



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen
Larry D. Lisenbee

SUBJECT: SEE BELOW

DATE: 03-21-07

Approved

Date

3/26/07

COUNCIL DISTRICT: 3
SNI: Five Wounds/
Brookwood

SUBJECT: SECOND AMENDMENT TO THE AGREEMENT WITH GROUP 4 ARCHITECTS, RESEARCH AND PLANNING, INC. FOR THE ROOSEVELT COMMUNITY CENTER MULTI-SERVICE PROJECT AND ADOPTION OF APPROPRIATION ORDINANCE AMENDMENTS IN THE CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND: PARKS PURPOSES COUNCIL DISTRICT 3

RECOMMENDATION

- a. Approval of the second amendment to the agreement with Group 4 Architects, Research and Planning, Inc. for architectural consultant services for the Roosevelt Community Center Multi-Service Project, amending the scope of services and decreasing the amount of compensation by \$560,679, for a total agreement amount not to exceed \$2,080,993.
- b. Adoption of the following Appropriation Ordinance amendments in the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District 3 (Fund 380):
 1. Increase the appropriation to the Parks, Recreation and Neighborhood Services Department for the Roosevelt Hockey Rink Cover Project by \$117,000; and
 2. Decrease the Ending Fund Balance by \$117,000.

OUTCOME

Approval of the second amendment to the agreement with Group 4 Architects, Research and Planning, Inc. (Group 4 Architects) will allow the City to effectively utilize limited funds for the various components of the Roosevelt Community Center project, including the Roller Hockey Rink Cover (Cover).

EXECUTIVE SUMMARY

The purpose of this memorandum is to recommend approval of the second amendment to the consultant agreement with Group 4 Architects. This amendment will allow defunding the Roosevelt Gym Design funding from the agreement and reallocation of this funding for the award of a construction contract for the Roosevelt Park Multi-Service Community Center Package II project. It will also shift funding from 2007-2008 to 2006-2007 for the Rink Cover project to allow Group 4 Architects to be compensated for design services provided for the project.

BACKGROUND

The proposed Roosevelt Community Center is located in Roosevelt Park, within a residential and commercial business area. The park site is bordered by the San José Academy to the north, 20th and 21st Streets to the east, East Santa Clara Street to the south and Coyote Creek to the west (map attached).

In January 2004, the City Council approved an amendment to the Roosevelt Park master plan. The master plan amendment elements include a new skate park, demolition of the existing facility, building the new center, a bridge over Coyote Creek, roller hockey rink with roof cover, parking structure, gymnasium, skate park and an aquatics center. The amendment builds upon the 1994 Roosevelt Park Master Plan and the 2002 Five Wounds Brookwood Terrace Neighborhood Improvement Plan, developed as part of the Strong Neighborhoods Initiative.

In December 2004, Council approved an agreement with Group 4 Architects in the amount of \$1,798,887 to provide architectural consultant services for the Roosevelt Park Multi-Service Community Center project. The scope of work included programming, design, construction documents, bidding and award, and construction administration for the Roosevelt Community Center project. Due to funding constraints only the programming and conceptual design services for the gymnasium were included in the consultant agreement.

Due to the liquefactions in the underlying soils, this project was divided into Package I and Package II. Package I was to remove and re-compact the native soils and prepare the building pad for the community center building. Package II was to construct the center building. In June 2006, City Council approved a resolution authorizing the Director of Public Works to award a construction contract for the Roosevelt Community Center Package I project. The Package I project was completed in October 2006.

The project scope has been expanded since the start of the design phase. Staff authorized Group 4 Architects to provide various services on extra work, such as: design for the new parking lot at the east side of 21st Street (school site), preparing bid documents for the Package I project, preparing a hazardous materials report and air quality monitoring for acquired residential/business properties, etc. The additional services fund was soon depleted.

In September 2006, Council approved the first amendment to the agreement with Group 4 Architects adding the development of bid documents for the gymnasium in the scope of consultant services and increasing the agreement compensation by \$842,785. Out of this increased amount, \$95,000 was to replenish the additional services fund.

On September 21, 2006, bids for the Roosevelt Park Multi-Service Community Center – Package II project (RCCII) were opened. The lowest bid was 15% above the Engineer's Estimate. In December 2006, Council rejected all bids for the RCCII and directed staff to re-bid this project. On February 22, 2007, the re-bid bids were opened. Although the lowest bid was less than the previous lowest bid, it was still 12% above the original budget. In an effort to supplement the funding shortfall for RCCII, staff identified that the remaining funding for gymnasium design can be made available to award the construction contract for RCCII.

ANALYSIS

In October 2006, staff was informed that the Roosevelt Roller Hockey Rink Cover (Cover) project was a high priority with the community and required immediate action to accelerate the project in order for it to be completed by summer 2008. To meet this challenging schedule, staff recommended the following: 1) Retain Group 4 Architects to provide architectural services for this project because Group 4 Architects was highly familiar with all aspects of this site and had successfully assisted the City with community outreach efforts during the programming, conceptual and building design phases. 2) Immediately start the negotiation on the scope of services for the second amendment with Group 4 Architects.

