



April 9, 2021

TO: Board of Directors

**SUBJECT: April 16, 2021, Board Meeting
AGENDA ITEM 5
RATIFICATION OF CHANGE ORDER TO CONTRACT C21-040 WITH RF
MACDONALD (Various CADA Locations)**

CONTACT: Tom Van Syoc, Facilities Maintenance Manager
Frank Czajka, Construction & Rehabilitation Manager

RECOMMENDATION:

Staff recommends the Board adopt a resolution ratifying the Executive Director's action approving a change order to maintenance contract C21-040 with R F MacDonald in the amount of \$25,000 for Boiler Maintenance & Repairs.

BACKGROUND

CADA has 13 buildings that utilize boilers for building heat. The boilers require regular maintenance to ensure their safe and efficient operation. Historically, the boilers were maintained by an in-house CADA technician. Upon retirement of the technician, CADA enter into a contract with an outside firm for boiler maintenance services. Each year prior to being activated and in advance of cold weather, the boilers are inspected and primed, and any necessary repairs are completed. Due to the age of the boilers, repairs are becoming increasingly necessary. The boilers are shut down in spring, and preventative maintenance on each boiler is performed to protect it during its dormant state.

On July 20, 2020, CADA awarded a contract to for boiler maintenance and repairs to RF MacDonald in the amount of \$45,000. The boilers require more service than anticipated when the contract scope was determined, and the contract amount is not sufficient to complete the necessary services. The requested contract change order will allow for the necessary work to be completed.

POLICY

This item comes before the Board because, with the requested change order, the current contract amount will exceed the \$50,000 contract approval authority of the Executive Director. The change order was authorized by the Executive Director under CADA's Contract and Bid Procedures Policy Statement, Section VII, C (3.a), which provides the Executive Director discretionary authority to approve change orders to prevent interruption of work which would result in a substantial cost increase to CADA. Staff is requesting that the Board approve a resolution ratifying the Executive Director's action.

STRATEGIC PLAN

The proposed action addresses the following 2016-2021 CADA Strategic Plan goals: "Provide Superior Property Management."

FINANCIAL IMPACTS

The total contract, with the addition the requested \$25,000 change order, totals \$70,000. The previously approved \$45,000 contract was within in the FY 2020-21 Facilities Maintenance Managers Budget. If the Maintenance Manager's current budget is exceeded due to the change order, the amount will be taken from the Contingency budget line item in the C19 FY 2018-19 Capital Investment Program — Major Construction Budget, adopted in June of 2018.

ENVIRONMENTAL ISSUES

This item does not require CEQA review or certification.

RESOLUTION NO. 21 - 06

Adopted by the Capitol Area Development Authority

April 16, 2021

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CHANGE ORDER WITH RF MACDONALD FOR MAINTENANCE CONTRACT C21-040

WHEREAS, in July 2020 the Board authorized the Executive Director to enter into a \$45,000 maintenance contract with RF MacDonald; and

WHEREAS, CADA has entered into a change order to the RF contract totaling \$25,000, which is the limit of the Executive Director's authority to approve change orders; and

WHEREAS, staff is recommending the Board approve a change order in the amount of \$25,000 to pay for additional costs to cover unanticipated additional work associated with CADA's boiler maintenance.

NOW, THEREFORE, BE IT RESOLVED, by the Capitol Area Development Authority

1. That the Executive Director is authorized to enter into Change Order #1 with RF MacDonald in the amount of \$25,000 to provide boiler maintenance.

Ann Bailey, Chair

ATTEST:

Jill Azevedo
Acting Secretary to the Board of Directors