



Agenda Date: 11/1/2017

Agenda Placement: 7F

## Napa Sanitation District Board Agenda Letter

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**TO:** Honorable Board of Directors

**FROM:** Timothy Healy - General Manager  
NS-Technical Services/Engineer

**REPORT BY:** Andrew Damron, Technical Services Director - 707-258-6000

**SUBJECT:** Authorize Increase of Change Order Signing Authority of the General Manager for the Earthquake Repairs Project (CIP 18727)

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### **RECOMMENDATION**

Authorize an increase of change order signing authority for the General Manager from \$36,494.50 (10% of original contract) to a maximum of \$72,989 (20% of original contract) for the Earthquake Repairs Project (CIP 18727) for a potential total approved contract amount of \$437,934.

### **EXECUTIVE SUMMARY**

A portion of the contracted work includes sealing concrete cracks in the digester tower by epoxy injection. The construction contract includes 950 feet of crack sealing. After award of the contract and during site review by the design structural engineer and construction manager, the cracks were measured to be approximately 1,450 feet. It is recommended by the project's structural engineer to seal all the concrete cracks. Sealing the concrete cracks protects the reinforced concrete and maintains the structural integrity of the tower.

The construction contract was awarded to the contractor by the NapaSan Board on September 6, 2017 in the amount of \$364,945. Per NapaSan procurement rules, the General Manager can approve contract change orders up to 10% of the original contract amount. The additional crack sealing costs exceed the authorized change order amount of \$36,494.50 (10% of original contract).

Staff is requesting that the Board authorize the General Manager to approve up to a maximum of \$72,989 (20% of original contract) in change orders for the earthquake project. This amount would cover the proposed crack sealing change order and other potential change orders.

**FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	The Federal Government (FEMA) and the State (California Office of Emergency Services - Cal OES) will reimburse NapaSan for 93.75% of qualifying project costs. The remaining 6.25% of costs will come from NapaSan funds. The project is budgeted in the 2017/18 Capital Improvement Program.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The current potential contract change order will exceed the General Manager's current approval authority. The General Manager cannot approve change orders above the signing authority without Board authorization.
Is the general fund affected?	Yes
Future fiscal impact:	None.
Consequences if not approved:	The General Manager would be unable to approve change orders in excess of 10% of the original contract amount that may be required for the construction of the project. The additional cracks caused by the earthquake will not be repaired. NapaSan treatment facilities may further degrade over time due to exposure to the elements. In addition, project costs will no longer be reimbursed by the Federal Government or the State if project completion deadlines by FEMA and Cal OES are not met.

Additional Information:

**ENVIRONMENTAL IMPACT**

None.

**BACKGROUND AND DISCUSSION**

None.

**SUPPORTING DOCUMENTS**

None

Napa Sanitation District: Approve

Reviewed By: Timothy Healy