



Legislation Text

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Department of Transportation recommending the Board consider the following:

- 1) Authorize the Chair to sign the Notice of Acceptance with Upper Hudson National Insurance Company, the Surety, for the Ice House Road Bridges - Maintenance Project, CIP No. 77121; and
- 2) Authorize the Clerk of the Board to release the Payment and Performance Bonds to the Surety upon notification from the Department after the one-year guarantee period.

FUNDING: This Project was funded by the Highway Bridge Program and the El Dorado-Sacramento Municipal Utility District Cooperation Agreement Fund (Index 8803311). The requested Board action has no associated fiscal impact.

Reason for Recommendation

The Contract for the Ice House Road Bridges - Maintenance Project (Project) was awarded by the Board to Victory Engineers, Inc. (VEI) on August 9, 2011. Construction started on September 26, 2011. VEI went out of business during construction of the Project. As a result, the Performance Bond Surety, Upper Hudson National Insurance Company took over for VEI to complete the construction of the Project. Construction was completed on August 25, 2012.

Board execution and subsequent recordation of the Notice of Acceptance will allow the Department of Transportation (Department) to issue the proposed final estimate to the Surety, which begins the Project closeout phase. Recordation of the Notice of Acceptance will start legal time frames for guarantees, a lien period, and return of retention monies. Recordation of the Notice of Acceptance will start the one-year time frame for releasing the Payment and Performance Bonds to the Surety.

The budget for direct construction costs for this Project, as reflected in the Department's 2011 Capital Improvement Program, was \$800,000.00. The total estimated direct construction costs of this Project are listed below:

Original Bid Price.....	\$ 351,350.00
Estimated Construction Contract Item Cost.....	\$ 361,417.73
Estimated Contract Change Orders.....	\$ 5,000.00
Estimated Final Cost of Construction Contract	\$ 366,417.73

The final costs listed above are estimates. The Department will be closing out the Project with the Surety and finalizing costs over the coming weeks. Any significant deviations from the estimates above that exceed the Department's allocated authority will be brought back for Board review and approval in a subsequent agenda item.

Action(s) to be taken following Board approval

1. The Chair will sign the Notice of Acceptance.
2. The Clerk of the Board will send the Notice of Acceptance to the Recorder-Clerk's Office for

recording within ten (10) days and forward a copy of the recorded Notice of Acceptance to the Department.

3. One year after the recording of the Notice of Acceptance, the Department will verify that all warranty work, if any, has been satisfactorily completed and will notify the Clerk of the Board in writing to release the Bonds.

Contact

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