



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: David Sykes

SUBJECT: SEE BELOW

DATE: May 29, 2011

Approved

Date

6/6/12

COUNCIL DISTRICT: 3

SUBJECT: FOURTH AMENDMENT TO THE MASTER AGREEMENT FOR CONSULTANT SERVICES BETWEEN THE CITY OF SAN JOSE AND GROUP 4 ARCHITECTURE RESEARCH + PLANNING, INC. FOR THE SAN JOSÉ ENVIRONMENTAL INNOVATION CENTER PHASE II PROJECT

RECOMMENDATION

Approve the fourth amendment to the Master Agreement for consultant services with Group 4 Architecture Research + Planning, Inc., for the San José Environmental Innovation Center Phase II Project, increasing compensation by \$95,000 for a total agreement amount not to exceed \$3,075,000, expanding the scope of services, and extending the term of the agreement from December 31, 2012 to June 30, 2013.

OUTCOME

Approval of the fourth amendment to the Master Agreement for consultant services with Group 4 Architecture Research + Planning, Inc. (Group 4), will allow Group 4 to continue supporting additional design and construction support services through project close out for the San José Environmental Innovation Center (EIC).

BACKGROUND

The EIC (hereinafter "Project") is located at 1608 Las Plumas Avenue on a 4.2 acre site. The Project is currently under construction to renovate an 46,000 square foot existing warehouse for adaptive reuse, add a 10,000 square foot pre-manufactured building and install utilities and associated site improvements. Once completed, the Project will house three principal tenants: 1) a Habitat for Humanity ReStore; 2) a household hazardous waste drop-off facility; and 3) a clean technology demonstration center. The construction contract for the Project was awarded to

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Applegate Johnston, Inc. on May 31, 2011, and construction completion is anticipated in early 2013.

The City entered into a Master Agreement with Group 4 Architecture Research + Planning, Inc. (hereinafter "Group 4") to provide design services associated with the Project including the following:

- Design development
- Construction documents
- Construction administration.

The master agreement with Group 4 was subsequently amended three times for a total value of \$2,980,000. Amendments to the agreement added funding and enhanced services related to further development of the Project and support for the pursuit of grant funding. Some of the enhanced services beyond the original consultant agreement include:

- Grant application assistance
- Phase I modifications and coordination
- Design of five additive bid alternatives
- Leadership in Energy and Environmental Design (LEED) documentation and commissioning
- Historical consulting
- Energy modeling studies and design
- Specialized equipment analysis and design
- Geotechnical engineering
- Design for recycled water system
- Interior design.

ANALYSIS

The fourth amendment to the master agreement with Group 4 increases the \$2,980,000 total funding by \$95,000 to support administrative duties associated with the current construction project. The scope of work includes additional architectural and engineering studies needed to respond to unanticipated work necessary for the proper completion of the project. Some examples of some of the unanticipated work are as follows:

- Underground Utility conflicts
- Property line adjustment
- Existing slab settlement
- Basement de-watering
- Switchgear relocation

The funding for this amendment was included in the budget for the New Markets Tax Credit proceeds to pay for the Project's architectural and engineering costs. This amendment also proposes to extend the Master Agreement term to June 30, 2013, in order to continue providing construction administrative services currently underway through its completion.

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Staff is recommending entering into this amendment rather than going through a new competitive process because the Project is currently 40% complete and Group 4 is the designer and the Engineer of Record.

EVALUATION AND FOLLOW-UP

Staff plans to return to the Community and Economic Development Committee and the Transportation and Environmental with updates on the Project's construction, programming and tenants periodically through 2012.

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 recommendation does not meet any of the above criteria. This memorandum will, however, be posted on the City's website for the June 19, 2012 City Council Agenda.

COORDINATION

This memorandum has been coordinated with the Environmental Services Department, the City Attorney's Office, and the City Manager's Budget Office.

COST SUMMARY/IMPLICATIONS

Staff proposes increasing the original agreement's total compensation by \$95,000, modifying the scope, and extending the term of the agreement. All of the services performed by Group 4 under the Master Agreement are authorized by service orders.

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1. AMOUNT OF RECOMMENDATION: \$95,000

Original Master Agreement	\$1,500,000
Amount for First Amendment to Master Agreement	\$500,000
Amount for Second Amendment to Master Agreement	\$793,000
Amount for Third Amendment to Master Agreement	\$187,000
Amount Recommended for Fourth Amendment	\$95,000
Total Master Agreement	\$3,075,000

2. SOURCE OF FUNDING:
 Integrated Waste Management Fund: Household Hazardous Waste Las Plumas Facility appropriation. There is currently sufficient funding in this appropriation to fund the \$95,000 for this amendment.

3. OPERATING COSTS: The completion of the additional architectural services described in this memorandum will have no impact on operating costs.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	Total Appn	Funding Sources and Amt. for Amended Agreement	2011-2012 Modified Operating Budget Page	Last Budget Action (Date, Ord. No.)
<u>Total Funding for Amended</u>				\$95,000**		
<u>Funding Available</u>						
423	7275	Household Hazardous Waste Las Plumas Facility	\$13,200,275	\$95,000	XI-51	12/13/2011 Ord.No. 29009

**All services performed by Group 4 under this agreement will be authorized by a service order.

CEQA

A CEQA Negative Declaration for the renovation for the EIC was adopted on December 1, 2009 (PP09-138).

/s/
 DAVID SYKES
 Director of Public Works

For questions please contact Harry Freitas, Assistant Director, at 408-535-8300.