

STAFF REPORT

To: Board of Directors

From: Mary Rogren, General Manager

Agenda: October 14, 2025

Report Date: October 10, 2025

Agenda Title: Approval of Change Order #3 for the Carter Hill Prestressed Concrete Tank and Seismic Upgrades Project

Recommendation/Motion:

Authorize the General Manager to approve Change Order #3 with DN Tanks, Inc. for \$275,671.90 (comprising of \$101,361.37 for an expansion of scope and \$174,310.53 for seismic, structural and safety improvements) as part of the Carter Hill Prestressed Concrete Tank and Seismic Upgrades Project.

Background:

The contract for construction of the Carter Hill Prestressed Concrete Tank and Seismic Upgrades Project was awarded to DN Tanks, LLC. ("DN") in July, 2024 in the amount of \$10,968,951. The project is now approximately 50% complete. Two change orders have been approved to date totaling a credit of (\$60,282). DN is now requesting that the District authorize a change order of \$275,672 comprised of 1) \$101,361 for an expansion of scope and 2) \$174,311 for identified seismic, structural and safety improvements. Below is a discussion of the PCO's (proposed change orders) that make up Change Order #3.

1) Expansion of Scope

PCO # 19 for \$101,361 includes replacement of 110 linear feet of the 16" main inlet pipeline. This scope of work was already approved by the Board at the July 8, 2025 Board of Directors' meeting as a separate project under an agreement with Andreini Bros, Inc. ("Andreini") for the replacement of the main inlet pipeline and two 16" valves at the Carter Hill tank site. Given that the location of the pipeline replacement is within DN's work site, for liability purposes, DN has requested that the pipeline portion of the work be contracted through DN with Andreini as the sub-contractor to DN. The District's contract with Andreini will be revised to only include the installation of the two new 16" valves.

2) Seismic, Structural, and Safety Improvements

PCO #17 for \$111,419 reflects a combination of changes to piping materials and other changes that were made pursuant to engineering design clarifications during construction and agreed upon between DN, HDR Engineering Inc. ("HDR", the District's design engineer for the project), and the District. These changes are primarily comprised of enhancements for seismic and structural purposes to improve longevity of the tank and will also serve to reduce future maintenance costs.

These changes include:

- Inlet-Outlet Pipe Changes (\$22,715): The purpose of this change was to add custom-fabricated ductile iron pipe spools to get to a lower elevation which takes all three pipes under the foundation instead of through it. HDR specified during construction to add a 24-inch mechanical joint pipe connection raised above the tank floor inside the tank, and flanges on the 16-inch and 6-inch piping for pipe connection feasibility and future maintenance.
- Overflow and Inlet Pipe Changes (\$48,931) : This change accounts for additional cost required for engineering changes to the above-grade 16-inch diameter piping material types and addition of a 16-inch expansion joint spool. Cost increases were mitigated by changing interior tank piping to HDPE. Exterior piping will be coated ductile iron. This change was due to DN's original bid being for fabricated steel pipe for above-ground exterior and tank interior piping, which was deemed to be not of sufficient material quality for long-term sustainability. With this change, the overflow weir and funnel piping will be 316 stainless steel, a superior product that is more suitable for installation on a 100 year asset. (This change was requested by staff due to lessons learned from the Nunes Water Treatment Plant Upgrade Project when evaluating the deterioration of the 40 year old overflow pipe in the clearwell and the required maintenance on the ductile iron pipe.) A pipe expansion joint was also added for seismic durability.
- Pipe Support Changes (\$2,993): This change accounts for additional cost required for two additional pipe supports within the tank to support the 16-inch HDPE pipe. The HDPE pipe is a more flexible material therefore eight supports are needed within the tank instead of six, to mitigate pipe sagging as it is not as self-supporting of a material.

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- Yard Piping Changes (\$36,780): This change reflects engineering changes to the yard piping including adding 3-feet of depth to the 6-inch diameter and 16-inch diameter overflow pipes, adding 1-foot of depth to the 24-inch diameter interconnection pipe, adding 6-inches of depth to the 16-inch diameter inlet pipe, adding an additional 16-inch flexible restrained joint, adding concrete encasement for the 6-inch drain, and adding batten bars for the liner attachment to the concrete encasement. These changes are required for seismic durability for the pipes, such that the pipes penetrate vertically and run below (and not within) the tank footing, as brought up during construction by DN Tanks and agreed upon by HDR and the District.

