



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Katy Allen

**SUBJECT:** SEE BELOW

**DATE:** 03-16-09

Approved

Date

3/20/09

**COUNCIL DISTRICT:** 4

**SUBJECT: APPROVAL OF A FIRST AMENDMENT TO THE AGREEMENT WITH WOLF/LANG/CHRISTOPHER ARCHITECTS, INC. DBA WLC ARCHITECTS FOR ARCHITECTURAL CONSULTANT SERVICES FOR FIRE STATION NO. 2 REBUILD PROJECT**

## RECOMMENDATION

Approval of the first amendment to the agreement with Wolf/Lang/Christopher Architects, Inc. for architectural consultant services for the Fire Station No. 2 Rebuild Project extending the term of the agreement from June 30, 2009 to September 30, 2010, and increasing the total compensation by \$40,000 from \$558,000 to an amount not to exceed \$598,000.

## OUTCOME

Approval of the first amendment to the agreement between the City and Wolf/Lang/Christopher Architects, Inc. (WLC) will (1) increase the compensation to pay for additional design services provided by the consultant, and (2) will extend the agreement to enable the consultant to provide construction administration services throughout the construction period.

## BACKGROUND

On January 10, 2006, Council approved the master agreement with WLC for architectural services for the Fire Station No. 2 Rebuild Project. The agreement amount was for \$558,000 which included \$60,000 for additional services to be authorized as needed by the Director of Public Works. The agreement was executed on January 10, 2006.

The Director of Public Works, as authorized under Exhibit D of the agreement, has authorized the re-allocation of fees from the Additional Services budget of the agreement without modifying the overall compensation for various additional services requested by the City, which include the following:

- On May 2, 2006, the Director of Public Works, via letter, authorized \$19,200 from the additional services task for geotechnical services.
- On December 6, 2006, \$13,160 was authorized from the additional services task to the construction document task to compensate the consultant for various City-directed floor plan changes that would improve the station's functionality based on recently designed new fire stations.
- On June 12, 2007, after achieving nearly 95 percent completion of the contract documents, City Council directed the City Manager to put all current design activities for the rebuild of Fire Station No. 2 on hold and to report back to the City Council with a cost-benefit analysis that compared renovation and expansion costs for the existing fire station to a new rebuilt station. As a result, all design and construction document preparation activities were put on hold until the cost-benefit analysis was completed. As a means to inform the cost-benefit analysis, on July 13, 2007, the Director of Public Works, authorized \$14,400 from additional services for the architectural consultant to include a structural evaluation of the existing building for code compliance and deficiencies.
- On September 25, 2007, Council approved the re-start of design activities and the completion of the construction documents for the Fire Station No. 2 Rebuild Project. Subsequently, on October 9, 2007, the Director of Public Works authorized a fee expenditure of \$5,000 to re-start the design of the new fire station and to complete the contract documents.
- On September 10, 2008, the Director of Public Works, again via letter, authorized additional services in the amount of \$16,000 to address the requirement for a Storm Water Pollution Prevention Plan (SWPPP) and the re-design of the storm water, drainage and filtering systems so that they would be compatible and consistent with one acre site requirements and newly completed fire stations.

To date the Director of Public Works has authorized \$57,963 in additional services, leaving \$2,036 remaining in the Additional Services budget in the agreement. Further additional services were required to complete the construction documents for bid. The value of the additional services is \$21,400, which will compensate the consultant for the second set of 100-percent construction documents that incorporate plan revisions to the site and interior stair.

The project was advertised for bids in October 2008, and Council awarded the construction contract for the project on November 4, 2008. The contract has been executed and a notice to proceed with construction will be issued upon relocation of Fire personnel from the existing Fire Station 2 and abatement of the building, which is anticipated to be completed in March 2009.

## **ANALYSIS**

The recommended actions will adjust compensation and the term of the agreement to account for additional services required of the consultant to finalize the construction documents for bid as indicated to the Council at the time of the contract award.

In September 2007, after the re-start of design activities, the City initiated and authorized additional architectural program, design, plan revisions and site improvement changes that were beyond the consultant's original scope of work and compensation. When work resumed the amount remaining in the budgeted funds for Task #4 (Construction Documents) was not sufficient to cover a second set of construction documents nor were the remaining Additional Services funds sufficient to cover the additional work. There were sufficient funds remaining in the agreement for future construction phase tasks which provided the means to authorize the additional work and keep the project moving forward.

