



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen

SUBJECT: SEE BELOW

DATE: 04-04-07

APPROVED

Ray Wheeler

DATE

4/10/07

COUNCIL DISTRICT: 4

**SUBJECT: APPROVAL OF AN AGREEMENT WITH DON DOMMER ASSOCIATES
FOR ARCHITECTURAL CONSULTANT SERVICES FOR FIRE STATION NO. 19**

RECOMMENDATION

- a) Approve an exception to following the procedures set forth in the Qualifications Based Consultant Selection Policy (QBCS) with regard to selecting Don Dommer Associates to provide architectural services for the Fire Station No. 19 Project.
- b) Approval of an agreement with Don Dommer Associates for architectural consultant services for the Fire Station No. 19 Project, from the date of execution to June 30, 2009, in an amount not to exceed \$325,000.

OUTCOME

Approval of an agreement between the City and Don Dommer Associates will enable the design of the Fire Station No. 19 Project to begin on an accelerated design schedule and will provide significant cost savings.

EXECUTIVE SUMMARY

In order to take advantage of unique opportunities to save significant time and money, staff has negotiated a consulting agreement in the amount of \$325,000 with Don Dommer Associates (DDA) for the design of Fire Station No. 19 Relocation project, outside of the Council adopted QBCS policy. The configuration of the proposed site for this relocated fire station is sufficiently similar to allow the substantial reuse of the Fire Station No. 12 construction documents completed by DDA under a separate agreement. While there are differences between the Fire Station Nos. 12 and 19 sites that require that changes be made to these existing documents, staff has concluded that DDA is best suited to execute these changes in the most timely and cost effective manner. Approval of this agreement will allow the design schedule to be accelerated by approximately six months and at a savings in design costs approaching 40 percent. This will largely mitigate the impact of the delays experienced while staff worked to resolve the projected program wide budget shortfalls due to rapidly escalating construction costs.

BACKGROUND

In November 2005, the Department of Public Works (DPW) staff selected Don Dommer Associates, Architects (DDA) to provide architectural services for the new Fire Station No. 12 Project. The selection process followed the procedures contained in the Qualifications Based Consultant Selection Policy (QBCS) approved by the City Council in December 2004. Don Dommer Associates (DDA) was selected based on its demonstration of relevant design experience for public safety facilities, success in designing facilities with a civic presence, overall project management capabilities, and for its experience in working with public and regulatory agencies.

On January 31, 2006, Council approved an agreement, in an amount not to exceed \$296,259, with DDA for architectural services for the new Fire Station No. 12 Project.

Under this agreement, the consultant and City staff developed a hybrid team approach that has produced final design and construction documents by utilizing both consultant services and City staff design skills. Plans and specifications for the Fire Station No. 12 project were recently completed in concert with the re-bidding of Fire Station 17 as a bundled construction package. Bids were received on February 27, 2007 and as of this report the award of the bundled package is scheduled for Council consideration in April 2007.

The Fire Station No. 19 Relocation project will replace the existing Fire Station No. 19 located at 1025 Piedmont Road near Penitencia Creek, and is the sixth new Fire Station building project to be initiated under the Public Safety Bond Program. On August 22, 2006, Council voted to accept the need and necessity to acquire a site using the eminent domain process, at 1295 Piedmont Road at the southeast corner of Sierra Road and Piedmont Road (map attached) for the relocated Fire station No. 19. The City subsequently received an Order of Immediate Possession (OIP) from Santa Clara County Superior Court, effective November 1, 2006, which allowed the project to progress on this site.

Concurrent with the site acquisition process above, staff has been evaluating the higher than anticipated bids received back in August 2006, for the similarly scoped Fire Station 17 project. Those bids reflected a construction market that was effectively escalating in costs at a far greater rate than included in the citywide Capital Budget assumptions. Through a combination of bid packaging strategies, scope reductions and by realizing increased interest revenue, staff has been working to bring the entire Public Safety Bond program to within available funds. These efforts will be reflected in the Proposed Budget for the 2007-2008 Capital Improvement Program (CIP) and corresponding 2008-2012 5-Year CIP that will be presented for Council consideration in May 2007.