PCO #18 for \$62,892 includes roof design changes pursuant to design clarifications between DN, HDR, and the District. The primary cost change includes the extension of hand railing around the entire tank roof for safety purposes. DN's standard design only includes 60 linear feet of railing. This change adds approximately 240 feet of railing to encircle the tank roof.

District staff will need to inspect the tank roof regularly (at least 1-2 times per year) and will require access to all areas on the tank roof. Without additional railing, the District would need to invest in other safety equipment (including rental of lifts) and staff time in order to conduct inspections and maintenance. Costs also include the addition of a 4' x 4' roof opening for a future PAX blower system and installation of Davit arm curbs.

Summary

Excluding the expansion of scope of work previously approved as a separate project with Andreini, change orders to date total \$114,028 (reflecting \$174,311 for PCO#17 and #18 minus (\$60,282) from Change Orders 1&2) or 1% of the project.

Adding the expansion of scope (PCO #19) for a separate project previously contracted with Andreini, total change orders to date are \$215,390 or 2% of the project.

Fiscal Impact:

- 1) \$101,361 for added scope to DN's contract but previously authorized by the Board as a separate project at the July 8, 2025 Board meeting.
- 2) \$174,311 for seismic and structural improvements.

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\$275,671.90 for Change Order #3. Total Change Orders to date equal \$215,389.65.

Attachment A – Change Order 3 Detail.



October 6, 2025

Mary Rogren
General Manager
Coastside County Water District
766 Main Street
Half Moon Bay, CA 94019
mrogren@coastsidewater.org

**RE: Carter Hill Prestressed Concrete Tank & Seismic Upgrades Project
DN Tanks, LLC
Contract Change Order #3**

Dear Mary,

Herein please find Contract Change Order (CCO) #3 package for DN Tank's construction contract for the Carter Hill Prestressed Concrete Tank & Seismic Upgrades project. We have reviewed the attached change order package and recommend that CCWD proceed with execution of contract amendment in the amount listed below. Please note that the Potential Change Orders (PCOs) comprising this Change Order have previously been agreed to by CCWD in our construction progress meetings or via email correspondence.

Contract Change Order Amount

The following CCO amount is recommended for CCWD's execution of contract amendment for DN Tanks.

Base Contract Value	\$10,968,951.00	Contract Duration including Previous Change Orders	493 Calendar Days
Previous Contract Change Orders	(\$60,282.25)	Contract Change Order #3 Amount	44 Calendar Days
Contract Change Order #3 Amount	\$275,671.90	Updated Contract Duration:	537 Calendar Days
Updated Contract Value:	\$11,184,340.65	Updated Contract Completion Date	July 12, 2026

Very truly yours,

FREYER & LAURETA, INC.

**Joshua R. Kimbrell, P.E., QSD/P, LEED Green Associate
Construction Manager/Vice President**

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Contract Change Order (CCO) #3 Summary
Carter Hill Prestressed Concrete Tank and Seismic Upgrades Project
 Coastside County Water District
 Half Moon Bay, California

Date Revised 6-Oct-25

Notes

PCO No.	Description	RFT or Submittal Numbers Included	Design Clarification Letter Included	Time Extension (Calendar Days)	Cost
A 17	Inlet-Outlet, Overflow, and Yard Piping Changes	14, 14.1, 25	6, 8	24	\$111,418.53
B 18	Roof Design Changes	DN-014B		10	\$62,892.00
C 19	Additional 16" Pipe Replacement		9	10	\$101,361.37
	Total			44	\$275,671.90

- A. PCO 17 - Seismic and Structural Improvements (includes maintenance cost benefits)
- B. PCO 18 - Safety (includes safety related cost benefits)
- C. PCO 19 - Reflects addition of scope to DN's contract. This separate project (unrelated to DN's scope) was originally contracted by the District with Andreini Bros., Inc. directly and approved by the Board on July 8, 2025. As the pipe replacement is within DN's work site, for liability reasons, DN requested that this portion of the project be contracted through DN with Andreini as a subcontractor to DN.



September 8, 2025

Chris Esbah, P.Eng., M.Eng
Project Manager
DN Tanks
351 Cypress Lane
El Cajon, CA 92020

RE: CCWD Carter Hill Tank Project – Clarification No. 9: 16-inch Pipeline Replacement Request (PCO No. 19)

Dear Chris:

This letter serves as Clarification No. 9 for the Coastside County Water District's (CCWD) Carter Hill Tank Project. We request that DN Tanks provide a quote for the following scope of work, to be tracked as Potential Change Order (PCO) No. 19.

