



## STAFF REPORT

DATE: 3/26/25  
TO: City Council  
FROM: Ted Henry, City Manager  
SUB: Authorizing Contingency Amount

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### SUMMARY

The Bel Aire City Council approved the construction contract for the new public works facility totaling \$5,648,000 on January 7, 2025. The approved motion did not include any contingency amounts outlined in the bid. Recently, our Ownership Representative and Architectural Firm contacted staff, regarding the need for the contingency to ensure project timelines and schedules are maintained. Although the project specifications initially included a 10% contingency amount, this action aims to provide greater clarity. Ownership Representative Kirk Jurgensen will attend the meeting to discuss and review the contingency process.

Current estimates are based on the following:

|                       |                     |
|-----------------------|---------------------|
| Construction          | \$ 5,648,000        |
| A&E (6.5%)            | \$ 418,490          |
| OR (4%)               | \$ 257,532          |
| Equipment             | \$ 500,000          |
| 10% Contingency       | \$ 564,800          |
| <b>Total</b>          | <b>\$ 7,388,822</b> |
|                       |                     |
| BASE                  | \$ 4,716,225        |
| BASE (25% CITY MATCH) | \$ 1,572,075        |
|                       | \$ 6,288,300        |
|                       |                     |
| AMOUNT OVER MATCH     | \$ 1,100,522        |
| TOTAL CITY            | \$ 2,672,597        |