



# Memorandum

DATE: January 25, 2023

MEMO TO: Board of Directors

THROUGH: Ana Ruiz, General Manager *AR*

FROM: Stefan Jaskulak, Chief Financial Officer

SUBJECT: Review Use of Contingency Funds – FY22

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This memo provides an overview of the contingency amounts approved and spent during the fiscal year ending June 30, 2022 (FY22), running from July 1, 2021 through June 30, 2022, to report back to the Board of Directors (Board) on how much of the authorized contingencies are used as part of the Midpeninsula Regional Open Space District's (District) contracting work.

**Policy:**

Contracts over \$50,000 are approved by the Board and subsequently executed by the General Manager. These contracts may or may not have a contingency awarded. Typically, contingencies range between 5% and 15% per Board Policy 3.03:

Public Contract Bidding, Vendor and Professional Consultant Selection, and Purchasing Policy I.C. Contract Change Orders -- Staff may issue change orders to a contract, provided that the aggregate of all change orders to that contract does not exceed the total contract amount with contingency as approved by the Board for amounts over \$50,000. Contingencies generally shall range between 5% and no more than 15% of the original contract price and be dependent on the level of uncertainty regarding potential additional issues that may emerge and generate unexpected costs in order to complete the intended base contract work. A contingency greater than 15% may be authorized by the Board when accompanied by a finding that circumstances warrant a larger contingency.

**Contingency Process:**

Purchase orders are generated against the approved base contract amount. Once contingency spending is deemed necessary, the project manager requests approval from their respective Assistant General Manager or the Chief Financial Officer. This additional approval step was added in October 2019 as an extra level of review to ensure that the use of contingencies is within the scope of the project and/or critical to the successful completion of the contract/project. A separate contingency purchase order is then generated in the District's financial system, New World Systems (NWS), to record contingency spending. Any additional amount beyond the Board-approved not-to-exceed contract amount requires additional Board approval.

**Review Process:**

Contracts may span multiple fiscal years, either because of the multi-year scope of the project or contract, or because it is initiated partway through a fiscal year and carries over into the next. For

this FY22 Contingency Review memo, staff pulled all contracts that were in effect during any part of FY22. Since there is no automated method to aggregate the contingencies awarded per contract, staff implemented a contingency purchase order approval process as of October 2019 to track actual contingency spending in NWS.

**Findings:**

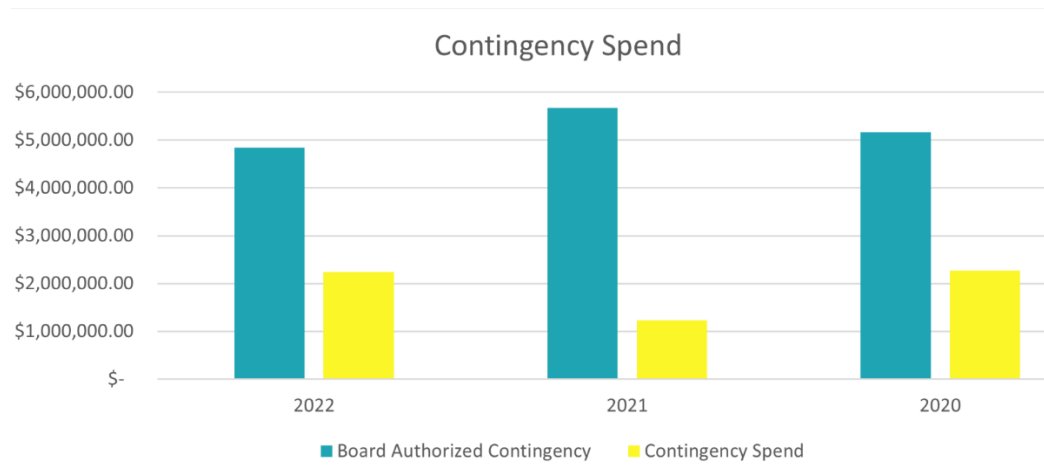
Staff reviewed 87 new and existing contracts over \$50,000 that were approved by the Board and in effect during FY22. Some of these contracts were new, some were ongoing, and some were closed sometime during that fiscal year. Staff also gathered data on the original amount of the contract and on the amended amount, as contracts amounts may increase over time. The statistics are as follows:

Contracts Reviewed: 87  
 Total Original Contract Amount: \$42,793,438.80  
 Total Amended Contract Amount: \$53,326,145.41

Board Authorized Contingency: \$4,837,423.00  
 62 of the 87 contracts included a Board approved contingency. The total contingency amount approved for these 62 contracts equates to 11.30% of the original contract amount and 9.07% of the amended contract.

