



March 12, 2025

**TO:** Board of Directors

**SUBJECT: March 21, 2025, Board Meeting**  
**AGENDA ITEM 6**  
**APPROVAL OF CHANGE ORDERS TO VARIOUS MAINTENANCE CONTRACTS**

**CONTACT PERSON:** Tara Gandara, Contracts and Office Manager/Board Secretary  
Josh Palmer, Asset Management and Facilities Maintenance Director

**RECOMMENDATION:**

Staff recommends that the Board adopt a resolution authorizing the Executive Director, or her designee, to execute change orders to the following maintenance contracts in the amounts stated:

- C24-002-A – RebuildIt, Inc., in the amount of \$43,656 for FY Countertop Replacements
- C22-029 – R.F. MacDonald Co., in the amount of \$45,000 for FY Boilers Repair & Replacement
- C25-009 – Villara Building Systems, in the amount of \$40,000 for FY HVAC Maintenance & Repair

**BACKGROUND**

**RebuildIt, Inc. – C24-002-A**

In June 2023, CADA awarded a maintenance contract to RebuildIt, Inc. in the amount of \$80,000 for FY Countertop Replacements. The contract was amended for the term of July 1, 2024 through September 30, 2024 in the amount of \$20,000 to allow us time to rebid the project.

Staff recommends approving a change order in the amount of \$43,656 due to the unforeseen need to replace more countertops than were originally anticipated. These additional countertop replacement projects have resulted in unanticipated increased costs and the need for a change order in the amount of \$43,656.

**R.F MacDonald Co. – C22-029**

In June 2021, CADA awarded a maintenance contract for fiscal year 2021-2022 to R.F MacDonald Co. in the amount of \$49,500 for FY Boilers Repair and Replacement. The contract includes an optional annual extension for an additional four years. Due to satisfactory service, management extended the contract for the 2022-2023, 2023-2024, and 2024-2025 fiscal years.

Staff recommends approving a change order in the amount of \$45,000 to cover the additional costs for boiler work in excess of what staff anticipated would be needed. In the upcoming year, this contract will be increased to reflect the work needed for servicing boilers.

**Villara Building Systems – C25-009**

In June 2024, CADA awarded a maintenance contract for fiscal year 2024-2025 to Villara Building Systems in the amount of \$75,000 for FY HVAC Maintenance and Repair.

Staff recommends approving a change order in the amount of \$40,000 to cover the additional costs for HVAC work in excess of what staff anticipated would be needed. CADA staff worked with Villara

to complete the necessary HVAC work to support our tenant's needs to date and projected needs in the upcoming months. CADA recently hired a new HVAC technician, and CADA is cross-training two other staff, all of which will augment our CADA maintenance staff response for HVAC repairs and reduce the need to rely on Villara for HVAC work in CADA properties going forward.

### **POLICY**

This item comes before the Board because, with the requested change orders, the current contract amounts will either exceed the \$100,000 contract amount or exceed the 10% or \$25,000 change order approval authority of the Executive Director. Staff is requesting that the Board approve a resolution authorizing the Executive Director to enter into the change orders detailed above.

### **STRATEGIC PLAN**

The proposed action addresses the following 2024-2029 CADA Strategic Plan goals: "Ensure Fiscal Strength and Operational Excellence." This supports CADA work to provide quality housing.

### **FINANCIAL IMPACTS**

The above total contracts, with the addition of the requested \$128,656 in change orders, total \$273,156. This total was part of the budget approved by the Board in June of 2024 in the FY 2024-2025 Facilities Maintenance Manager's and Unit Rehabilitation budget line items in the C23 FY 2022-2023 Capital Investment Program — Major Construction Budget, adopted in June of 2022.

### **ENVIRONMENTAL ISSUES**

This item does not require CEQA review or certification, as it is not a project. Maintenance completed under these contracts falls under the categorical exemption for existing facilities in class 1, section 15301. Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use.

### **Attachment**

1. Maintenance Change Orders Resolution 25-XX

**RESOLUTION NO. 25 – 10**

Adopted by the Capitol Area Development Authority

March 21, 2025

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR,  
OR HER DESIGNEE, TO ENTER INTO CHANGE ORDERS  
FOR MAINTENANCE CONTRACTS C24-002-A, C22-029,  
AND C25-009**

**WHEREAS**, the Board authorized the Executive Director to enter into maintenance contracts with RebuildIt, Inc. in the amount of \$20,000 (amendment) for FY Countertop Replacements, with R.F MacDonald Co. in the amount of \$49,500 for FY Boilers Repair and Replacement, and with Villara Building Systems in the amount of \$75,000 for FY HVAC Maintenance and Repair; and

**WHEREAS**, staff is recommending that the Board approve change orders totaling \$128,656 to pay for additional costs to cover additional work under these contracts associated with CADA's building maintenance and unit turnover.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the Capitol Area Development Authority that:

The Executive Director, or her designee, is authorized to execute change orders to the following maintenance contracts in the amounts stated:

1. C24-002-A – RebuildIt, Inc. in the amount of \$43,656 for FY Countertop Replacements
2. C22-029 – R.F. MacDonald Co. in the amount of \$45,000 for FY Boilers Repair and Replacement
3. C25-009 – Villara Building Systems in the amount of \$40,000 for FY HVAC Maintenance and Repair

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Ann Bailey, Chair

ATTEST:

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Tara Gandara  
Secretary to the Board of Directors