The design and plan revisions were requested of the consultant in order to implement lessons-learned from the recent design and construction of five new fire stations. The consultant was also directed to provide several bid alternates to better ensure that a bid within budget would be received. Implementation of these design changes and modifications required the consultant to produce a second set of final construction documents for which the consultant agreed to a cost of \$21,400.

Staff recommends increasing the total amount of compensation by \$40,000 which will provide \$21,400 for the additional work required of the consultant to complete the construction documents task and \$18,600 to address any future additional services that may be required of the consultant during construction. The funds for this action are within the current project budget.

The extension of the agreement term to September 30, 2010 is needed to recognize the additional time required to perform a cost-benefit analysis, complete the second 100-percent Construction Document submittal, and to complete the construction administration of the project within the revised term of the agreement.

Construction will begin in March 2009 with project completion scheduled for September 2010.

## **EVALUATION AND FOLLOW-UP**

Upon approval of the first amendment to the agreement, staff does not anticipate that any additional council action will be required for the completion of the design or the construction administration of the project.

## **POLICY ALTERNATIVES**

**Alternative #1:** Use of City staff for the balance of the construction administration services not covered under the current agreement.

**Pros:** City staff would perform a greater portion of the construction administration, all final sign-offs, the Construction Record Document and related contract closeout work.

**Cons:** City staff is not the Architect and Engineer of Record for the subject project responsible for certifying that the construction was implemented in accordance with the contract documents and for producing the Record Documents.

**Reason for not recommending:** Reliance on City resources for performing the duties of the Architect and Engineers of Record during construction would not provide for sufficient certification and record documentation required for an essential service facility. As the authors of the design documents, the consultants are the appropriate entity to perform this service, and the existing agreement would not have sufficient funds to compensate them for said services.

## **PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 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)**
- Criterion 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 action does not meet any of the criteria above; however, this memorandum will be posted on the City's website for the April 7, 2009 Council agenda.

The community participated in the pre-design process through meetings held in 2006 and 2007.

## **COORDINATION**

This amendment to the agreement and memorandum have been coordinated with the Departments of Planning, Building and Code Enforcement, Finance, Fire, the City Manager's Budget Office and the City Attorney's 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/COST OF PROJECT: \$40,000\*

Project Delivery	2,200,000
Construction	5,622,962
Contingency	625,000
<b>TOTAL PROJECT COSTS</b>	<b>\$8,447,962</b>
Prior Year Expenditures	\$1,182,962
<b>REMAINING PROJECT COSTS</b>	<b>\$7,265,000</b>
  
2. COST ELEMENTS OF AGREEMENT/CONTRACT:
  - a. ELEMENTS OF CONSTRUCTION CONTRACT: \$5,193,253  
 This is a Lump Sum Contract.
  
  - b. ELEMENTS OF AGREEMENTS:
 

	CURRENT	AMENDMENT *
Project Review and Preliminary Design	23,400	0
Schematic Design	46,800	0
Design Development	46,800	0
Construction Documents	234,000	\$21,400
Bidding and Award	23,400	0
Construction Administration	88,920	0
Additional Services	60,000	\$18,600
<b>TOTAL ORIGINAL AGREEMENTS</b>	<b>\$558,000</b>	
<b>TOTAL ORIGINAL PLUS AMENDMENTS</b>		<b>\$598,000</b>
  
3. SOURCE OF FUNDING:
  - 475 - Neighborhood Security Bond Act
  - 392 - Fire Station No. 2 Alum Rock-Construction Tax & Property Conveyance Tax
  - 450 - Redevelopment Agency PSM #541
  
4. OPERATING COST: Due to the increased square footage of the new fire station facility, additional maintenance and operations costs, as well as additional utility costs totaling \$24,000 in 2010-2011 and annualized to \$29,000 in 2011-2012, have been assumed in the 2010-2014 Preliminary Five-Year General Fund Forecast.

**BUDGET REFERENCE**

The table below identifies the funds and appropriations proposed to fund the contract recommended as part of this memorandum and remaining projects costs, including project delivery, construction, and contingency costs.