Contingency Expensed: \$2,245,621.47  
 46.42% of the Board-approved contingency was used in FY22, equating to 5.25% of the original contract amount and 4.21% of the amended contract amount.

Based on the findings above, 46.42% of the Board approved contingency amount was expensed in FY22, which equates to just over 4% of the amended total Board-approved contract amount. Compared to FY21 and FY20, use of the Board-approved contingency amount in FY22 was higher than FY21 but similar to FY20 (see chart).



**Next Steps:**

Staff will continue to report the above-mentioned statistics in an annual FYI for the next two years and then ask if an ongoing annual report is still desired.

CONTINGENCY USAGE REPORT FOR CONTRACTS OVER 50K

Process Status	Contract	Primary Vendor	Original Amount	Revised Amount	Board Authorized Contingency	Contingency Expensed on PO
Closed/Completed	2020-00000067 - Audit of Financial Statements and Major Pgm Compliance FY 18-21	Chavan & Associates, LLP	\$70,500.00	\$70,500.00		
Closed/Completed	2020-00000101 - Alma Demolition and Abatement Project	Coastwide Environmental Technologies, Inc.	\$402,000.00	\$549,300.00	\$ 60,300.00	
Closed/Completed						\$ 13,300.00
Closed/Completed	2022-00000044 - Billingsley and Burton Properties Demolition	CVE Demolition, Inc.	\$358,718.00	\$358,718.00	\$ 35,872.00	
Closed/Completed	2021-00000127 - Mount Umunhum Radar Tower Repair Project	George Bianchi Construction Inc	\$1,986,539.20	\$2,215,084.91	\$ 238,385.00	
Closed/Completed						\$ 228,545.68
Closed/Completed	2019-00000130 - San Mateo Countywide Fine Scale Vegetation map	Golden Gate National Parks Conservancy	\$168,000.00	\$168,000.00	\$ 18,000.00	
Closed/Completed						\$ 18,000.00
Closed/Completed	2017-00000025 - Cooley Landing Native Planting and Interpretive Project	Grassroots Ecology	\$90,000.00	\$180,470.00		
Closed/Completed	2022-00000010 - Lone Madrone Fence Construction (Glass-Dooley boundary fence)	Hammer Fences	\$63,200.00	\$63,200.00		
Closed/Completed	2017-00000016 - BCR Public Access Design, Engineering & Construction Oversight	Harris Design	\$221,985.00	\$535,936.71	\$ 31,543.00	
Closed/Completed	2022-00000038 - Bergman Driveway Grading and Chip Seal	Old La Honda General Engineering	\$78,679.00	\$87,689.00	\$ 7,868.00	
Closed/Completed						\$ 5,010.00
Closed/Completed	2022-00000008 - Mindego South Pasture Expansion Fence Construction		\$84,480.00	\$84,480.00	\$ 7,680.00	
Closed/Completed	2020-00000118 - Web Design and Development	Rootid, LLC	\$86,378.00	\$86,378.00	\$ 7,853.00	
Closed/Completed						\$ 7,800.00
Closed/Completed	2022-00000017 - LHC Agricultural Workforce Housing	SAE Consulting Engineering	\$195,500.00	\$209,742.50	\$ 19,550.00	
Closed/Completed						\$ 14,242.50
Closed/Completed	2020-00000063 - Science Advisory Panel	San Francisco Estuary Institute	\$100,000.00	\$219,000.00		
