



CITY OF SAN MATEO

City Hall
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Agenda Report

Agenda Number: 8

Section Name: {{section.name}}

File ID: {{item.tracking_number}}

TO: City Council
FROM: Drew Corbett, City Manager
PREPARED BY: Public Works Department
MEETING DATE: January 19, 2021

SUBJECT:
Contracts with Contingency Component – Update

RECOMMENDATION:

Receive the report on citywide contracts contingency fund expenditures for the period from July 1, 2015 through October 31, 2020 and approve an additional \$2,000 contingency for the Rand Street Reconstruction Project.

BACKGROUND:

When presenting contracts to the City Council for award, staff typically requests approval of additional contingency funds and authorization to issue change orders up to the contingency amount. The contingency amounts range, but are typically 10% of the total contract. This approach provides flexibility and efficiency in that projects may continue without having to return to the City Council for approval of change orders. The current report shows all active contracts citywide with contingencies greater than \$25,000 awarded from July 1, 2015 through October 31, 2020. This report also includes an attachment that shows completed projects with contingencies from this same period. These updates are provided three times annually at a City Council meeting in January, May, and September.

During the preparation of this report, it was discovered that change orders for the Rand Street Reconstruction Project exceeded the \$100,000 contingency by \$2,000. The project is complete, and there will be no additional expenditures. Staff requests approval for an additional \$2,000 contingency to conclude this project.

BUDGET IMPACT:

Sufficient funds are available in the Rand Street Reconstruction Project (467774) for the additional \$2,000 contingency.

The remainder of this item is an informational update with no budget impact. Sufficient funds have been allocated to each of the contracts including the contingency amounts.

ENVIRONMENTAL DETERMINATION:

This informational update is not a project subject to CEQA, because it is a government fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. (CEQA Guidelines Section 15378(b)(4).)

NOTICE PROVIDED

All meeting noticing requirements were met.

ATTACHMENTS

Att 1 - Contingency Report_ Completed Projects
Att 2 - Contingency Report_ Active Projects

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