



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen
Peter Jensen

SUBJECT: SEE BELOW

DATE: 08-31-09

Approved

Date

9/4/09

COUNCIL DISTRICT: Citywide

SUBJECT: CONTINUATION AGREEMENT WITH ADVANCE DESIGN CONSULTANTS, INC. FOR ENGINEERING SERVICES FOR AN AUXILIARY CHILLED WATER SYSTEM FOR CITY HALL NETWORK OPERATIONS CENTER

RECOMMENDATION

Approval of a continuation agreement with Advance Design Consultants, Inc. for consultant services for the Auxiliary Chilled Water System Project for the City Hall Network Operations Center extending the term from April 1, 2009 to October 30, 2009, and increasing the amount of compensation by \$15,000, for a total agreement amount not to exceed \$149,000.

OUTCOME

Approval of the continuation agreement with Advance Design Consultants, Inc. will enable the Auxiliary Chilled Water System Project for the City Hall Network Operations Center (NOC) to continue with the expertise of the original design team.

BACKGROUND

On June 3, 2008 Council awarded an agreement to Advanced Design Consultants (ADC) for the design of an auxiliary chilled water system for the Network Operating Center (NOC) with a termination date of March 31, 2009. The existing system acts as the primary system and is adequate to supply cooling to the NOC on a normal and routine basis. However, in the event that the primary system experiences a failure, there is no redundant system in place for back-up. The new Auxiliary Chilled Water System Project will provide a secondary cooling system for the NOC.

The scope of consultant services in the contract included conceptual, schematic, design development, preparation of construction documents, assistance during contract bidding, construction administration, and preparation and compiling of record documents.

Construction of this project started in mid-February 2009 with an estimated completion in October 2009

ANALYSIS

ADC's agreement provides for standard construction phase services which include construction observation, submittal reviews, and responses to requests for information from the contractor regarding the design documents. However, this project has required redesign efforts as a result of several variations between reference documents used as the basis of the design and the actual as-built conditions of the roof. This has required additional services and an extension of the construction administration phase for ADC.

A continuation of ADC's agreement is required because an amendment to the agreement was not prepared with sufficient lead time to execute prior to the agreement's termination. This continuation will ensure a successful completion of the project.

The scope of the continuation agreement is for additional consultant construction administration services. Staff and ADC have negotiated and mutually agreed to an increase of \$15,000 in fees for an overall total amount of \$149,000.

EVALUATION AND FOLLOW-UP

The project is currently within budget and with a projected completion in Fall 2009.

POLICY ALTERNATIVES

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

Pros: Increased work options for current staff.

Cons: Discontinuity in design team and relieving the original design team of any obligation for there design. Shifting existing staff resources to this project at this time would delay this or other projects.

Reason for not recommending: Staff is fully utilized on other projects resulting in no available staffing resources. The use of engineering design consultant throughout the project results in cost effective design for project and continuity of design decisions.

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)**

The approval of this agreement does not meet any of the above criteria, however this memorandum will be posted on the City's website for the September 22, 2009 City Council Agenda.

COORDINATION

This memorandum and agreement have been coordinated with the City Manager's Budget Office and the 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/COST OF PROJECT:

Project Delivery	\$ 593,000
Construction	914,000
Preparatory Construction completed on 12/26/08	30,000
Contingency	137,184
Prior Year Expenditures (anticipated to be expended through June 2009)	<u>\$ 1,302,430</u>
Total Cost of Project	<u>\$ 371,754</u>

2. COST ELEMENTS OF AGREEMENT

Phase 1 – Project Feasibility	\$0
Phase 2 – Property and Land Acquisition	0
Phase 3 – Design	91,000
Phase 4 – Bidding & Contract Award	7,000
Phase 5 – Construction Administration	31,000
Phase 6 – Record Documents and Project Close-Out	5,000
Additional Services	15,000
TOTAL AGREEMENT AMOUNT	<u>\$ 149,000</u>

3. SOURCE OF FUNDING: 001 -- General Fund: Capital Improvements
425 – Civic Center Construction Fund

4. OPERATING COST: The net operating and maintenance impact to the General Fund for the auxiliary chiller is anticipated to be approximately \$3,000 annually beginning in 2010-2011. This funding was not included in the 2010-2014 General Fund Forecast, released on February 27, 2009.

BUDGET REFERENCE

The table below identifies the fund and appropriation proposed to fund the construction contract for the Auxiliary Chilled Water System and remaining project costs, including project delivery, construction, and contingency costs.

Fund #	Appn. #	Appn. Name	RC #	Total Appn.	Amt. For Contract	2009-2010 Proposed Capital Budget (Page)*	Last Budget Action (Date, Ord. No.)
Remaining Project Costs				\$371,754			
Current Funding Available							
001	6132	City Hall Network Operations Center Secondary Cooling System	Various	\$291,000		V- 875	6/23/09, Ord. No. 28593
425	6152	City Hall Network Operations Center Secondary Cooling System	Various	\$111,000		V- 875	6/23/09, Ord. No. 28593
Total Current Funding Available				\$402,000			

*The 2009-2010 Capital Budget was adopted by the Council on June 23, 2009.

CEQA

CEQA: Not a project.

/s/

/s/

KATY ALLEN
 Director, Public Works Department

PETER JENSEN
 Director, General Services Department

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

KJ:rr:pm:lm