Closed/Completed	2018-00000157 - La Honda Creek Loop Trail Design	Sherwood Design Engineers	\$169,728.00	\$169,728.00	\$ 22,138.00	
Closed/Completed	2022-00000024 - Bergman Demolition	TKO General Engineering & Construction	\$97,900.00	\$97,900.00	\$ 8,900.00	
Closed/Completed						\$ 7,500.00
Closed/Completed	2019-00000125 - Mount Umunhum Radar Tower Assessment Project	Wiss, Janney, Elstner Associates, Inc.	\$123,855.00	\$226,330.00	\$ 16,155.00	
Open	2020-00000119 - Hwy 17 Wildlife & Regional Trail Crossing & Trail Connections	Aecom Technical Services Inc	\$1,580,000.00	\$2,499,700.00	\$ 182,500.00	
Open						
Open	2022-00000096 - Botanical Services for Multiple Preserves, Skyline Area		\$91,987.00	\$91,987.00	\$ 8,300.00	
Open	2022-00000156 - Alma Bridge Road Newt Passage		\$392,961.00	\$392,961.00	\$ 27,823.00	
Open	2022-00000066 - BCR Landfill Characterization and Remediation	Albion Environmental, Inc.	\$140,237.00	\$197,548.00	\$ 23,810.00	
Open						
Open	2021-00000066 - Purisima Upland Demolition and Site Cleanup Project	Ascent Environmental Inc	\$88,914.00	\$88,914.00	\$ 8,083.00	
Open	2021-00000086 - CEQA Services for LHC Red Cabin Demo& White Barn Structure Rehab		\$238,184.00	\$238,184.00	\$ 21,653.00	
Open	2022-00000093 - Bot.Services ISO FireSafe SMC - Hwy 35 Evac Route Fuel Break	Avila and Associates Consulting Engineers, Inc.	\$76,511.00	\$76,511.00	\$ 6,595.00	
Open	2022-00000067 - Pescadero & San Gregorio Sediment TMDL Implementation Plan		\$234,232.60	\$234,232.60	\$ 30,552.00	
Open	2021-00000093 - Administrative Office Renovation Project	BHM Construction, Inc.	\$19,984,221.00	\$22,065,512.80	\$ 2,158,422.00	
Open						\$ 1,541,642.88
Open	2021-00000163 - Phase II ADA Barrier Removal Project	BKF Engineers	\$210,690.00	\$210,690.00	\$ 21,069.00	
Open	2022-00000013 - NE Trailhead Crossing Project		\$120,956.00	\$120,956.00	\$ 10,996.00	
Open	2021-00000068 - Purisima Upland Oil Well Decommissioning Project	Bonkowski and Associates, Inc.	\$68,230.00	\$68,230.00	\$ 8,900.00	
Open	2019-00000065 - Bear Creek Redwoods Plant Installation and Maintenance	Confluence Restoration	\$109,868.00	\$109,868.00	\$ 14,331.00	
Open						\$ 2,340.00
Open	2022-00000015 - 50th Anniversary Video	Digital Story Company	\$90,696.00	\$90,696.00		
Open	2022-00000084 - Saratoga Gap Spring Box and Waterline Development Project	ECAST Engineering Inc.	\$119,046.00	\$119,046.00	\$ 11,905.00	
Open	2020-00000062 - IPM: Revitalize Stream, Upland, and Wetland Habitats	Ecological Concerns, Inc.	\$132,990.00	\$398,970.00		
Open	2020-00000078 - Plant Install. & Maint. of Multiple Mitigation Sites, 2019-2022		\$850,123.00	\$850,123.00	\$ 71,829.00	
Open						\$ 11,361.58
Open	2022-00000060 - Grant-Funded Forest Health and Ecosystem Resiliency, 2021		\$150,000.00	\$150,000.00		
Open	2021-00000146 - Electronic Doc Management Implementation and Scanning Services	ECS Imaging, Inc.	\$168,044.00	\$168,044.00		

