



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen
John Stufflebean

SUBJECT: SEE BELOW

DATE: 06-01-09

Approved

Date

6/12/09

COUNCIL DISTRICT: 3

SNI AREA: Five Wounds/
Brookwood Terrace

SUBJECT: AGREEMENT FOR CONSULTANT SERVICES FOR THE SAN JOSÉ ENVIRONMENTAL INNOVATION CENTER PHASE II PROJECT

RECOMMENDATION

Adoption of a resolution authorizing the City Manager to negotiate and execute a Master Agreement with Group 4 Architecture Research + Planning, Inc. for conceptual design development and 50% construction document preparation services for the San José Environmental Innovation Center Phase II Project, from the date of execution to March 30, 2010, in a total amount not to exceed \$1,500,000.

OUTCOME

Adoption of a resolution authorizing the City Manager to negotiate and execute this Master Agreement will enable the design of the project to start as scheduled.

BACKGROUND

The San José Environmental Innovation Center is located at 1608 Las Plumas Avenue on a 4.2 acre lot. The 46,000 square foot existing warehouse structure, which was built in 1958, will be renovated into a LEED facility with a minimum of Silver level certification. It is planned that the facility be developed into a state-of-the-art technology development and demonstration center for clean and renewable energy; an environmental and community training center; a storage area for the county's household hazardous waste collection program; and the future Electronic Transportation Development Center.

The initial phase of the San José Environmental Innovation Center Phase II Project (Project) consists of site development to the south side of the structure and the establishment of a

temporary household hazardous waste drop-off facility. Phase I construction is scheduled to begin August 2009 and be completed in April 2010, at which time construction for Phase II is expected to begin.

ANALYSIS

A Request for Qualifications for architectural consultant design services for the Project was advertised on March 20, 2009, and the City received Statements of Qualifications (SOQ) from 27 firms. Staff from the Departments of Public Works (DPW) and Environmental Services (ESD), and an individual from outside the City conducted a selection process for architectural consultant services in accordance with the Council adopted, Qualifications Based Consultant Selection (QBCS) process.

After evaluation of the SOQ's submitted, six firms were invited to interview. Interviews were conducted on April 30 and May 1, 2009 by a panel comprised of DPW, ESD and an individual from outside the City. The six short-listed firms were evaluated and ranked based on their demonstration of design experience relevant to designing this project, and ability to demonstrate success in delivering quality projects on budget and on schedule, and were ranked as follows:

Ranked List determined by the Interview Panel:

1	Group 4 Architecture Research + Planning, Inc.
2	Anderson Brule Architects, Inc.
3	DGA
4	Mithun
5	Hawley, Peterson & Snyder Architects
6	Velerio Dewalt Train Associates, Inc.

The top ranked firm for this project, Group 4 Architecture Research + Planning, Inc. (Group 4) of South San Francisco, has extensive experience in the renovations of large existing structures, LEED certification for existing buildings, programming for hazardous material storage, innovative programming and design with multiple stakeholders, and creation of design solutions that address tenant and community concerns.

Group 4 has successfully worked with DPW in the past to deliver projects that are on schedule and on budget. They recently completed architectural design consultant services for the Roosevelt Community Center which is in the process of obtaining LEED Gold certification.

The consultant services will be provided under a single Master Agreement with specific services authorized by separate task orders as required. The general types of services that will be provided include but are not limited to:

- Prepare Project Criteria Document and Conceptual Design;

- Provide plans, specifications, and estimates through various phases of design through 50% construction document phase;
- Provide value engineering and scope prioritization at various phases of design;

Staff is currently working on development of the programmatic and funding plan for the Environmental Innovation Center, with its various elements, and anticipates presentation of this plan to the Transportation & Environment Committee this Fall. Proceeding with the recommended master agreement and authorization to proceed with work through design development will ensure that the project is positioned to compete for grant funding as well as refine cost estimates. Authorization to proceed with construction drawings will not be issued until completion and approval of the plan.

EVALUATION AND FOLLOW-UP

Upon City Manager's execution of the agreement and the issuance of the appropriate service order(s), the design consultant will begin design services based on a \$12,000,000 construction cost for the remodel, renovation, and reuse of an existing warehouse into a certified LEED Silver facility. This agreement will cover design services through 50 percent construction document phase.

The Administration is currently pursuing Economic Stimulus Funds for the project with the goal of being able to certify the building to LEED Platinum instead of LEED Silver. Services to complete the design of the project and any changes to design goals will be identified and addressed in an amendment to the original agreement that will be brought before City Council before the end of 2009.

POLICY ALTERNATIVES

Alternative #1: Perform the work with in-house resources.

Pros: Increased work options for current staff.

Cons: Project costs will increase and delays to the project will occur.

Reason for not recommending: In-house staff will require significant time and training to gain the expertise required for a project of this magnitude and complexity. This would result in unnecessary project costs and delays.

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 project meets Criteria 1: Requires Council action on the use of public funds equal to \$1 million or greater. This memorandum will be posted on the City's website for the June 23, 2009 Council agenda.

The Request for Qualifications was published in the *San José Post Record* and the City's Internet Bid Line.

Future community meetings will be advertised via flyers to residents near the San José Environmental Innovation Center Phase II Project site and at various nearby public facility locations for the architectural design and public art processes.

COORDINATION

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

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$ 1,500,000

2. COST ELEMENTS OF AGREEMENT:

Professional Services	Per Task Order
Reimbursable Expenses	Per Task Order
Labor Rates	Under Negotiation
AGREEMENT AMOUNT	\$1,500,000

It is anticipated that the first task orders under this agreement will include the pre-design phase, at an estimated cost of \$260,000, and the schematic/design development phase, at an estimated cost of \$345,000.

3. SOURCE OF FUNDING: 423- Integrated Waste Fund

4. OPERATING COSTS: An on-site Senior Maintenance Worker and \$100,000 in non-personal funds for the maintenance of the Las Plumas site were approved by Council in the 2007-2008 Adopted Operating Budget (IWM Fund). Staff intends that any additional operating costs will be recovered by the tenants of the EIC. Staff plans to return to the Transportation and Environment Committee in early 2010 to provide an update on the development of the Las Plumas Facility and proposed tenants and business operational plans.

BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	RC #	Total Appn.	2009-2010 Proposed Budget (Page)	Last Budget Action (Date, Ord. No.)
Current Funding Available						
423	0762	ESD Non-Personal/ Equipment		\$4,909,819	XI-49	N/A **
423	3628	Household Hazardous Waste Las Plumas Facility		\$4,140,000	XI-50	N/A **

* All services performed by the firm under this agreement will be authorized by Task Order. An appropriation is not required for execution of the Master Agreement, but is required for each task order authorized under the agreement. The appropriations listed above are included in the 2009-2010 Proposed Operating Budget and may be utilized for the contract in 2009-2010.

** The 2009-2010 Operating Budget is scheduled to be considered by Council on June 23, 2009.

CEQA

CEQA: Not a project.

Katy Allen

KATY ALLEN
Director, Public Works Department

John Stufflebean

JOHN STUFFLEBEAN
Director, Environmental Services
Department

Attachment
KJ:PM:ls