



City of Columbia

701 East Broadway, Columbia, Missouri 65201

Department Source: Law

To: City Council

From: City Manager & Staff

Council Meeting Date: September 6, 2016

Re: Amending Chapter 22 of the City Code to Increase the Construction Contract Threshold Relating to Performance and Payment Bonds

Executive Summary

An ordinance has been prepared to amend Chapter 22 of the City Code to increase the minimum threshold for city construction contracts for which a performance payment bond is required from \$25,000 to \$50,000.

Discussion

Public property is exempt from imposition of mechanics and materials liens. In lieu thereof, public entities are mandated by state law to require construction contractors who perform work on public projects to furnish a bond conditioned on the payment of labor and materials used in connection with construction of such work.

The minimum threshold for performance and payment bonds is set by state law. Section 107.170 RSMo. was amended in 2014 to increase the minimum from \$25,000 to \$50,000. The attached ordinance will increase the minimum threshold for city construction contracts for which a performance and payment bond is required from \$25,000 to \$50,000.

Fiscal Impact

Short-Term Impact: Not applicable.

Long-Term Impact: Not applicable.

Vision & Strategic Plan Impact

[Vision Impacts:](#)

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

[Strategic Plan Impacts:](#)

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

[Comprehensive Plan Impacts:](#)

Primary Impact: Not Applicable, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable



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Legislative History

Date	Action
	Not applicable.

Suggested Council Action

Passage of the ordinance.