

Central Services
Joan Araujo, Director

Engineering Services
Christopher Cooper, Director

Roads & Transportation
David Fleisch, Director

Water & Sanitation
Joseph Pope, Director

Watershed Protection
Glenn Shephard, Director

September 15, 2020

Board of Ventura County Waterworks District No.1
800 South Victoria Avenue
Ventura, California 93009

Subject: **Ratification of Emergency Contract Change Order No. 4 with Simpson Sandblasting and Special Coatings, Inc. in the Amount of \$147,981.09 to Construct Roof Rafter Repairs to Moorpark Yard Reservoir for the “Coating and Repair – District 1 (Moorpark) Reservoirs (5)” Project, Specification No. WW20-04(M), Project No. 31181; Finding that Competitive Bidding is Undesirable and Impractical; Ventura County Waterworks District No.1; Supervisorial District No. 4.**

Recommendations:

1. Ratify approval of Emergency Contract Change Order (CCO) No. 4 to the contract with Simpson Sandblasting and Special Coatings, Inc. in the amount of \$147,981.09 to construct roof rafter repairs at the Moorpark Yard Reservoir, for which funds are available in Budget Account No. 4300.
2. Find that competitive bidding for the additional rafter repair work authorized by CCO No. 4 would be undesirable and impractical.

Fiscal/ Mandates Impact:

Mandatory:	No
Source of Funding:	Ventura County Waterworks District No.1
Funding Match Required:	No
Impact on Other Departments:	None



<u>Summary of Revenue and Total Costs:</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>
Revenue:	\$ 0	\$ 0
Costs:		
Direct	\$ 147,981	\$ 0
Indirect - Agency/Dept	\$ 0	\$ 0
Indirect – CAP	\$ 0	\$ 0
Total Costs	\$ 147,981	\$ 0
Net District Costs	\$ 147,981	\$ 0
Recovered Indirect Cost	\$ 0	\$ 0

Current Fiscal Year (FY) Budget Projections:

Current FY 2020-21 Budget Projection for Ventura County Waterworks District No. 1 – Unit 4300				
	Recommended Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$30,692,700	\$30,692,700	\$30,692,700	\$0
Revenue	\$25,878,300	\$25,878,300	\$25,878,300	\$0
Net Cost	\$4,814,400	\$4,814,400	\$4,814,400	\$0

Sufficient revenue and appropriations are available in the Fiscal Year 2020-21 Recommended Budget. Net Cost include capital outlay and transfers-out.

Reason for Ratification:

The Moorpark Yard Reservoir provides potable water storage and fire protection facilities for Ventura County Waterworks District No.1 (District). During the interior preparations for the “Coating and Repair – District 1 Reservoirs (5)” project (Project) at the Moorpark Yard Reservoir, it was discovered that the roof rafters and a center plate were severely corroded, requiring replacement. Since the Moorpark Yard Reservoir needs to be returned to service by the end of the year due to its critical importance to the District, the Director of the Public Works Agency (Director) approved CCO No. 4 to repair these items. The repair work in CCO No. 4 must first be completed before the remaining Project coating work may proceed.

Discussion:

The Project consists of (i) interior relining, welding repair and exterior spot recoating of 1.5 million-gallon and 2.0 million-gallon welded steel potable water tanks at the Moorpark Yard Reservoir and Fairview Reservoir, respectively, (ii) the interior re-lining, welding repair and complete exterior re-coating of a 0.31 million-gallon bolted steel



potable water tank (S&K Reservoir No. 2), (iii) the exterior re-coating of the roof and exterior coating spot repair of a 2.0 million-gallon welded steel potable water tank (Gabbert Reservoir) and (iv) the interior relining of the roof and a welding tank (Palmer Reservoir). These facilities are all owned and operated by Ventura County Waterworks District No. 1.

On February 13, 2020, your Board awarded a contract to Simpson Sandblasting and Special Coatings, Inc. in the amount of \$1,079,176 for the Project. Construction on the Project began March 13, 2020 and is scheduled for completion in September 2020.

During the interior preparation for Moorpark Yard Reservoir, it was discovered that the roof plate and rafter end were severely corroded and required replacement. In order to repair these items, Simpson Sandblasting and Special Coatings, Inc. requires an additional 30 working days, extending the Project completion to approximately October 23, 2020.

The proposed cost to repair these items has been evaluated against the Engineer's estimate and is considered fair and reasonable. The scope of work included in CCO No. 4 must be completed in order to continue and complete the Project.

CCO Nos. 1, 2, and 3 were previously executed for a total cost of \$78,256.24, thereby adjusting the total contract price to \$1,157,432.24. Approval of the proposed CCO No. 4 will result in an increased Project cost of \$147,981.09 (a 13.71% increase), revising the total contract price to \$1,305,413.33. The cost for CCO No. 4 exceeds your Board's statutory authority and the Director's delegated authority to approve change orders without competitive bidding. However, courts in California have long recognized an exception to competitive bidding where it would be unavailing or undesirable or would not produce an advantage. The purposes of competitive bidding include guarding against favoritism, improvidence, extravagance, fraud and corruption, preventing the waste of public funds and obtaining the best economic result for the public.

Bidding out the repair work proposed by CCO No. 4 would be undesirable for the District's system operations and not in the public's interest, as these repairs must first be completed in order to continue the remaining Project coating work at the Moorpark Yard Reservoir. Delays due to bidding would prevent the Moorpark Yard Reservoir from returning to service by the end of the year which timing is critical since the Moorpark Yard Reservoir provides potable water storage and fire protection facilities for the District. Delaying this work, and the overall completion of the Project, would not be in the public's interest and would pose a risk, possibly at the public's expense. Waiting for competitive proposals would also not likely result in any real savings to the District. Finally, the contractor that is proposed to perform the repair work for CCO No.4 is already mobilized since it is currently performing Project work at the other water storage reservoirs and is thereby available to immediately begin performing the repairs.



Accordingly, your Board is asked to (1) ratify CCO No. 4 and (2) find that competitive bidding for this work is unnecessary because it would be unavailing, would not produce an advantage and would be undesirable and impractical.

This Contract Change Order is on a standard form previously reviewed by the County Counsel. The item has been reviewed by the County Executive Office, the Auditor-Controller's Office, and County Counsel.

If you have any questions regarding this item, please contact me at (805) 654-2075.



Joseph C. Pope, P.E.
Director, Water and Sanitation

Attachments:

Exhibit 1 – CCO No.4

Exhibit 2 – Project Location