CCWD would like to request the following extra work to be performed by Andreini Bros. Inc. Please see attached reference drawing (As-Built from 1996).

1. Replacement of approximately 110 linear feet of 16-inch diameter water main per CCWD standard specifications.
2. Removal and off-haul of existing pipe.
3. Final connections, pressure and Bac-T testing per CCWD standard specifications, and temporary asphalt patching. Final road paving to be performed per base contract.

Very truly yours,

Josh Kimbrell, P.E., QSD/P, LEED Green Associate
Vice President/Construction Manager
(415) 534-7070 (O) | (808) 779-5988 (M)
kimbrell@freyerlaureta.com
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September 22, 2025

Josh Kimbrell
Freyer Laureta Inc.

Subject: PCO No.19 – Main Replacement
2.10 MG Carter Hill Prestressed Concrete Tank & Seismic Upgrade Project Half Moon Bay, CA

Dear Mr. Kimbrell,

Please refer to the attached subcontractor quotes for full details of the proposed scope and exclusions. In addition to the subcontractor scope, DN Tanks has included:

- 30 staff hours for DN Tanks (30 MH @ \$107.17) = \$3,215.10 + 24% markup (\$771.62) → Direct Labor Total \$3,986.72 to manage the added scope of the main replacement.

Description	Reference	Sub. Cost	DN Markup	Direct Labor	Total Cost	Schedule Impact	Comments
Main Replacement	DC #9	\$88,522.41	\$8,852.24	\$3,986.72	\$101,361.37	10.00	To add removal, off haul and replace 110' of existing 16" main with new DIP per CCWD standards.

Total cost impact (with markups): **\$101,361.37**

Please review and inform us if you require any more information. Supporting backup from the subcontractor, including the quotes, is attached.

Exclusions

1. **Compaction Testing** – Compaction testing shall be performed by F&L/Apex; DN will not provide this service.
2. **Surveying** – DN has not been requested to provide surveying services.
3. **Layout and As-Built Documentation** – CCWD shall be responsible for layout coordination and preparation of as-built documentation; this is excluded from DN's scope.
4. **Alignment Coordination** – Coordination with Andreini regarding the adjusted alignment toward the center of the access road is the responsibility of CCWD and is excluded from DN's scope.

Schedule Impact Explanation: This additional work will directly impact the installation of the inlet pipe to new tank structure and the impact will be directly on filling up the tank and leak testing.

This change order only covers the direct costs for the work shown. It doesn't include any indirect impacts such as added time, extended overhead, or other time-related costs. We reserve the right to address those separately if they come up.

Let us know how you'd like to proceed.

Best regards,
Ulysses Sotomayor
Project Engineer
619.541.0303
351 Cypress LN, El Cajon, CA 92020
www.dntanks.com



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Andreini Bros. Inc
 151 Main St.
 Half Moon Bay, Ca. 94019
 PH. (650) 726-2065
 FAX. (650) 726-7929

REQUEST FOR PRICING

PROPOSAL SUBMITTED TO DN Tanks		Attn: Chris Esbah	PHONE 858-899-1474	DATE 09/15/25
STREET			JOB NAME CCWD HMB Tank Project	
CITY, STATE AND ZIP CODE			JOB LOCATAION 500 Lewis Foster Drive. Half Moon Bay	
REFERENCE: DC #9 replace existing 16" main	DATE OF PLANS	REF: D091525A	Email: chris.esbah@dntanks.com	

We hereby submit specifications and estimates for:

To add removal, off haul and replace 110' of existing 16" main with new DIP per CCWD standards. Price includes excavation, removal of existing, placement of new, backfill, testing (Bac-T and pressure), final connection, and temporary asphalt patching of road. Price to include the following items:

- | | |
|---|-------------------------------|
| 1. Demolition and off haul 110' of existing pipe. | Add \$ 15,606.50 |
| 2. Labor for excavation, install, backfill, testing and final connection. | Add \$ 44,096.80 |
| 3. Parts and material. | Add \$ 28,819.11 |
| | Total Add \$ 88,522.41 |

We Propose hereby to furnish material and labor – complete the change to contract for the sum of:
Add \$ 88,522.41

Payment to be made as follows:

All material is guaranteed to be as specified. All work to be completed in a substantial workmanlike Manner according to specifications submitted per standard practices. Any alteration or deviation from Above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner will carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance. All work relies on expertise of engineers and designers. Andreini Bros. is not responsible for subsidence when work is completed as designed.

