


CITY COUNCIL ACTION REQUEST

Department(s): Public Works	CEQA: Not a Project, File No. PP17-008, General Procedure and Policy Making resulting in no changes to the physical environment	Coordination: CAO, Departments of Transportation, and Environmental Services	Dept. Approval: /s/ Matt Cano
Council District(s): Citywide			CMO Approval:  11/4/2021

SUBJECT: AMENDMENT TO TITLE 27 OF THE SAN JOSE MUNICIPAL CODE RELATED TO THE ISSUANCE OF PUBLIC WORKS CHANGE ORDERS

RECOMMENDATION:

Approve a clean-up ordinance amending Section 27.30.080 of Chapter 27.30 of Title 17 of the San José Municipal Code to streamline the authority that the Directors of Public Works, Environmental Services, and Transportation must negotiate, execute and issue change orders.

BASIS FOR RECOMMENDATION:

On September 10, 2019, the City replaced portions of Title 14 of the San Jose Municipal Code related to the procurement of public works contracts with a new Title 27. The primary purpose of Title 27 was to update requirements applicable to the procurement of public works projects. Since that time, Public Works Department staff has asked the City Council to approve two clean-up ordinances to further modernize, streamline, and clarify the public works contracting process.

This third clean-up ordinance is intended to increase the efficiency of the contract change order process. Title 27 continued a limitation from Title 14 requiring that Council must approve any change order that results in extending the completion date more than 180 days beyond the original completion date. For example, this limitation would not apply to the first change order extending the completion date by 160 days. However, it would apply to the second change order extending the completion date by another 25 days.

Public Works recommends removing the 180-day restriction allowing the Directors to issue change orders that extend the completion date beyond 180 days and would enable departments to complete construction projects in a more efficient manner. Additionally, the removal of this restriction eliminates further potential delay to project completion.

The Municipal Code requires the Directors of Public Works, Environmental Services, and Transportation to provide a regular report to the City Manager listing, among other items delegated to their authority, any change orders signed by each Director during the reporting period. As such, the City Council and the public will continue to be informed about change orders that impact project schedules. In addition, change orders that, in aggregate, exceed the project contingency or alter the scope of work in a way that does not comply with the Municipal Code, must still be approved by Council.

Climate Smart San Jose: The recommendation in this memo has no effect on Climate Smart San José energy, water, or mobility goals.

Commission Recommendation/Input: No Commission recommendation or input is associated with this action.

COST AND FUNDING SOURCE:
No Cost and Funding Source is associated with this action.
FOR QUESTIONS CONTACT: Matt Loesch, Assistant Director, (408) 975-7381