

Staff Report

TO: Board of Directors
FROM: Doug Roderick, P.E. Director of Engineering
DATE: April 26, 2023
SUBJECT: **2023 Budget Amendment for Administration Ramp Repair Project (Project #2504)**

ENGINEERING

RECOMMENDATION:

Adopt Resolution No. 2023-19 - 2023 Fund 15 Capital Budget Amendment and Award of Construction Contract for Administrative Building Ramp Repair Project:

- Amend the 2023 Annual Budget to increase funding of the Administrative Building Ramp Repair Project in the amount of \$312,647 to be funded by Fund 15
- Amend the 2023 Annual Budget to reduce funding in several approved projects in Fund 15 for a total deduction of \$312,647 resulting in a net zero change to the Fund 15 budget when combined with the addition above
- Award a construction contract with Mark Wallace Masonry in the amount of \$397,647, with a \$40,000 contract contingency, and authorize the General Manager to execute the appropriate documents

BACKGROUND:

The existing ramp that is the access to the administrative side of the main building is failing and requires extensive reconstruction, along with improvements necessary to bring it into compliance with ADA requirements. The District entered into a contract with Morrison Structures, a structural engineering firm, to develop design plans and specifications for the project. The plans/specifications were then submitted to the City of Grass Valley as part of the requirements to obtain a permit to perform the work.

Plans and specifications were originally sent out September 28, 2022, to the Nevada County Contractors Association (NCCA) and selected contractors. Quotes were due by October 27, 2022. No quotes were received. The plans and specifications were again sent out December 8, 2022, and due January 12, 2023. No quotes were received. Staff researched potential reasons why no quotes were received, including reaching out to contractors as well as the NCCA. Based on the feedback, received, some additional modifications were made.

The revised plans and specifications were sent out to the NCCA, CIP List.com, as well as several contractors on March 20, 2023. On April 18, 2023, the District received quotes from two contractors. The submitted quotes are listed below:

| Contractor | Quote |
|----------------------|--------------|
| Mark Wallace Masonry | \$397,647.00 |
| TCB Industrial, Inc. | \$469,238.60 |
| Engineer's Estimate | \$205,000.00 |

The costs for construction of this project are higher than staff had anticipated and budgeted, due to the difficulties in construction and overall material cost increases. In addition, it was originally anticipated that the project would have started construction in 2022 and finished in 2023, which is why the 2023 approved budget for this project was lower than the engineer's estimate.

To pay for the project, Staff has proposed to reduce funding for several projects that were originally included for funding in Fund 15 in the amount of \$312,647 to maintain a net zero change for Fund 15 in the 2023 Annual Budget. Projects include one completed project and delay of another project. The proposed funding changes are shown in the table below.

| Project Name (Project No.) | Budget Reduction |
|---|-------------------------|
| Administration Building Ramp Repair – Operations (2647) | \$262,647 |
| Squirrel Creek Siphon Replacement Project (2624) | \$50,000 |
| Total Budget Reduction | \$312,647 |

Due to proposed upcoming changes in the procurement policy, staff recommend that the Board approve a contract contingency amount at the same time as the award of the contract. The contingency is for possible unforeseen conditions, such as the condition of existing rebar, steel tubing and electrical that may come up once construction has started. As a matter of practice moving forward, when new contracts come before the Board, staff will be requesting a contract contingency be approved along with the contract.

It is staff's recommendation to award a construction contract with Mark Wallace Masonry in the amount of \$397,647 and a contingency of \$40,000 and approve a 2023 Fund 15 Budget Amendment in the amount of \$312,647.

BUDGETARY IMPACT:

With the proposed amendments to the 2023 Annual Budget, the changes proposed to fund improvements to the Administrative Building Ramp Repair Project will result in a net zero change to Fund 15. If approved, the costs for the construction contract with Mark Wallace Masonry in the amount of \$397,647 with a contract contingency

amount of \$40,000 would be covered by funds reallocated during the proposed amendment to the 2023 Annual Budget.

It is anticipated that the Administrative Building Ramp – Operations Project will begin design in early summer 2023 and be ready for construction either late fall 2023 or early 2024. If construction is to occur in 2023, an additional budget amendment will be brought to the Board for consideration.

ATTACHMENT: (1)

- Resolution 2023-19 - Amending the 2023 Annual Budget

DR



RESOLUTION NO. 2023-19

OF THE BOARD OF DIRECTORS OF THE NEVADA IRRIGATION DISTRICT

2023 FUND 15 CAPITAL BUDGET AMENDMENT AND AWARD OF CONSTRUCTION CONTRACT FOR ADMINISTRATION BUILDING RAMP REPAIR PROJECT #2504

WHEREAS, the Nevada Irrigation District (District) budget for the 2023 fiscal year reflects resources to meet the essential needs of the District and the District’s customers; and

WHEREAS, the Board of Directors adopted the 2023 Annual Budget on December 14, 2022; and

WHEREAS, the Administration Building Ramp is in need of repairs and upgrades; and

WHEREAS, District staff have reviewed the approved Fund 15 budget and identified projects that can be delayed or have excess funds that can be used for Administrative Building Ramp Repair project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Nevada Irrigation District:

1. The Board of Directors hereby approves amending the 2023 Annual Budget to increase funding of the Administration Building Ramp Repair Project #2504 in the amount of \$312,647 to be funded by Fund 15.
2. The Board of Directors hereby approves amending the 2023 Annual Budget to reduce funding for the following capital improvement projects in the amount of \$312,647 from Fund 15 to offset the additional funding of item 1, above:

| Project Name (Project No.) | Budget Reduction |
|---|-------------------------|
| Administration Building Ramp Repair – Operations (2647) | \$262,647 |
| Squirrel Creek Siphon Replacement Project (2624) | \$50,000 |
| Total Budget Reduction | \$312,647 |

3. The Board of Directors hereby approves the authorization of a construction contract with Mark Wallace Masonry in the amount of \$397,647 plus a contingency of \$40,000.
4. The Board of Directors hereby authorizes the General Manager to execute the documents necessary to cause the actions contemplated by this resolution.

PASSED AND ADOPTED by the Board of Directors of the Nevada Irrigation District at a regular meeting held on the 26th day of April 2023, by the following vote:

| | |
|------------------|------------|
| AYES: | Directors: |
| NOES: | Directors: |
| ABSENT: | Directors: |
| ABSTAINS: | Directors: |

President of the Board of Directors

Attest:

Secretary to the Board of Directors