**Authorized
Signature** _____

JOHN KOTTMEIER

Note: this proposal may be
 withdrawn by us if not accepted within 30 days

Acceptance of Proposal

The above prices, specifications
 and conditions are satisfactory and are hereby accepted. You are Authorized
 to do the work as specified. Payment will be made as outlined above.

Signature _____

STAFF REPORT**To:** Coastside County Water District Board of Directors**From:** Mary Rogren, General Manager**Agenda:** July 8, 2025**Report Date:** July 3, 2025

Agenda Title: Waive the Procedural Requirements for Sealed Competitive Bids and Authorize the General Manager to Enter Into a Contractual Agreement with Andreini Bros Inc. for the Replacement of the Main Inlet Pipeline and Two 16" Valves at the Carter Hill Tank Site.

Note that the \$88,522.41 for Andreini Bros, Inc. was included as part of this separate project approved by the Board in July, 2025. Given that Andreini will be working in DN Tank's work area for the pipeline, DN requests that DN be the General Contractor for the pipeline portion of the project for liability purposes. The District will manage the valve replacement under its contract with Andreini.

Waive the procedural requirements for sealed competitive bids and authorize the General Manager to enter into a contractual agreement with Andreini Bros. Inc. for the replacement of the main inlet pipeline and two 16" valves at the Carter Hill Tank Site at a not-to-exceed price of \$161,078.

Background:

Staff has identified an opportunity to replace approximately 110 feet of 16" ductile iron pipe, tee, and two 16" valves that currently feed the HMB Tank 3 inlet pipe and historically served as the old bypass if Tank 3 was ever taken off-line.

The current 16" pipe and two 16" valves were originally installed in the roadway next to the Carter Hill tanks as part of the 1980 Nunes Water Treatment Plant Project. As part of the Carter Hill Prestressed Concrete Tank and Seismic Upgrades Project, a portion of the 16" line is being removed and replaced. In addition, a portion of the bypass has already been removed to facilitate construction of the new DN Prestressed Concrete Tank.

Given the age of the pipeline and valves, District staff and the District's engineer, Jon Sutter of EKI Environment and Water, Inc. ("EKI") recommend replacing another 110 foot section of the 16" pipe that extends uphill from the new tank under construction to Tank 3 as well as replacing the two 16" valves. This project was not originally in the scope of the Carter Hill tank project, however given that the contractor is already mobilized and trenching at the site, by doing this work now, the District will save on

Staff Report**Agenda: July 8, 2025****Subject: Replacement of the Main Inlet Pipeline and Two Valves at the Carter Hill Tank Site****Page: 2**

future construction costs (including remobilization) and without having to cut into the newly refurbished concrete base road that is part of the current Carter Hill tank project. Note that when the District replaces HMB Tank #3 in the next few years, the District will have to replace the two existing (circa 1980) 16" gate valves and pipe regardless.

Once complete, the new pipeline and valves will not only serve as the inlet for the new DN Prestressed Concrete Tank but will also serve as the future connection for the Tank 3 replacement.

At the District's request, Andreini Bros. Inc. ("Andreini") prepared the attached proposal (Exhibit A) to demo and off haul the existing pipe, tee, and valves. Andreini will then install a new 16" pipeline, tee and two 16" valves and provide a temporary road patch for construction until the final road improvements are made at the end of the Carter Hill tank project.

Determination of Waiving Competitive Bidding Requirements

Staff is requesting the Board to waive the formal competitive bidding requirements of Resolution 2016-09 in order to sole-source with Andreini. As the subcontractor to DN Tanks Inc. for the underground work, Andreini is already mobilized at the Carter Hill Tank site and will be replacing the portion of the 16" pipe that is included in the current tank project. By using Andreini, the District will save on mobilization costs for the project. In addition, given Andreini's familiarity with the tank project, staff believes that Andreini is in the best position to execute the District's proposed project within the time constraints of the overall Carter Hill tank project.

Fiscal Impact: \$ 161,078.

Exhibit A: Proposal from Andreini Bros. Inc.

Exhibit B: Carter Hill Tank site map showing location of pipe and valves to be replaced.

POTENTIAL CHANGE ORDER (PCO) #17

Inlet-Outlet, Overflow, and Yard Piping Changes

CCWD Carter Hill Prestressed Concrete Tank Project

FREYER & LAURETA, INC.

Civil Engineers · Surveyors · Construction Managers.



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October 1, 2025

Josh Kimbrell

Freyer Laureta Inc.