The above budgeting measures and strategic planning required that the implementation of the design schedule for the Fire Station No. 19 Relocation project be delayed until a better understanding of the program wide funding issues could be achieved.

ANALYSIS

Staff is recommending that the City Council approve a consultant agreement with DDA for architectural services related to the Fire Station No. 19 Project. In making this recommendation, staff did not follow the QBCS procedures approved by Council for selecting architectural consultants. However, staff believes that the Fire Station No. 19 Project involves unique facts justifying the Council approving an exception of the QBCS policy.

The configuration of the site that is in the process of being acquired for the Fire Station No. 19 Project provides a unique opportunity to duplicate the Fire Station No. 12 design. Accordingly, staff is proposing to use the Fire Station No. 12 plans and specifications developed by the City and DDA to construct Fire Station No. 19. Doing so provides a number of significant advantages to the City.

One of the most significant advantages of using the Fire Station No. 12 plans and specifications is that it shortens the design time frame by approximately six months. By awarding this design agreement to DDA, staff anticipates a 26-week design phase, in lieu of a 52 week-design schedule normally necessary for a project of this size.

Staff anticipates that DDA would spend the majority of the 26-week design phase developing the site design and addressing any structural revisions required by the soils report. A shorter design phase would help this project meet the aggressive schedule for completion of this project. It would also provide for a significant savings in staff time and cost. Moreover, given escalating construction costs, it is hoped that bidding this project sooner would result in significant savings in construction costs. Another significant advantage is a substantial cost savings associated with the design of the project itself. Currently, the estimated consulting fees for design of a fire station the size of Fire Station No. 19 is approximately \$400,000; not including additional services. Assuming the reuse of the plans and specifications for Fire Station No. 12, the City has negotiated a fee of \$274,049 with DDA for the basic design services for Fire Station No. 19. This reflects a savings of approximately 40 percent in the design and engineering costs typically associated with designing these kinds of facilities. The staff management and design review of this project will similarly be reduced due to the reuse of the design and the shortened schedule.

Staff believes that a total fee of \$325,000 is appropriate for the services DDA would provide under the proposed agreement. This fee includes a 20 percent allowance for additional services to address unknown soils and site conditions that can only be investigated after the City has completed geotechnical and site utility surveys currently underway. Though the site is advantageously located and sized for the proposed use, it has some additional engineering challenges not presented by the Fire station No. 12 site. Aside from any unknown soils

conditions, the site does have a greater cross slope, which provides for additional engineering design for elements that were not required on the Fire Station No. 12 site. Staff has therefore elected to expand DDA's consulting agreement to include both civil engineering, and landscape design to address the additional design elements, as staff with this expertise is currently engaged on other projects. The additional engineering work to be provided by the consultant has increased the basic services included under this contract.

Although the original agreement with DDA for the design of Fire Station No. 12 was slightly less than \$300,000, that was due to the fact that PW used in-house staff to perform a substantial part of the design. Due to the concurrent delivery schedule of the multiple Public Safety, Library and Park bond programs' projects, the required in-house staff for multiple professional disciplines and support personnel that might otherwise be available to design Fire Station No. 12 are unavailable for reassignment to the Fire Station No. 19 Project.

Given the above benefits to the City, staff recommends reusing the plans for Fire Station No. 12 for the Fire Station No. 19. Because the plans will need to be altered to accommodate unique circumstances applicable to the Fire Station No. 19 site, staff believes the most prudent way to proceed is to enter into another agreement with DDA. DDA has a unique knowledge and understanding of the plans, and is in the best position to make the necessary changes to the plans. Moreover, beyond the practical difficulty of finding an architect who would be willing to alter the plans of another architect, hiring DDA to alter the plans it developed avoids a number of potential liability issues associated with design errors. Finally, DDA has demonstrated an ability to integrate their services with the City staff design team and has performed satisfactorily.

After being notified that they are being considered for the Fire Station No. 19 Project, DDA has evaluated their current commitments against the City's project delivery schedules. Based on the consultant's analysis of its project tasks it has been determined that the consultant has adequate staff available to deliver both the Fire Station 12 and 19 Projects on an accelerated design schedule. City staff resources will not need to be reallocated thereby, avoiding a delay on this and other projects.

