



## MEMORANDUM

TO: SLDMWA Finance & Administration Committee Members, Alternates  
SLDMWA Board of Directors, Alternates

FROM: Pablo Arroyave, Chief Operating Officer

DATE: July 11, 2024

RE: Ratification of Change Order for \$16,674.10, Resulting in Total Expenditure of \$214,074.10 for Dive Services Utilizing Emergency Reserve Funds

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### BACKGROUND

On April 22, 2024 the Water Authority executed a construction agreement with DRS Marine for dive services utilizing Emergency Reserve Funds to repair the Delta-Mendota Canal concrete lining at MP41.49. The contract was based on estimated time and materials, with a not to exceed amount of \$197,400. In addition to the original estimates, two additional work days and some additional equipment were required to complete the work, which resulted in a change order of \$16,674.10. Due to the critical nature of the work, DRS Marine continued working to complete the liner repairs to the Delta-Mendota Canal. With the \$16,674.10 change order, the total contract expenditure equals \$214,074.10. Because the change order caused the contract to exceed the Water Authority's \$200,000 delegation of authority threshold, Board authorization is required.

### ISSUE FOR DECISION

Whether the Finance & Administration Committee should recommend, and the Board of Directors should ratify the change order for \$16,674.10, resulting in a total expenditure of \$214,074.10 for dive services utilizing Emergency Reserve Funds.

### RECOMMENDATION

Staff recommends ratification.

### ANALYSIS

Articles 1.1(b) and 4.5 of the Water Authority's Consolidated Procurement Policy require Board authorization for contracts over \$200,000. In this instance, staff is seeking ratification of a \$16,674.10 change order that resulted in a contract exceeding \$200,000, as it was necessary to act quickly to complete the critical repairs to the Delta-Mendota Canal while pumping orders from Central Valley Operations were minimal.

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**BUDGET**

The required funds utilized the Emergency Reserve Funds, and were within the approved amount.

**ATTACHMENTS**

1. Draft Change Order
2. Executed Agreement