



Agenda Date: 9/2/2020  
Agenda Placement: 8B

## 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:** Karl Ono, Associate Engineer - (707) 258-6013

**SUBJECT:** Authorize Increase of Change Order Signing Authority of the General Manager for the Primary Clarifier and DAF Clarifier Rehabilitation Project (CIP 16712)

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### **RECOMMENDATION**

Authorize an increase of change order signing authority for the General Manager from \$296,480 (31% of original contract) to a maximum of \$503,776 (52% of original contract) for the Primary Clarifier and DAF Clarifier Rehabilitation Project (CIP 16712) for a potential total approved contract amount of \$1,472,576.

### **EXECUTIVE SUMMARY**

Construction of the Primary Clarifier and DAF Clarifier Rehabilitation Project (CIP 16712) is currently in progress. On July 15, 2020, the Board authorized an increase to the General Manager's change order signing authority from 10% to 31% to execute a change order with Farr Construction Corporation to replace scum baffles and support brackets that were found to be in a severely deteriorated condition. This change order was expedited because the replacement parts had a long lead-time and needed to be ordered immediately so installation could occur prior to the rainy season.

After the first change order was executed, Farr Construction Corporation continued to sandblast the accumulated material from the mechanical and structural components within the primary clarifier. During the subsequent cleaning, the project inspector identified additional components that need to be replaced. The additional components consist of the scum box and the bridge supports in both of the primary clarifiers, which must be replaced as part of the project.

Condition assessments of the primary clarifiers were performed in 2015 by V&A consulting engineers and in 2018 by HDR as part of the preliminary design effort. The scum box and bridge supports, along with the scum baffles and support brackets, were not identified in either of the two condition assessment reports. HDR's condition assessment team claims that they were not able to assess the condition of these components due to the

accumulated deposits. The true condition of these components could not be determined until the contractor began to sandblast.

NapaSan has negotiated a price with Farr Construction to repair the scum box and bridge supports in both of the primary clarifiers. The total change order price is \$205,891 for these items. NapaSan requested that the design engineer and the construction manager compare the quote to similar projects they have experienced. Both parties confirmed that the price is competitive and within the range they expected. NapaSan staff believes that this work needs to be done during the current dry season and if it is delayed then the costs are likely to increase and the level of risk will increase.

The change order to perform the scum box and bridge support repairs will increase the total project change order amount to approximately 42% of the original contract price of \$968,800. Staff is requesting that the Board authorize an increase to the General Manager's change order signing authority to approve this change order, plus an additional 10% of the original contract amount for potential future change orders. Without the additional 10% signing authority, NapaSan's process to approve change orders could delay construction progress. The resulting total maximum contract amount for the project would be \$1,472,576, which is 52% greater than the original contract amount.

### **FISCAL & STRATEGIC PLAN IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	The project is budgeted in the Capital Improvement Program. However, there is currently not enough budget in the project to fund the proposed change order so NapaSan will perform a budget transfer to utilize savings from other projects.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	<p>The proposed contract change order exceeds the General Manager's current signing authority and exceeds the current project budget of \$1,666,300. The total project budget includes construction costs and soft costs such as engineering, inspection, and construction management. The General Manager cannot approve change orders above the signing authority without Board authorization.</p> <p>Due to the low bid coming in well below the engineer's estimate, there was enough project budget available to cover the previous change orders which resulted in a maximum construction contract of \$1,265,280 and a maximum project cost of \$1,497,890. However, there are currently not enough funds in the project budget to cover the proposed change order but there are enough funds in the capital improvement program to cover these costs. The proposed change order will result in a maximum construction contract amount of \$1,472,576 and a total project cost of \$1,802,066. NapaSan can perform a budget transfer of approximately \$140,000 to allocate additional funds to this project.</p> <p>Other projects in the capital program have progressed and their</p>

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	scopes are defined, so staff is comfortable with the amount of savings currently available from other projects. Those savings will be used to perform the required budget transfer to fix the components on this project that are in immediate need of repair.
Is the general fund affected?	Yes
Future fiscal impact:	If additional funds are needed to cover future change orders then savings will be used from other projects or other projects will be re-prioritized.
Consequences if not approved:	The primary clarifier scum box and bridge support replacements will be delayed until at least Spring 2021 and would be replaced as part of a future project. The delay may prevent the project from being completed and will cause this critical infrastructure to operate at an increased risk during the rainy season.
Additional Information:	None.

**ENVIRONMENTAL IMPACT**

None.

**BACKGROUND AND DISCUSSION**

The primary clarifiers were converted to their current use in 1998 as part of the Phase II Soscol Water Recycling Facility Upgrade Project. The structures were originally constructed as flocculating clarifiers in 1977. The primary clarifiers receive wastewater from the headworks that has been screened and aerated to remove large solids and grit. The primary clarifiers allow suspended solids to settle and collect as sludge, which is then conveyed to the digester, treated, thickened, dewatered, and land-applied for disposal. Wastewater passing through the primary clarifiers continues through the treatment process.

Equipment and coatings in the primary clarifiers have been in service for approximately 20 years and are subject to a corrosive environment typical of the wastewater treatment process. Protective coatings have reached the end of their useful life, which has led to visible deterioration of some components. A condition assessment revealed that some mechanical components were in need of repair or replacement and recommended that protective coatings throughout the clarifier be replaced to prevent further deterioration.

**SUPPORTING DOCUMENTS**

A . NapaSan Code Section 2.03.030

Napa Sanitation District: Approve

Reviewed By: Timothy Healy