Fund #	Appn #	Appn. Name	RC #	Total Appn	Amt. for Contract	2008-2009 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
<b>Remaining Project Costs</b>				<b>\$7,265,000</b>			
<b>Current Funding Available</b>							
475	4997	Fire Station No. 2 – Rebuild (Alum Rock)	135585	3,583,000	40,000	V-886	1/13/09 Ord. No. 28482
392	4997	Fire Station No. 2 – Rebuild (Alum Rock)	135585	840,000		V-886	1/13/09 Ord. No. 28483
450	4997	Fire Station No. 2 – Rebuild	135585	2,700,000		N/A	08/12/08 Ord. No. 28364
<b>Total Current Funding Available</b>				<b>\$7,123,000</b>			
<b>Funding in Future Years of CIP</b>							
475	4997	Fire Station No. 2 – Rebuild	135585	428,000		V-886	
<b>Total Funding Available</b>				<b>\$7,551,000</b>	<b>\$40,000</b>		

**CEQA**

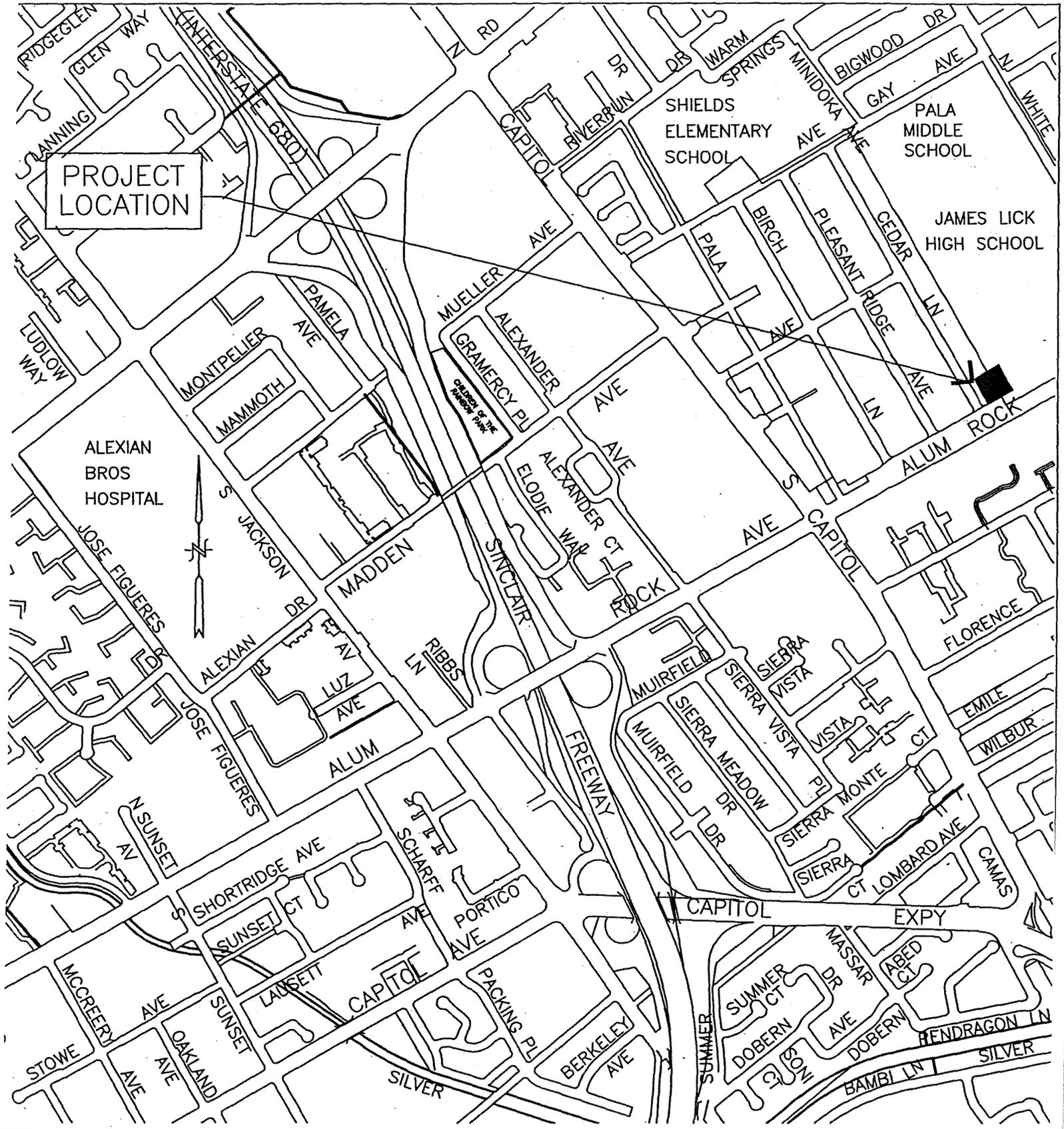
CEQA: Exempt, PPO5-220

*Katy Allen*

KATY ALLEN

Director, Public Works Department

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



NEW FIRE STATION NO. 2  
 LOCATION MAP  
 NO SCALE