



April 7, 2023

**TO:** Board of Directors

**SUBJECT: April 14, 2023, Board Meeting  
AGENDA ITEM 7**

**RATIFICATION OF CHANGE ORDER TO BUSKIRK CONSTRUCTION  
CONTRACT C22-008 (Various CADA Locations)**

**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 to the maintenance contract C22-008 with Buskirk Construction Inc. in the amount of \$1,629.38, for tenant improvement construction work performed at the Bagel Time/Café Xocolatl space, located at 1607 10<sup>th</sup> Street, bringing the total contract amount to \$51,129.38.

**BACKGROUND**

CADA awarded a contract to Buskirk Construction Inc. in July 2022, in the amount of \$49,500 for General Construction Services. The contract was extended to include FY 2023. A tenant, Bagel Time, ceased operations and vacated the commercial space at 1607 10<sup>th</sup> Street. Demolition work was required to prepare for a potential new tenant. Buskirk submitted a proposal of \$24,900.00 for the demolition work in the commercial space, to be performed under its maintenance contract. As the demolition work was nearing completion, a new tenant signed a lease for the space and asked for some improvements to the space. Buskirk submitted a proposal for \$24,600.00 for the improvements and CADA selected it to complete the additional work, which included electrical re-wiring, plumbing and other tasks. As the project progressed, the tenant asked for some additional electrical work. The final invoice for the improvement work was \$26,229.38. This additional work increased the total for the contracted demolition and improvements work over Buskirk's contract amount by \$1,629.38. The contractor has requested a change order to its contract so CADA can pay this additional amount.

**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.

**STRATEGIC PLAN**

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

### **FINANCIAL IMPACTS**

The Buskirk maintenance contract of \$49,500.00 was initially approved by the board in June 2021 in the FY 2021-22 Maintenance budget, with the option to extend for an additional year, FY 2022-23. Any amount that exceeds the Maintenance budget will be taken from the Contingency budget of the FY 2023 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

**RESOLUTION NO. 23- 14**

Adopted by the Capitol Area Development Authority

April 14, 2023

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CHANGE ORDER TO CONTRACT C22-008 WITH BUSKIRK CONSTRUCTION FOR WORK AT 1607 10<sup>TH</sup> STREET**

**WHEREAS**, in July 2021 the Board authorized the Executive Director to enter into a \$49,500 annual maintenance contract with Buskirk Construction Inc, with the option of for a one-year extension; and

**WHEREAS**, CADA directed Buskirk Construction to completion demolition and tenant improvements at 1607 10<sup>th</sup> Street to prepare the space for a new tenant, Café Xocolatl; and

**WHEREAS**, the contractor has requested that CADA approve a \$1,629.38 change order to complete additional electrical work in the space, which will bring the value of the contract to \$51,129.38; and

**WHEREAS**, the new contract amount exceeds the Executive Director's \$50,000 contract approval authority limit; 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 Buskirk Construction Inc. in the amount of \$1,629.38, bringing the total contract amount to \$51,129.38.

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Ann Bailey, Chair

ATTEST:

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Tara Gandara  
Secretary to the Board of Directors