



Agenda Date: 2/28/2018

Agenda Placement: 7F

Napa Sanitation District Board Agenda Letter

TO: Honorable Board of Directors

FROM: Andrew Damron for Timothy Healy - General Manager
NS-Technical Services/Engineer

REPORT BY: Matthew Lemmon, Senior Civil Engineer - 707-258-6004

SUBJECT: Authorize Increase of Change Order Signing Authority of the General Manager for the Recycled Water Reservoir Improvements Project (CIP 16716)

RECOMMENDATION

Authorize an increase of change order signing authority for the General Manager from \$146,500 (10% of original contract) to a maximum of \$293,000 (20% of original contract) for the Recycled Water Reservoir Improvements Project (CIP 16716) for a potential total approved contract amount of \$1,758,000.

EXECUTIVE SUMMARY

The Recycled Water Reservoir Improvements Project involves removing the existing reservoir covers and installing new synthetic reservoir liners in each of the two recycled water reservoirs located next to the Soscol Recycled Water Pump Station. The existing reservoir covers were installed in 2008 and the conditions below the covers had not been inspected since 2008 due to difficulty of access and the impacts to the recycled water customers during system shutdowns. For these reasons, it was not feasible to remove the existing reservoir covers to inspect the conditions during design of the project. The bid documents assumed that the existing concrete and weep holes located below the covers were functioning properly. The plans directed the contractor to terminate the new reservoir liner around the existing weep holes, leaving bare concrete exposed between the liner and the weep holes.

During construction, the existing covers were removed and it was discovered that the existing concrete and weep holes were in need of repair. The repairs were necessary to meet the goals of the project. NapaSan staff directed the contractor to install a welded HDPE pipe penetration boot and a new check valve on each weep hole. The HDPE boot is welded to the new reservoir liner and is covered by the contractor's warranty.

The construction team also encountered unsuitable material that was in excess of what the bid documents anticipated. The unsuitable material presented a change in conditions and construction could not proceed until the unsuitable material was removed. NapaSan staff directed the contractor to remove the material on a time &

materials basis.

A contract change order was issued in February 2018 in the amount of \$95,159 (6.5% of the contract) to address the majority of these unforeseen conditions that were encountered in the east reservoir. The contractor is now beginning to conduct work in the west reservoir and the construction manager expects to encounter similar conditions, which will result in change order costs that are similar to the east reservoir. It is for this reason that Staff is requesting an increase in the General Manager's change order signing authority from 10% to 20% of the original contract amount.

Project costs are eligible for 50 percent reimbursement through a funding agreement that NapaSan secured with the Clean Water State Revolving Fund Green Project Reserve.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	\$1.969 million is budgeted for the project in the FY 17/18 Capital Improvement Plan budget. There is sufficient budget in the approved capital plan to cover additional project costs.
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 will be required for the completion of the project.
Additional Information:	

ENVIRONMENTAL IMPACT

None.

BACKGROUND AND DISCUSSION

None.

SUPPORTING DOCUMENTS

None

Napa Sanitation District: Approve

Reviewed By: Andrew Damron