



Agenda Item No. 4

To: Building and Operating Committee/Committee of the Whole
Meeting of July 23, 2009

From: James P. Swindler, Deputy General Manager, Ferry Division
Celia G. Kupersmith, General Manager

Subject: **RATIFY EXECUTION OF CHANGE ORDERS RELATIVE TO CONTRACT NO. 2009-FT-11, INTERIOR AND EXTERIOR MODIFICATIONS TO THE M.V. SNOHOMISH (M.V. NAPA), WITH DAKOTA CREEK INDUSTRIES, INC.**

Recommendation

The Building and Operating Committee recommends that the Board of Directors approve the following actions:

1. Ratify execution of various change orders relative to Contract No. 2009-FT-11, *Interior and Exterior Modifications to the M.V. Snohomish (M.V. Napa)*, with Dakota Creek Industries, Inc., Anacortes, WA, in the amount of \$121,585; and,
2. Authorize an additional \$55,000 to be added to the contract contingency from the project budget,

with the understanding that requisite funds are included in the FY 09/10 Ferry Transit Division Capital Budget and are available in the total project budget to support these change orders.

Summary

Recently, the *M.V. Napa* (formerly the *M.V. Snohomish*) underwent preliminary interior and exterior modifications at Dakota Creek Industries. In addition to the modifications required for the vessel to be compatible with the District's facilities, additional maintenance and inspection, including extensive sea trials were necessary. Several change orders have been issued and now require Board ratification under the District's procurement policy because the cumulative cost of these change orders exceeded 10% of the original contract value, even though individual change orders have all been relatively inexpensive. These change orders, in the cumulative amount of \$121,585, fall roughly into the following categories:

Maintenance items (ie paint and other consumables)	\$22,195.00
Modifications to the vessel	\$22,905.00
Sea Trial and Delivery	\$23,902.00
Waterjet and Controls	\$43,529.00
Emergency and life saving equipment	\$9,054.00
Total:	\$121,585.00

These change orders, as well as \$24,124 anticipated to be charged the District for taxes not yet assessed by the shipyard, exceed the current contingency, requiring the Board to authorize adding an additional \$55,000 to the contract contingency. Funds for this additional contingency are available in the FY 09/10 Ferry Transit Division Capital Budget.

Fiscal Impact

This project is included in the FY 09/10 Ferry Transit Division Capital Budget at a cost of \$11,705,000 and is funded with \$10,531,285 Federal Transit Administration funds, \$1,170,313 State I-Bond funds, and \$3,403 District funds (90% FTA / 10% State / 0% District). Sufficient funds are available in the total project budget to support these change orders.