



August 11, 2023

TO: Board of Directors

**SUBJECT: August 18, 2023, Board Meeting
AGENDA ITEM 6
RATIFICATION OF CHANGE ORDER TO CONTRACT C24-052
ROSEVILLE FLOORING, INC DBA CALIFORNIA RENOVATION (1500 N
STREET – BRANNAN COURT)**

CONTACT PERSON: Russ Juneau, Facilities Maintenance Manager
Frank Czajka, Construction & Rehabilitation Manager

RECOMMENDATION:

Staff recommends the Board adopt a resolution authorizing the Executive Director to approve a change order on the flooring contract C24-052 with Roseville Flooring, Inc dba California Renovation in the amount of \$17,569.54 for tile work on the first-floor of 1500 N Street (Brannan Court).

BACKGROUND

CADA awarded a contract to Roseville Flooring, Inc dba California Renovation on July 31, 2023 in the amount of \$49,000 for tile work in the first-floor public hallway of 1500 N Street (Brannan Court). The contract called for removing the badly-stained carpet on the first-floor of the building and replacing it with ceramic tile. Oil and dirt had deeply penetrated the carpet from residents entering the building, especially via the carport doors. It was determined that ceramic tile would end the need to keep replacing the hallway carpeting which was recently replaced in the first quarter of 2020. The baseboards were to remain. During the removal of the carpet and the demolition of the old tile in the lobby, the contractor discovered hidden dry-rot that had damaged the baseboards, rendering them unsalvageable. As a result, the CADA Maintenance Manager and the contractor determined that the baseboards need to be replaced. The Maintenance Manager determined that a change order would be needed in order to add baseboards to the project, at a cost of \$17,569.54, as estimated by the contractor. Once the Board authorizes the change order, staff will direct the contractor to proceed with the baseboard installation.

POLICY

This item comes before the Board because with the requested change order, the current contract amount will exceed the Executive Director's \$50,000 contract approval authority.

STRATEGIC PLAN

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

FINANCIAL IMPACTS

The total contract amount, with the addition of the requested \$17,569.54 for the change order, is \$66,569.54. As part of the Board's approval of the CADA annual budget in June, \$67,000 was allocated for Brannan Court out of the C23 FY 2022-23 Capital Investment Program — Major Construction Budget.

ENVIRONMENTAL ISSUES

This item does not require CEQA review or certification.

CONTRACT AWARD POLICY

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.

Attachments:

1. Resolution 23-38: Ratification of Change Order to Contract C24-052 Roseville Flooring, Inc Dba California Renovation (1500 N Street – Brannan Court)

RESOLUTION NO. 23 - 38

Adopted by the Capitol Area Development Authority

August 18, 2023

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CHANGE ORDER TO CONTRACT C24-052 WITH ROSEVILLE FLOORING, INC. DBA CALIFORNIA RENOVATION

WHEREAS, in July 2023 the Executive Director entered into a \$49,000 contract with ROSEVILLE FLOORING, INC. DBA CALIFORNIA RENOVATION to replace flooring at 1500 N Street (Brannan Court); and

WHEREAS, CADA a change order to the ROSEVILLE FLOORING, INC. DBA CALIFORNIA RENOVATION contract totaling \$17,569.54 is necessary in order to replace dry-rotted baseboards; and

WHEREAS, the new contract amount will total \$66,569.54 which exceeds the Executive Director's \$50,000 contract approval authority; and

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 ROSEVILLE FLOORING, INC. DBA CALIFORNIA RENOVATION in the amount of \$17,569.54.

Ann Bailey, Chair

ATTEST:

Tara Gandara
Secretary to the Board of Directors