CONTINGENCY USAGE REPORT FOR CONTRACTS OVER 50K

Process Status	Contract	Primary Vendor	Original Amount	Revised Amount	Board Authorized Contingency	Contingency Expensed on PO
Open	2021-00000089 - AO Interpretive Planning and Design	Edquist Davis Exhibits	\$78,000.00	\$112,150.00	\$ 2,250.00	
Open	2022-00000049 - New AO Office Furniture Procurement and Installation	EMID Design Group	\$340,760.00	\$372,845.00	\$ 34,076.00	\$ 27,585.00
Open	2021-00000074 - Legislative Consulting and Lobbying Services	Environmental & Energy Consulting	\$79,070.00	\$316,280.00	\$ 6,200.00	
Open	2020-00000087 - GIS Software Enterprise License Agreement	Environmental Systems Research Institute, Inc.	\$137,500.00	\$137,500.00		
Open	2019-00000044 - Bear Creek Dump Investigation	Geocon Consultants Inc	\$54,883.00	\$104,882.00	\$ 7,158.00	
Open	2022-00000086 - New Domestic Water Well Toto Ranch		\$68,947.00	\$69,963.48	\$ 6,788.00	
Open	2022-00000020 - Alma Cultural Landscape Rehabilitation Project	George Bianchi Construction Inc	\$2,638,033.00	\$2,895,943.74	\$ 395,707.00	
Open						\$ 211,837.14
Open	2022-00000152 - Alpine Road Regional Trail Construction		\$1,586,623.00	\$1,586,623.00	\$ 237,993.00	
Open	2018-00000001 - Hendrys Creek Restoration Project	Grassroots Ecology	\$165,000.00	\$302,427.36		
Open	2020-00000084 - Service-Learning on District Preserves		\$295,417.00	\$295,417.00		
Open	2020-00000112 - Native Plant Production and Propagule Collection, 2020-2024		\$160,000.00	\$160,000.00		
Open	2018-00000058 - Alma College Bat Relocation & Habitat Replacement - HT Harvey	H.T. Harvey & Associates	\$80,905.00	\$80,905.00	\$ 9,473.00	
Open	2018-00000084 - Ravenswood Bay Trail		\$55,672.00	\$701,605.00		
Open	2020-00000042 - Ravenswood Revegetation and Plant Maintenance	Hanford Applied Restoration & Conservation	\$386,290.00	\$501,830.00	\$ 44,175.00	
Open						\$ 400.00
Open	2021-00000092 - DistrictWide Habitat Enhance. through Invasive Species Treatment		\$275,000.00	\$550,000.00		
Open	2019-00000015 - Programmatic Environmental Permitting	Horizon Water and Environment, LLC	\$99,734.00	\$799,563.00	\$ 74,982.00	
Open	2016-00000045 - Planning Consultant Hendrys Creek Restoration	Jana Sokale Environmental Planning	\$4,500.00	\$67,255.00		
Open	2017-00000099 - Bear Creek Stables Improvements Design Development	John Northmore Roberts & Associates	\$833,423.00	\$888,270.69	\$ 77,017.00	
Open	2021-00000148 - 2021 Legal services for negotiations and related matters	Liebert Cassidy Whitmore	\$50,000.00	\$185,000.00		
Open	2019-00000157 - Alpine Rd. CEQA/Permit Support and LHC Loop Trail Permit Support	LSA Associates, Inc.	\$188,140.00	\$188,140.00	\$ 24,540.00	
Open						\$ 5,860.21
Open	2021-00000162 - 50th Anniversary Celebration Planning	Matter Unlimited, LLC	\$75,030.50	\$414,411.00		
Open	2019-00000051 - New Administration Offices (AO) Facility	Noll & Tam Architects	\$386,951.00	\$1,969,141.00	\$ 206,373.00	
Open						\$ 88,770.00
Open	2021-00000064 - Admin Office Renovation Project Construction Mgmt & Peer Review	Nova Partners, Inc.	\$546,823.00	\$546,823.00	\$ 71,325.00	
Open						\$ 19,960.00
Open	2019-00000088 - CEQA: Prescribed Fire Program Development	Panorama Environmental, Inc.	\$341,914.00	\$734,473.00	\$ 78,700.00	
Open	2022-00000006 - Purisima Multimodal Access Study	Parisi Transportation Consulting, Inc.	\$124,298.00	\$124,298.00	\$ 11,300.00	
Open						\$ 3,880.16
Open	2021-00000047 - Alma Cultural Landscape Rehabilitation Plan	PGA Design, Inc.	\$201,116.00	\$201,116.00	\$ 26,250.00	
Open	2022-00000120 - SAO Equipment Shed	Protective Weather Structures, Inc.	\$58,688.00	\$61,621.00	\$ 5,866.00	
Open	2019-00000184 - BCR Phase 2 Trail Design and Permitting	Questa Engineering Corp.	\$258,750.00	\$702,710.00	\$ 62,310.00	
Open	2020-00000055 - Budget Management Software	Questica Ltd.	\$127,250.00	\$171,933.00		
Open	2021-00000046 - Human-Mountain Lion Interaction Study		\$500,000.00	\$500,000.00		
Open	2022-00000145 - SOD Blitz Events&Forest Health&Resiliency Peer Review Services		\$173,000.00	\$173,000.00		
Open	2022-00000053 - BCR Vegetation Treatment Cultural Resources	Rincon Consultants, Inc.	\$73,422.00	\$73,422.00	\$ 9,577.00	
Open	2020-00000139 - Web Maintenance and Strategic Support	Rootid, LLC	\$51,840.00	\$51,840.00		
Open	2022-00000032 - La Honda Creek Feasibility Study	Royston Hanamoto Alley & Abey	\$374,714.00	\$374,714.00	\$ 34,065.00	
Open	2019-00000103 - American Badger and Burrowing Owl Habitat Suitability Study	San Francisco Bay Bird Observatory	\$235,675.00	\$251,425.00	\$ 21,425.00	
Open						\$ 4,478.28
Open	2021-00000094 - Regional Early Detection/Rapid Response Partnership	San Mateo Resource Conservation District	\$60,000.00	\$180,000.00		
Open	2021-00000152 - SFO Solar Panel Installation	Sandbar	\$151,533.00	\$166,354.12	\$ 15,153.00	
Open						
Open	2019-00000008 - Costsharing Agreement for Guadalupe River Coordinated Monitoring	Santa Clara Valley Water District	\$60,630.00	\$60,630.00		
Open	2020-00000008 - La Honda Forest Management Plan	Sicular Environmental Consulting	\$91,993.00	\$107,293.00	\$ 12,000.00	

