

1. Adopt the attached resolution, which authorizes the execution of a notice of completion and acceptance of construction of Maria Vista Estates – Phase 3 Improvements, Contract No. 300435; and
2. Authorize a budget adjustment, by a 4/5th's vote, in the amount of \$721,844 to transfer the remaining settlement proceeds into the Road Fund designated for the ongoing maintenance of public improvements associated with the sub-division (Tracts 1802 and 1856).

DISCUSSION

The Maria Vista Estates residential cluster subdivision (Tracts 1802 and 1856), located south of the Community of Nipomo had defaulted on the completion of improvements as conditioned with the approval of their Tentative Maps. In a performance bond claim settlement budget adjustment, approved by your Board on April 27, 2010, settlement proceeds became available to complete the remaining subdivision public improvements to the satisfaction of the County. The project improvements associated with this contract are the last of a three phased construction schedule.

The first phase of work was comprised of offsite improvements including the reconstruction of the Hutton Road southbound right turn lane at Vista del Rio and drainage improvements at this same intersection. Your Board executed a Notice of Completion for Phase 1 improvements on June 21, 2011 (Resolution No. 2011-182).

The second phase of work was comprised of onsite drainage improvements including minor grading for basin slope repair, basin fencing and other drainage improvements. Your Board executed a Notice of Completion for Phase 2 work on April 5, 2011 (Resolution No. 2011-100).

This third phase of work was approved for bid opening by your Board on July 17, 2012, and included reconstruction of a failed portion of Vista del Rio, the main access road to the subdivision; installation of subdivision sidewalks, driveway aprons, curb ramps; onsite roadway pavement repairs due to incomplete utility trenching; completion of electrical conduits; and completion of sanitary sewer improvements.

Although all work associated with this third phase of construction is substantially complete, staff anticipates future funding will be necessary for the following projects:

1. Boring under Vista del Sol to replace existing PG&E conduit – The Phase 3 contractor chose not to bid on this change order work. The work must be completed prior to the county accepting the roads.
2. Chip sealing all subdivision roads – It is assumed that construction traffic associated with development of the 38 vacant residential parcels will prematurely deteriorate the pavement.
3. Ongoing maintenance and other public improvement repairs – There were a number of construction quality issues associated with the developer’s public improvement construction that were corrected with the County’s Phase 1 through 3 work. It is assumed additional deficiencies may be uncovered over the next few years.

Because of these above issues staff is recommending that the remaining funds associated with performance bond claim settlement be allocated into the County’s Road Fund and designated for future maintenance of the subdivision public improvements.

By taking the recommended actions, your Board will cause the legal Notice of Completion for this construction contract to be recorded, and start the period of time during which liens can be filed by subcontractors against the prime contractor. Your Board will also be designating the remaining bond claim settlement funds as a part of the Road Fund for future maintenance including chip sealing upon completion of all residential construction.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel negotiated the performance bond claim settlement which secured funding for completing this Project.

FINANCIAL CONSIDERATIONS

Funding for all three phases has come from the performance bond settlement proceeds as approved by your Board on April 27, 2010. Settlement funds not expended or committed to date total \$721,844. Staff is recommending that your Board allocate the remaining settlement funds into the County’s Road Fund to be specifically designated for ongoing maintenance of public improvements associated with the subdivision.

Please see Exhibit "A" for an estimated cost breakdown of the project.

RESULTS

The result of the recommended actions will be the acceptance of the Notice of Completion of this project, which provided for the required completion of improvements in accordance with the subdivision conditions of approval; designating the remaining funds to ensure ongoing maintenance of the public improvements within the subdivision; and your determination on appropriating performance bond proceeds for projects where the developer had defaulted on their obligations to complete the improvements, thus promoting a well-governed, safer and more livable community.

c: Dave O'Halloran, Construction Engineer

File: Contract No. 300435

Reference: 13APR23-C-2

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ATTACHMENTS

1. Vicinity Map
2. Exhibit A - Project Cost Estimates
3. Resolution Authorizing Execution Notice of Completion and Acceptance
4. Notice of Completion and Acceptance