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# NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO:	Board of Supervisors
FROM:	Steven Lederer - Director of Public Works Public Works
<b>REPORT BY:</b>	Zandra Massari, Engineering Aide - 253-4352
SUBJECT:	Approval of Contract Changes and Budget Transfer - Napa County Jail Kitchen Improvement Project PW 13-05

# RECOMMENDATION

Director of Public Works requests the following actions related to the "Napa County Jail Kitchen Improvement Project" PW 13-05:

- Approval of a Contract Change Order to the "Napa County Jail Kitchen Improvement Project" PW 13-05 construction contract with Pullman Construction Inc., for a maximum not to exceed amount of \$60,000 for additional wall replacement and authorization for the Director of Public Works to sign the change order to respond to unexpected circumstances during construction, in accordance with Public Contract Code Section 20136(c) for an amount beyond 25% of the contract amount (2/3 vote required)
- Approval of Budget Transfer No. DPW003 reducing contingencies by \$98,995 and increasing appropriations by \$60,000 in the Capital Improvement Division Program 13003 with offsetting revenues from General Expenditures. (4/5 vote required)

# EXECUTIVE SUMMARY

On June 7, 2013 the Director of Public Works awarded the contract "Napa County Jail Kitchen Improvement Project" PW 13-05 to Pullman Construction, Inc. of Middletown, California in the amount of \$99,000. During the course of the work, significant damage to the wall and interior structure was identified once the wall was opened up for construction. A Construction Change Order in excess of the 25% allowed is requested for additional work items required, with this change order not to exceed \$60,000. This change order will be in addition to the existing change order authority. Also requested is authorization of a budget transfer to fund the additional work and staff time necessary.

## FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Capital Improvement Program budget - Fund 3000, Subdivision 30005-02, Program 13003
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	A change order was required due to water damage internal to the walls in the jail kitchen.
Is the general fund affected?	Yes
Future fiscal impact:	No future fiscal impact, project will be completed during Fiscal Year 13-14.
Consequences if not approved:	Required approval of the changes will not be obtained, and the water damage will not be repaired.
Additional Information:	The Jail Kitchen remodel project began in FY 12-13 with total appropriations of \$134,000 with offsetting revenue from the General Expenditures fund. Due to water intrusion in the interior walls, it is now necessary to add additional funds bringing the total cost of the project to \$214,000. In FY 12-13 expenses totaled \$20,000 leaving a balance of \$194,000 for FY 13-14. The FY 13-14 budget currently has appropriations of \$134,000 thus requiring the additional \$60,000.
	In FY 12-13 revenue was budgeted in the amount of \$134,000 and \$95,005 in revenue from General Expenditures was moved to Program 13003 leaving a balance for FY 13-14 in the amount of \$38,995. The additional \$60,000 from the General Expenditure budget is necessary to complete the project. Revenue was not budgeted in FY 13-14 as it was anticipated to all be collected in FY 12-13. It is now necessary to reduce the Contingencies budget by \$98,995 and appropriate the funds in the General Expenditure budget to offset the FY 12-13 rollover and newly needed funds.

### ENVIRONMENTAL IMPACT

**ENVIRONMENTAL DETERMINATION:** The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable..

### BACKGROUND AND DISCUSSION

On June 7, 2013 the Director of Public Works awarded the contract "Napa County Jail Kitchen Improvement Project" PW 13-05 to Pullman Construction, Inc. of Middletown, California in the amount of \$99,000. As construction of the kitchen project progressed, the need for additional work to adequately complete construction was identified. The additional work consisted of making repairs to deteriorating walls damaged by water intrusion. It was critical for work to proceed immediately due to the potential impacts on operation of the facility which provides meals to the

residents.

Although the contract was awarded by the Director of Public Works under authority of the Uniform Public Construction Cost Accounting Act, all Public Contract Code requirements applicable to contracts awarded by the Board apply. Public Contract Code Section 20136 requires that "Whenever the Board enters into a contract for the erection, construction, alteration, or repair of any public building or other structure, the contract shall not be altered or changed in any manner, except:

(a) As provided in Section 20142

(b) As provided for in the contract itself, or specifications

(c) By order adopted by a vote of two-thirds of the board, and the consent of the contractor."

Subsections a. and b. of Public Contract Code Section 20136 and the Caltrans Standard Specifications limit changes to 10% for individual change orders and 25% for aggregate change orders. The amount for the proposed changes represents more than the 25% allowed aggregate.

Staff is recommending implementation of the provision in subsection c. which allows the Board of Supervisors to authorize contract changes exceeding 25%, and approval of the Budget Transfer to fund the necessary change order.

### SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve Reviewed By: Molly Rattigan