City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:

Matthew J. Fertal

From:

Keith G. Jones

Dept:

General Manager

Dept:

Public Works

Subject:

RECOMMENDATION TO ACCEPT

Date:

April 27, 2010

PROJECT AS COMPLETE FOR

PROJECT NO. 7809 - THUNDERBIRD MOBILE HOME PARK SEWERS AND

PARTRIDGE LIFT STATION

OBJECTIVE

To receive Garden Grove Sanitary District Board of Directors acceptance of the Thunderbird Mobile Home Park sewers and Partridge sewer lift station project as complete.

BACKGROUND

On September 23, 2008, the Garden Grove Sanitary District Board of Directors awarded a contract to EMAE International, Inc., of Santa Fe Springs for the construction of subject project with a bid of \$908,395. This project constructed a new 8-inch sewer in the Thunderbird Mobile Home Park and a new lift station located on the east side of Partridge Street cul-de-sac. EMAE also constructed a new 4-inch PVC force main from the pump station to an existing gravity sewer in Garden Grove Boulevard to complete the system.

DISCUSSION

The contractor, EMAE International Inc., completed the improvements in accordance with the plans, specifications, and other contract documents. The contractor disputes issues such as compensation and schedule. The final contract amount was \$1,021,978.

On February 26, 2010, EMAE submitted a government code claim to the City Clerk in the amount of \$750,000. At the direction of the City Attorney, Risk Management took no action on the government code claim submitted by EMAE and returned the claim as untimely to the claimant. In a number of efforts, the contractor and staff met to resolve differences between the District and EMAE, but were ultimately unsuccessful. After negotiations failed to meet EMAE's satisfaction, EMAE submitted a notice from an attorney, Y. John Ibrahim, stating that they "will be filing a complaint in court against the City of Garden Grove" in the amount of \$975,000.

Recommendation to Accept Project As Complete Project No. 7809, Thunderbird Mobile Home Park Sewers And Partridge Lift Station April 27, 2010 Page 2

FINANCIAL IMPACTS

The subject project is funded by sewer capital fund 631. Liquidated damages will be assessed for 202 days of delay in project completion. The project financial status is as follows:

Original Contract = \$ 908,395.00
 Total Change Order (#s 1,2,& 3) = \$ 113,583.00
 Final Contract Price = \$1,021,978.00

• Liquidated Damages of 202 days = \$ 202,000.00

The District will invoice EMAE for the sum of \$202,000 for liquidated damages.

RECOMMENDATION:

It is recommended that the Garden Grove Sanitary District Board of Directors:

- Accept the project as complete and authorize the General Manager to execute the Notice of Completion of Public Works Improvement and Work;
- Authorize the Finance Director to release the 10% retention when appropriate to do so.

Recommended for Approval

Matthew Fertal

General Manager

KEITH G. JONES Public Works Director

By: Digna de los Reyes Project Engineer

Attachment: Notice of Completion

h:\digna\7809 C C Project Acceptance EMAE

WHEN RECORDED MAIL TO:

CITY CLERK CITY OF GARDEN GROVE P. O. BOX 3070 GARDEN GROVE, CA 92842

NOTICE OF COMPLETION OF PUBLIC IMPROVEMENT AND WORK

NOTICE IS HEREBY GIVEN that the Garden Grove Sanitary District, Orange County, California, has caused a public improvement, to wit:

PROJECT NO. 7809 <u>THUNDERBIRD MOBILE HOME PARK SEWERS</u> AND PARTRIDGE STREET LIFT STATION PROJECT

to be constructed upon the property hereinafter described. The contract for furnishing of all plant, labor, services, materials, and equipment, and all utilities and transportation, including power, fuel, and water, and performing all work necessary to construct and complete, in a good and workmanlike manner in strict accordance with the specifications, plans, and drawings therefore on file in the office of the Secretary of the Garden Grove Sanitary District, for the construction, installation, and completion of the above-described public improvement and work, was heretofore made and entered into with

EMAE INTERNATIONAL, INC.

on the 23rd day of September, 2008, and filed for record in the office of the Secretary of the Garden Grove Sanitary District; that the work upon said public improvement has been completed, and that the Public Works Director has notified the Board of Directors that he has made and completed a final inspection of the materials furnished and installed and the work performed in the construction, installation, and completion of said public improvement hereinabove more particularly described and set forth, and has certified in writing to the Board of Directors that all the provisions of the contract and contract documents for the furnishing of all plant, labor, services, materials, and equipment, and the performing of all work necessary for the construction, installation, and completion of said public improvement above described have been fully complied with to his satisfaction as required by the contract document; that final acceptance of the construction, installation, and completion of said public improvement above described was made on the 27th day of April, 2010; that the nature of the title to said property of said Garden Grove Sanitary District is as follows: That is to say, it owns said public improvement in fee except the right-of-way upon which it is constructed, and that it owns an easement upon, over, and along said right-of-way for the purpose of the construction, installation, and completion of said public improvement hereinabove referred to and on which said public improvement is situated is described as follows, to wit:

PROJECT NO. 7809

THUNDERBIRD MOBILE HOME PARK SEWERS
AND PARTRIDGE STREET LIFT STATION PROJECT

NAME OF SURETY on Labor and Material Bond is: VIGILANT INSURANCE COMPANY 555 S. Flower, 3rd Floor Los Angeles, CA 90071 Tel No. (213) 612-5574

	DATED this day of
	CITY OF GARDEN GROVE
	By:General Manager of the Garden Grove
	Sanitary District
ATTEST:	
Secretary of the Garden Grove Sanitar	y District
STATE OF CALIFORNIA COUNTY OF ORANGE	
I am the Public Works Director of the City of Garden Grove.	
I have read the foregoing Notice of Completion of Public Improvement and Work, and know the contents thereof; and I certify that the same is true of my own knowledge, except as to those matters, which are therein stated upon my information or belief, and as to those matters I believe to be true.	
I certify (or declare), under penalty of perjury, that the foregoing is true and correct.	
Executed on a	at Garden Grove, California.
W	Keith G. Jones Public Works Director