Subject: PCO No.17 – Inlet-Outlet and Overflow and Yard Pipe Changes
2.10 MG Carter Hill Prestressed Concrete Tank & Seismic Upgrade Project Half Moon
Bay, CA

Dear Mr. Kimbrell,

We are submitting this PCO to confirm and document the cost impact associated with the revisions to inlet-outlet and Overflow piping. Our subcontractor has provided revised pricing based on the updated scope. A summary of the changes, including applicable markups, is below:

Description	Reference	Sub. Cost	DN Markup	Total Cost	Schedule Impact	Comments
Inlet-Outlet Pipe Change	RFI 14.0, RFI 14.1	\$22,714.67	\$0.00	\$22,714.67	11	24" outlet spool fabrication delayed; other spools arrived 6/6–7 (pour 6/11), 24" spool arrived 6/27 (pour 6/27).
Overflow and Inlet Pipe Change	DC #8	\$44,482.74	\$4,448.27	\$48,931.01	5	Tank will be closed during Overflow Pipe installation, impacting schedule
Pipe Supports Change	DC #8	\$2,602.50	\$390.37	\$2,992.87	4	This is the price shown over the original for the 6 supports (now 8) w/freight
Yard Piping	RFI 25 / DC #6	\$34,162.35	\$2,617.63	\$36,779.98	4	Extra Excavation Needed
Total		\$103,962.26	\$7,456.27	\$111,418.53	24	

Total cost impact (with markups): **\$111,418.53**

Please review and inform us if you require any more information. Supporting backup from the subcontractor, including the quotes, is attached.

This change order only covers the direct costs for the work shown. It doesn't include any indirect impacts such as added time, extended overhead, or other time-related costs. We reserve the right to address those separately if they come up.

Let us know how you'd like to proceed.

Best regards,

Ulysses Sotomayor

Project Engineer

619.541.0303

351 Cypress LN, El Cajon, CA 92020

www.dntanks.com



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POTENTIAL CHANGE ORDER (PCO) #18

Roof Design Changes

CCWD Carter Hill Prestressed Concrete Tank Project

FREYER & LAURETA, INC.

Civil Engineers · Surveyors · Construction Managers.



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October 3, 2025

Josh Kimbrell
Freyer Laureta Inc.

Subject: Proposal for Change Order – PCO 18

Dear Mr. Kimbrell,

As requested under DN Submittal 14b and PCO 18, DN Tanks has reviewed the revised design requirements and prepared the following proposal for the requested change order.

DN Tanks has **not** included any costs for the relocation of hatches or the addition of two davit mount curbs, as requested. The original tank roof handrail length was 60 LF, while the revised design requires approximately 300 LF, resulting in significant increases to labor, material, and associated costs.

Scope Summary:

The scope of this change order includes:

- Relocation of the interior ladder from the 4'x8' hatch to the 4'x4' hatch.
- Rotation of the 4'x4' hatch and exterior ladder/platform.
- Installation of a 4'x4' roof opening for future PAX blower system with temporary MDO plywood cover.
- Installation of **Davit arm curbs** at each access hatch (owner-supplied and install mount and cranes).
- Extension of hand railing around the entire tank roof (revised quantity approximately 300 LF vs. original 60 LF).

Exclusions:

- Owner will supply and install the Davit mounts; DN Tanks only provides the concrete curbs.
- Temporary MDO plywood cover cannot be watertight or wind resistant.
- Supply, installation, and all electrical work for the PAX mixer are not included

Below is a detailed breakdown of the proposed costs:

Category	Description	Quantity/Hours	Unit Cost	Subtotal	Markup	Total
Labor	Installation labor	130 MH	\$107	13910	24% (\$3,338)	17248
Material	Handrail 240 LF	240 LF	\$135	32400	15% (\$4,860)	37260
Material	Freight	-	-	1500	-	1500
Equipment	Manlift & Crane, 20 hr	20 hr	\$200	4000	15% (\$600)	4600
Subcontractor	Extra Rebar (CMC)	-	-	2076	10% (\$208)	2284

Total Proposed Change Order Cost: **\$62,892**

Schedule Impact:

The actual schedule impact has not yet been fully assessed; however, the estimated impact is 10 working days. This change order only covers the direct costs for the work shown. It does not include any indirect impacts such as added time, extended overhead, or other time-related costs. DN Tanks reserves the right to address those separately if they come up.

Thank you,
Chris Esbah, PE, P.Eng
Project Manager
858-899-1474 Phone
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www.dnllc.com



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