



# CITY OF SAN MATEO

City Hall  
330 W. 20th Avenue  
San Mateo CA 94403  
[www.cityofsanmateo.org](http://www.cityofsanmateo.org)

## Administrative Report

---

Agenda Number: 8., Status: Passed

File ID: 2018-903

---

**TO:** City Council

**FROM:** Drew Corbett, City Manager

**PREPARED BY:** Public Works Department

**MEETING DATE:** Monday, January 07, 2019

**SUBJECT:**  
Contracts with Contingency Component - Update

### RECOMMENDATION

Receive the report on contingency fund expenditures for the period from July 1, 2015 through October 31, 2018, and approve an additional \$3,000 contingency for the 39<sup>th</sup> Avenue Reconstruction Project.

### BACKGROUND

The City Council has awarded contracts and authorized contingency funds to allow flexibility by the Department Director to authorize additional work or change orders up to the approved contingency amount. The contingency amount is typically 10% of the total contract. This approach allows projects to 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, 2018. 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 39<sup>th</sup> Avenue Reconstruction Project exceeded the \$70,000 contingency by \$2,702. The project is complete, and there will be no additional expenditures. Staff requests approval for an additional \$3,000 contingency to conclude this project.

### BUDGET IMPACT

Sufficient funds are available in the 39th Avenue Reconstruction Project (467774) for the additional \$3,000 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 item is being presented for informational purposes only and is therefore not a project subject to CEQA review.

### NOTICE PROVIDED

All meeting noticing requirements were met.

### ATTACHMENTS

Att 1 - Contingency Status for Active Projects  
Att 2 - Completed Projects with Contingencies

**STAFF CONTACT** Chris Passarelli, Management Analyst I  
cpassarelli@cityofsanmateo.org  
(650) 522-7367

Abby Veaser, Business Manager  
aveaser@cityofsanmateo.org  
(650) 522-7325