

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
10	10/23/17	Open	Action	10/18/17

Subject: Ratifying Contract Change Order No. 1 and Delegating Authority the General Manager/CEO to Execute Contract Change Order No. 2 to the Contract for Metro Building Roof Replacement and Approve the Third Amendment to the Capital Budget

## ISSUE

Whether or not to ratify Contract Change Order No. 1, delegate authority to the General Manager/CEO to execute Contract Change Order No. 2 to the Contract for Metro Building Roof Replacement with Rua & Son Mechanical, Inc., and approve the Third Amendment to the FY 2018 Capital Budget.

## RECOMMENDED ACTION

- A. Adopt Resolution No. 17-10-\_\_\_\_, Ratifying Contract Change Order No. 1 to the Contract for Metro Building Roof Replacement with Rua & Son Mechanical, Inc.; and
- B. Adopt Resolution No. 17-10-\_\_\_\_, Delegating Authority to the General Manager/CEO to Execute Contract Change Order No. 2 to the Contract for Metro Building Roof Replacement with Rua & Son Mechanical, Inc.; and
- C. Adopt Resolution No. 17-10-\_\_\_\_, Approving the Third Amendment to the FY 2018 Capital Budget

## FISCAL IMPACT

Budgeted:	Yes	This FY:	\$	78,494
Budget Source:	Capital	Next FY:	\$	
Funding Source:	Revenue Bonds	Annualized:	\$	
Cost Cntr/GL Acct(s) or	F027	Total Amount:	\$	78,494

### Capital Project #:

Total Budget: \$ 78,494

Metro Building Roof Replacement Contract (F027.08.01)

**Contract Change Order No. 1**

**Contract Change Order No. 2**

Revised Metro Building Roof Replacement Contract

\$167,450.00

**\$ 28,494.00**

**\$ 50,000.00**

\$245,944.00

## DISCUSSION

The Metro Building at 2700 Academy Way is now 30 years old and the roof has exceeded its useful life span. The roof constantly leaks in rainy weather due to the deterioration of the existing roofing materials. The water intrusion disrupts normal work functions at various locations in the building and employee complaints are submitted regularly. SacRT's Safety Department has noted that the leaks can be a hazard to the existing electrical system. This roof replacement has been

Approved:

Presented:

Final 10/18/17

General Manager/CEO

Director, Civil and Track Design

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placed at the top of the Capital Projects priority list and funding has been identified to address this immediate replacement need.

On August 17, 2017, the Board awarded a contract to Rua & Son Mechanical, Inc. in an amount not to exceed \$167,450 for the Metro Building Roof Replacement.

When work commenced on the roof, the Contractor uncovered extensive dry rot during tear off of the north roof section that was not apparent during the visual inspection. Dry rot is now expected to be present on the south roof section. SacRT has issued a change order for \$28,494 to proceed under General Manager/CEO's authority. Pursuant to § 1.506 of SacRT's Procurement Ordinance, the General Manager/CEO may issue change orders on public works contracts with a value between \$100,000 and \$1,000,000, so long as the total price of all change orders for that principal agreement does not exceed 10% of the original contract price. To preserve the General Manager/CEO's change order authority under this Contract, Staff recommends that the Board ratify the General Manager/CEO's approval of Change Order No. 1. Ratification of Change Order No. 1 will result in the value of that Change Order not being applied against the General Manager/CEO's cap. The Contractor has also submitted a change order proposal for the worst case scenario for the south roof in the amount of \$40,997, and the Engineer's Estimate includes a contingency of \$9,003 for materials and labor for additional work due to anticipated extensive dry rot.

The Metro Roof Replacement project (F027) was budgeted at \$346,603 in FY18. This amendment will add an additional \$100,000 to that project for a total of \$446,603 in FY18. Title VI of the Administrative Code requires Board approval for changes to annual project budgets of more than 10%.

Staff recommends that the Board adopt the attached resolutions: 1) ratifying Change Order No. 1 to the contract for the Metro Building Roof Replacement with Rua & Son Mechanical, Inc. to add work to repair dry rot for a not to exceed amount of \$28,494; 2) delegate authority to the General Manager/CEO to execute Contract Change Order No. 2 to the contract for the Metro Building Roof Replacement with Rua & Son Mechanical, Inc. to add work to repair dry rot for a not to exceed amount of \$50,000; and 3) approving the Third Amendment to the FY 2018 Capital Budget.

RESOLUTION NO. 17-10-\_\_\_\_\_

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

October 23, 2017

**RATIFYING CONTRACT CHANGE ORDER NO. 1 TO THE CONTRACT FOR METRO BUILDING ROOF REPLACEMENT TO RUA & SON MECHANICAL, INC.**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, Contract Change Order No. 1 to the Contract for Metro Building Roof Replacement between the Sacramento Regional Transit District, therein referred to as "SacRT," and Rua & Son Mechanical, Inc., therein referred to as "Contractor," whereby the Contractor agrees to repair dry rot, as further set forth therein, and the total consideration is increased by \$28,494, from \$167,450.00 to \$195,944.00, is hereby ratified.

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ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

By: \_\_\_\_\_  
Cindy Brooks, Assistant Secretary

RESOLUTION NO. 17-10-\_\_\_\_\_

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

October 23, 2017

**DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO EXECUTE  
CONTRACT CHANGE ORDER NO. 2 TO THE CONTRACT FOR METRO BUILDING  
ROOF REPLACEMENT TO RUA & SON MECHANICAL, INC.**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE  
SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Board hereby delegates authority to the General Manager/CEO to execute Contract Change Order No. 2 to the Contract for Metro Building Roof Replacement between the Sacramento Regional Transit District, therein referred to as "SacRT," and Rua & Son Mechanical, Inc., therein referred to as "Contractor," whereby the Contractor agrees to repair dry rot, as further set forth therein, and the total consideration is increased by a not to exceed amount of \$50,000, from \$195,944.00 to \$245,944.00, is hereby approved.

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ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

By: \_\_\_\_\_  
Cindy Brooks, Assistant Secretary

RESOLUTION NO. 17-10-\_\_\_\_\_

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

October 23, 2017

**APPROVING THE THIRD AMENDMENT TO THE FY 2018 CAPITAL BUDGET**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Third Amendment to the Fiscal Year 2018 Capital Budget to increase the Metro Roof Replacement project (F027) budget by \$100,000.

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ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

By: \_\_\_\_\_  
Cindy Brooks, Assistant Secretary