For all of the above reasons, staff is recommending that the City Council approve the proposed consultant agreement with DDA even though the competitive process set forth in the QBCS Policy has not been followed for the Fire Station No. 19 Project.

POLICY ALTERNATIVES

Alternative #1: Direct staff to provide the required services with in-house resources.

Pros: Increased work for current staff.

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

Reason for not recommending: An alternative to hiring a consultant is for the work to be performed entirely by existing City staff. Staff considered this alternative and recommends using a consultant. Due to the concurrent delivery schedule of multiple capital projects, the required staffing levels of multiple professional disciplines and support personnel are not uniformly available in-house, and are insufficient to successfully implement this project within the approved schedule. Using the recommended consultant at this juncture of the preliminary design process will also reduce the overall consultant document delivery schedule and associated consultant and staff costs due to the similarity of the project design programs.

Alternative #2: Direct staff to select the consultant based on the QBCS Policy.

Pros: Following this policy will provide opportunity for other consultants (including local and small businesses) to compete for the services under this agreement.

Cons: Approximately 180 day delay to the project to allow for selection of a different consultant and the increased time necessary for that consultant to develop their design documents. This represents a loss of opportunity for design and construction documentation cost savings. Schedule impact while staff design/engineering team is assembled resulting in potentially greater cost due to construction escalation.

Reason for not recommending: Issuing another Request for Qualifications (RFQ), would delay the start of the design phase of the project and subsequently the delivery date. Staff did initially consider Alternative #2. However, based on DDA's current satisfactory performance, improved delivery schedules, the completeness of the construction drawings for Fire Station No.12, similarity of design programs, site parameters and potential for design cost savings, staff did not find this option cost effective.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater.
- 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.
- 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.

While this action does not meet the \$1 million threshold under Criteria 1, this memorandum will be posted on the City's website for the April 24, 2007 Council agenda.

During the design process staff will solicit community participation through community meetings; by the use of fliers at various public buildings and mailings to residences within 500 feet of the proposed site. These meetings will be held in the summer and fall of 2007. As the

design of the fire station progresses, it will again be presented to the community along with the public art.

COORDINATION

This agreement and memorandum have been coordinated with the Departments of Fire, Planning, Building and Code Enforcement, Finance, the City Manager's Budget Office and City Attorney's Office.

FISCAL/POLICY ALIGNMENT

This project is consistent with the Council approved Budget Strategy, Economic Recovery section, in that it will help to stimulate construction spending in our local economy.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$ 325,000

2. COST ELEMENTS OF AGREEMENT:

Task #1 – Schematic and Design Development	\$51,266
Task #2 - Construction Documents	140,018
Task #3 – Bidding & Award	3,765
Task #4 – Construction Administration and close out documents	79,000
Task #5 - Additional Services	<u>50,951</u>
TOTAL AGREEMENT AMOUNT:	\$325,000

3. SOURCE OF FUNDING: 475 – Neighborhood Security Bond Fund
 392 – Construction and Property Conveyance Tax Fund: Fire Protection Purposes

4. OPERATING COSTS: The relocated Fire Station No. 19 will have an annual operating and maintenance impact of \$19,400 to General Fund 001 starting in 2008-2009. The one-time costs associated with fixtures, furnishing and equipment, as well as costs associated with the relocation of the company from the former Station No. 19 to the new location, will be funded through the Construction and Conveyance Tax Fund 392.

HONORABLE MAYOR AND CITY COUNCIL

04-04-07

Subject: Approval of an Agreement with Don Dommer Associates for Architectural Consultant Services for Fire Station No. 19

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BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	Total Appn.	Amt. For Contract	2006-07 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
Current Funding Available						
475	5162	Fire Station 19 Relocation (Piedmont)	\$378,000	\$125,000	V-843	10/17/2006 Ord. No. 27888
392	5162	Fire Station 19 Relocation (Piedmont)	\$225,000	\$200,000	V-843	
Total Current Funding Available			\$603,000	\$325,000		

CEQA

CEQA: PP06-116 (Fire Station No.19).