The proposed second amendment to the agreement with Group 4 Architects eliminates the design of the gymnasium from the consultant scope of work and adds a full design-build package for the Cover project. The consultant has commenced the schematic design before execution of this second amendment to the agreement. The amended scope of work would allow the consultant to continue Cover design, complete construction documents and provide construction administration service. This agreement is also structured so that the consultant services can be terminated at any time and the City will be liable only for the services completed.

A recent cost estimate by the consultant indicated that the Rink Cover project was approximately \$1.3 million short to complete construction. As a result of this, staff, on March 16, 2007, placed a temporary hold on the project at the end of the schematic design phase while options to proceed are being discussed.

By eliminating the design of the gymnasium from the scope of work, a reduction of \$560,679 in consultant costs will be achieved. This amount will be retained in the Roosevelt Center Gymnasium Design appropriation and made available for the award of RCCII construction contract. Funds for consultant services for the Hockey Rink Cover project will be made available from the appropriation designated for the Cover project.

The scope of consultant services continued to expand after the approval of the first amendment. The additional services fund is almost exhausted. The second amendment will increase the additional services fund by \$40,000 for any potential expansion in scope of services.

This memorandum includes an appropriation action request totaling \$117,000. A total of \$237,000 is needed in the current year to support consultant services associated with the Hockey Rink Cover project. Of this amount, \$120,000 is currently allocated for this project in the Council District 3 Construction and Conveyance Tax Fund and an additional \$680,000 is allocated for the project in 2007-2008. If the recommendation in this memorandum is approved, the current year budget will be increased by \$117,000, and the 2007-2008 allocation will be decreased accordingly.

POLICY ALTERNATIVES

Alternative # 1: Direct City staff to provide the required design services.

Pros: Increased work options for current staff.

Cons: Schedule impact while staff design/engineering team is assembled resulting in potentially greater costs due to construction escalation. Shifting existing City staff resources to this project at this time would delay this or other projects.

Reason for not recommending: Staff is fully utilized and there are no available City staff resources available.

Alternative #2: New consultant selection.

Pros: N/A

Cons: New Consultant would not be as familiar with the project as using the same consultant. New Consultant would need to interpret work that they did not produce which may delay the schedule.

Reason for not recommending: The consultant has already done conceptual design for the Cover and has been very involved in the various phases of developing Roosevelt Park. It would not be practicable at this point to solicit another consultant to provide the Cover design services.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This award memo is posted on the City’s website for April 10, 2007 Council agenda. Community participation effort in master planning as well as design process was implemented through community meetings; solicited by fliers at various public buildings and mailers to nearby residents.

COORDINATION

This project and memorandum have been coordinated with the Departments of Parks, Recreation and Neighborhood Services, Finance, the City Attorney’s Office, and the Council District 3 Office.

FISCAL/POLICY ALIGNMENT

This project is consistent with Council-approved Budget Strategy Economic Recovery section in that it will help to stimulate the economy.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION:

	<u>Original</u>	<u>1st Amend</u>	<u>2nd Amend</u>	<u>Difference</u>
Consultant base compensation	\$1,690,387	\$2,438,000	\$1,837,493	\$(600,507)
Consultant Additional Services	<u>108,500</u>	<u>203,500</u>	<u>243,500</u>	<u>38,828</u>
Total Project Costs	\$1,798,887	\$2,641,672	\$2,080,993	\$(560,679)

2. COST ELEMENTS OF AGREEMENT:

	<u>Original</u>	<u>1st Amend</u>	<u>2nd Amend</u>	<u>Difference</u>
Program / conceptual design	\$118,055	\$118,055	\$118,055	\$0
Schematic design	189,171	292,330	223,871	(68,459)
Design development	274,246	412,378	305,957	(106,421)
Construction Documents	603,751	873,219	635,462	(237,757)
Bidding and award	40,499	56,533	45,716	(10,817)
Construction Administration	319,736	482,879	340,732	(142,147)
Record documents - close-out	64,930	76,778	67,700	(9,078)
Reimbursable expenses	80,000	126,000	100,000	(26,000)
Additional services	<u>108,500</u>	<u>203,500</u>	<u>243,500</u>	<u>40,000</u>
TOTAL AGREEMENT AMOUNT	\$1,798,887	\$2,641,672	\$2,080,993	\$(560,679)

3. SOURCE OF FUNDING: 380- Construction Tax and Property Conveyance Tax Fund:
Park Purposes Council District 3

4. **OPERATING COSTS:** The annual impact to operate and maintain this facility is estimated to be \$534,000. This funding need will be addressed during the 2008-2009 Operating Budget process.

BUDGET REFERENCE

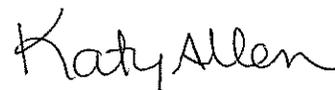
Fund #	Appn. #	Appn. Name	Total Appn.	Amt. For Contract	2006-2007 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
Current Funding Available						
380	5550	Roosevelt Hockey Rink Cover	\$120,000		Adopted Capital Budget, Page V - 374	
Total Current Funding Available			\$120,000			

Note: This memorandum includes an appropriation action request totaling \$117,000 to be re-allocated from 2007-2008 to 2006-2007 for the Roosevelt Hockey Rink Cover project.