CONTINGENCY USAGE REPORT FOR CONTRACTS OVER 50K

Process Status	Contract	Primary Vendor	Original Amount	Revised Amount	Board Authorized Contingency	Contingency Expensed on PO
Open						\$ 1,320.00
Open	2021-00000122 - AO Special Inspection Services	Signet Testing Laboratories, Inc.	\$113,129.50	\$135,682.50	\$ 12,540.00	
Open						\$ 9,924.77
Open	2019-00000037 - Fire Ecology Services: Prescribed Fire Program	Spatial Informatics Group LLC	\$116,438.00	\$340,405.00	\$ 44,400.00	
Open	2021-00000079 - Purisima-to-the-Sea Trail and Parking Feasibility Study	SWCA Environmental Consultants	\$287,000.00	\$287,000.00	\$ 26,000.00	
Open						\$ 14,737.25
Open	2022-00000146 - Trail Engineering - La Honda and Coal Creek		\$81,400.00	\$81,400.00	\$ 7,400.00	
Open	2021-00000101 - Tyler Munis ERP Migration	Tyler Technologies Inc	\$497,289.00	\$497,289.00	\$ 19,800.00	
Open	2021-00000043 - Mitigation Monitoring and Reporting, 8 Sites for 5 yrs, 2020-24		\$109,422.00	\$109,422.00	\$ 8,130.00	
Open	2021-00000154 - Botanical Services at Cloverdale Ranch		\$130,805.00	\$130,805.00		
Open	2022-00000099 - Prep of Habitat Restoration Plans, Irish Ridge Area of PCR		\$60,000.00	\$176,902.00	\$ 16,082.00	
Open	2020-00000031 - Water Rights Services	Wagner & Bonsignore	\$100,000.00	\$100,000.00		
Open	2019-00000090 - Alpine Road Trail Improvements- Design & Engineering	Waterways Consulting	\$302,429.00	\$302,429.00	\$ 34,882.00	
Open						\$ 7,126.02
Open	2021-00000088 - Sierra Azul New Ranger Housing	Wiss, Janney, Elstner Associates, Inc.	\$74,250.00	\$74,250.00	\$ 6,750.00	
Open	2022-00000123 - Hawthorns Area Structural Assessment		\$101,269.00	\$101,269.00	\$ 13,209.00	
Open	2019-00000181 - Structure Stabilization at Multiple Preserves	ZFA Structural Engineers	\$203,130.00	\$312,857.00	\$ 92,515.00	
			<b>\$42,793,438.80</b>	<b>\$53,326,145.41</b>	<b>\$ 4,837,423.00</b>	<b>\$ 2,245,621.47</b>