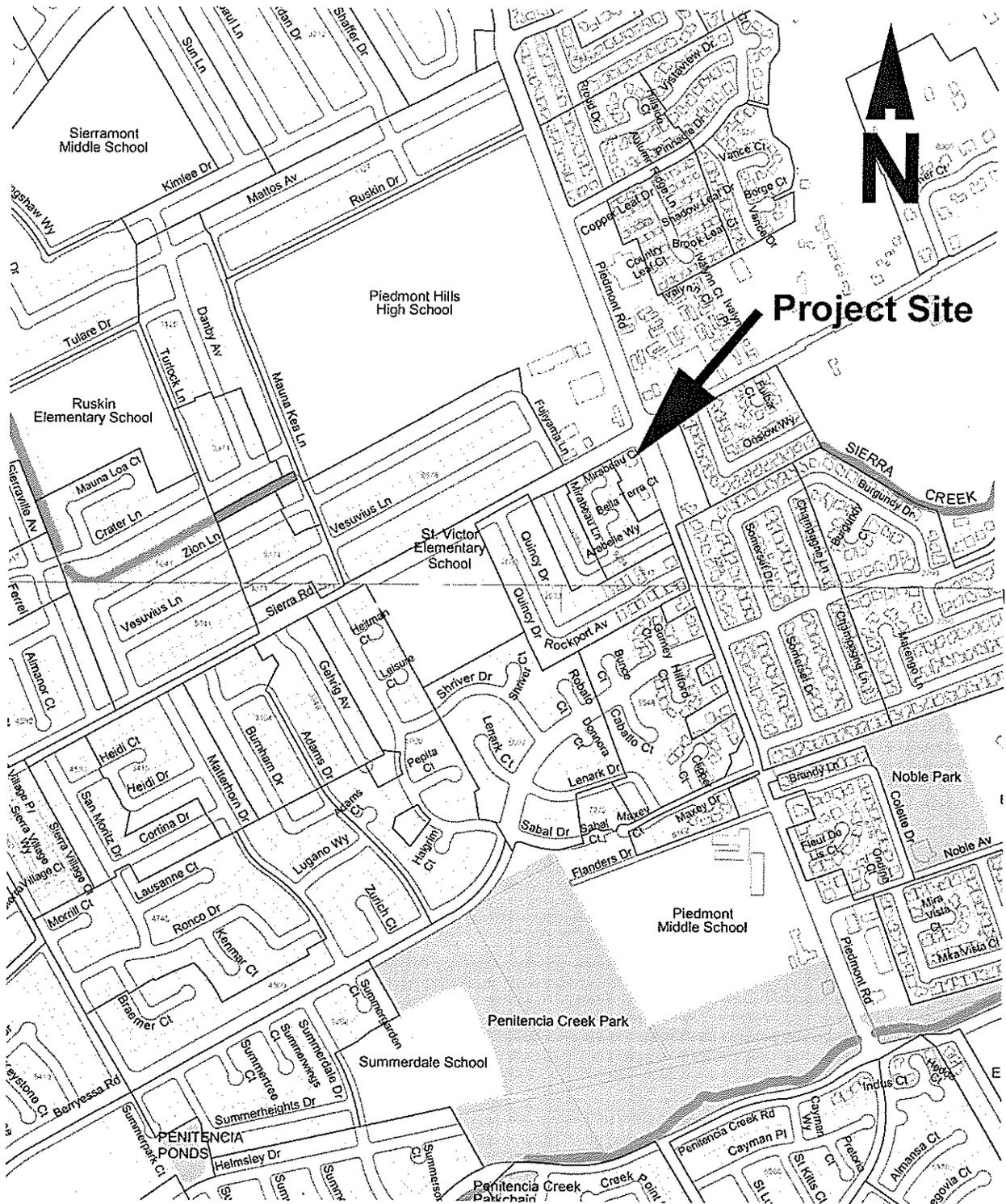
KATY ALLEN

Director, Public Works Department

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

Attachment

KJ:lw



FIRE STATION # 19 Location Map

Not to Scale