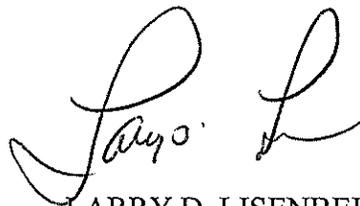
CEQA

Planning issued a mitigated negative declaration for this project. The mitigated negative declaration identifies a number of mitigations that need to be implemented in order to address environmental impacts. These mitigation measures and their manner of implementation are identified in the Mitigation, Monitoring and Reporting Program. These mitigations are indicated in Resolution No. 73165 adopted by Council on May 9, 2006. Mitigation measures have been incorporated into the project design and the construction documents.

CEQA: Mitigated Negative Declaration PP03-12-397.

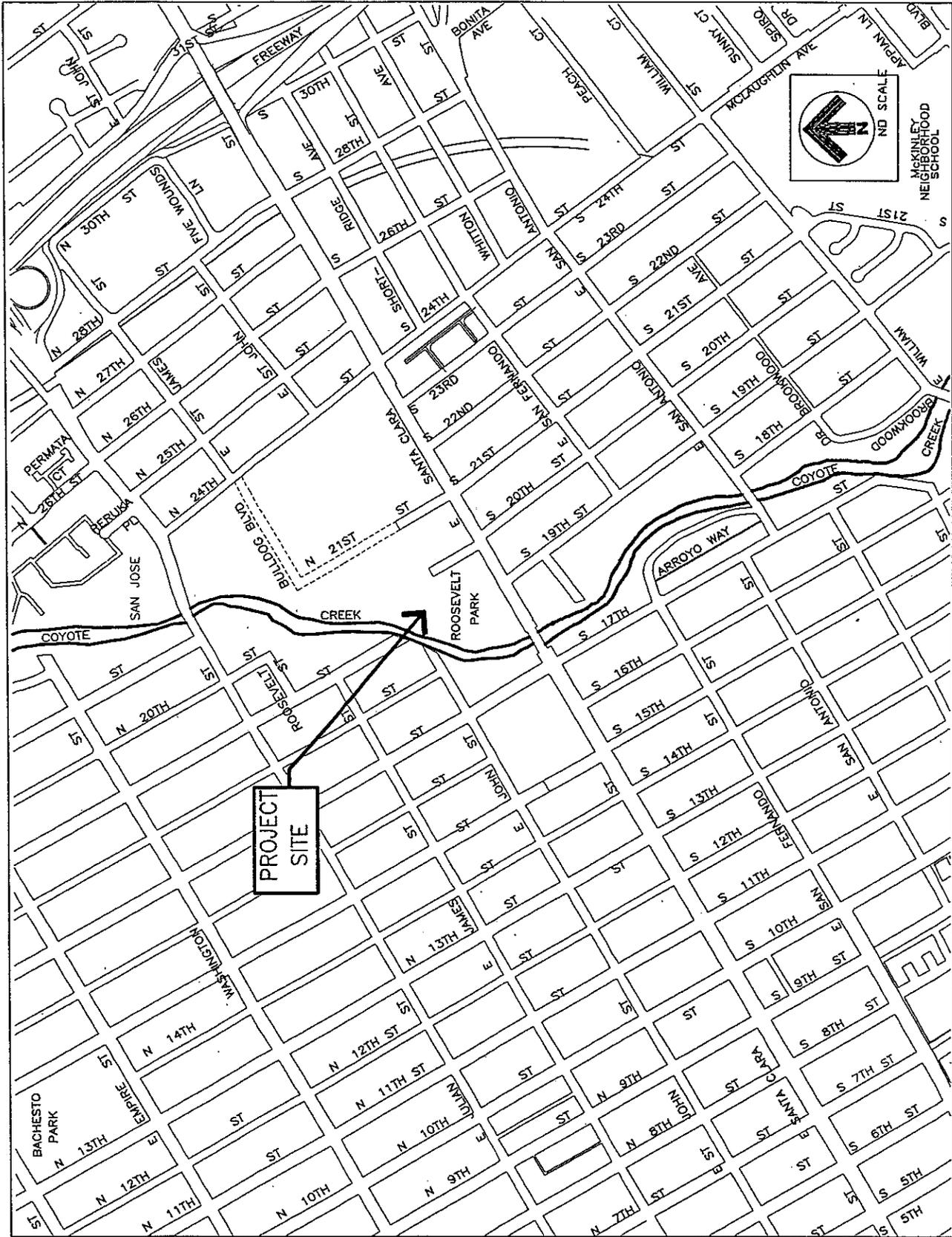


KATY ALLEN
Director, Public Works Department



LARRY D. LISENBEE
Budget Director

For questions please contact DAVID SYKES, ASSISTANT DIRECTOR, at 408-535-8300.



ROOSEVELT PARK
LOCATION MAP
NO SCALE