



Staff Report

TO: City Council
FROM: Robert L. Vestal, Public Works Director
DATE July 16, 2024
SUBJECT: Fire Station No. 106- Construction Contingency Ratification

Description Ratify the City Manager's authority to approve contract change orders for the construction of Fire Station No. 106

Background and Analysis:

On August 2, 2022, City Council awarded a Public Works Agreement to Kemcorp Construction, Inc. to construct Fire Station No. 106 for an original contract amount of \$7,475,000. Included in this action, the City Council also authorized the City Manager to approve change orders and unforeseeable project costs up to the project contingency of \$638,500.

On October 17, 2023, the City Council approved a CIP amendment that increased the Westside Fire Station No. 106 budget by \$300,000 with the intended use as additional contingency.

Although the staff report and presentation stated the intended use as additional contingency, the staff report and subsequent City Council action did not authorize the City Manager to approve change orders exceeding the original contingency amount of \$638,500. City staff authorized the contractor to perform work in excess of the original contract and contingency amount consequent to the October 17, 2023, meeting.

Therefore, City staff is proposing ratifying City Manager's original approval authority authorized on August 2, 2022, to the increased amount of \$938,500.

Fiscal Impact:

The cost to prepare this staff report is estimated to be \$350.

The contingency was previously approved as part of the Fire Station No. 106 CIP budget amendment. Please refer to the following summary table project accounting summary.

CIP2017-028 Fire Station No. 106 Project Accounting Summary				
Funding Summary				
Funding Year	Funding Source			Amount
FY17/18	DIF			\$1,000,000
FY18/19	DIF			\$3,100,000
FY20/21	Bond Proceeds			\$3,984,954
FY20/21	General Fund Reserves			\$565,045
FY 23/24	Fire Protection Impact DIF			\$300,000
Total Project Funding =				\$8,949,999
Budget Summary				
Project Component	Budget	Encumbered	Paid to Date	Remaining Budget
Project Management	\$2,500	(\$2,401)	(\$2,401)	\$99
Preliminary Services	\$7,500	(\$7,500)	(\$7,500)	\$0
Environmental	\$128,500	(\$128,101)	(\$127,077)	\$399
Design	\$270,200	(\$270,101)	(\$247,543)	\$99
Construction	\$8,413,500	(\$8,365,488)	(\$8,152,383)	\$48,012
Construction Management	\$60,000	(\$65,618)	(\$69,491)	(\$5,618)
Permits	\$67,699	(\$108,656)	(\$108,656)	(\$40,957)
Equipment	\$100	(\$37)	\$0	\$63
Project Summary Totals	\$8,949,999	(\$8,947,901)	(\$8,715,051)	\$2,098

Recommended Action:

Ratify the City Manager's authority to approve contract change orders for the construction of Fire Station No. 106 up to an amount not to exceed \$938,500.

Attachments:

- A. Staff Report – Public Works Agreement and Contingency
- B. Staff Report – Budget Adjustment and Additional Contingency