

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen

SUBJECT: SEE BELOW

DATE: 07-28-04

Approved

Katy Allen

Date

8/3/04

Council District: Citywide

SUBJECT: FIRST AMENDMENT TO THE AGREEMENT WITH SAN JOSÉ WATER COMPANY FOR THE NEW CITY HALL PROJECT

RECOMMENDATION

Approval of the first amendment to the City's agreement with San José Water Company for the New San José City Hall Project increasing the estimated amount of the agreement by \$33,590 for a total estimated amount of \$199,172, and revising the scope to include additional fire hydrant work.

CEQA: Civic Plaza Redevelopment Plan EIR, Resolution No. 68905, PP98-03-072.

BACKGROUND

On March 9 2004, Council discussed and took action regarding the procurement of technology, furniture, equipment and relocation services. In addition, a work plan for implementation of individual procurements and cost saving strategies was outlined and approved by Council.

Included in the work plan is procurement and a cost estimate titled "FE3 - Signage for Public Wayfinding and Utility Services." The total cost for utility services in the FE3 project element is estimated at \$500,000 of which \$199,172 includes the design, engineering and installation of a water distribution system by San José Water Company. This agreement is necessary to ensure timely design and complete installation of the water system to meet code and fire demand requirements.

ANALYSIS

In order to provide required water and fire protection services for the New City Hall, Council approved an agreement with San Jose Water Company on March 23, 2004, to design new service

connections for domestic and fire protection systems. During the course of construction of the fire hydrants service, a conflict between the physical location of one hydrant and the proposed location of the recycled water supply line was discovered. This conflict requires one of these two elements be relocated. The recycled water line is being installed as part of the effort to bring this resource to the New City Hall and could not be relocated. As a result, it has been decided the most efficient way to resolve this conflict is to relocate the hydrant to another location.

The recommended agreement with San José Water Company will amend the agreement to provide an increase in the estimated amount of the work, and commensurate deposit required, and revised scope for the engineering, design and installation of the affected hydrant. Any funds not used by San José Water will be refunded to the City at a final reconciliation at job completion. If the costs exceed ten percent of the estimated amount of the agreement, San José Water will notify the City before continuing work.

These services will provide fire protection and water services to the project site, therefore cancellation or deferral of this work is not viable. San José Water Company is the sole provider of these services, thus multiple price quotes are not available for lower price options.

The total cost for utility work, including the cost to relocate the proposed hydrant, are within the approved FE3 budget allocation.

PUBLIC OUTREACH

The City Manager's Office and Public Works staff in cooperation with the Office of Cultural Affairs and the San José Redevelopment Agency are coordinating public outreach for the New City Hall.

COORDINATION

This agreement and memorandum have been coordinated with the City Attorney's Office and the City Manager's Office.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$33,590

2. COST OF PROJECT:

Initial Agreement	\$165,582
First Amendment	33,590
TOTAL	\$199,172

3. SOURCE OF FUNDING: 473- Civic Center Improvement Fund

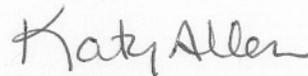
4. **FISCAL IMPACT:** This project is consistent with the Council approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy.

BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	RC #	Total Appn	Amt for Contract	Adopted Budget Page	Last Budget Action (Date, Ord. No.)
473	5152	Technology, Furniture, and Equipment.	131569	\$36,800,000	\$33,590	903	06/22/04, Ord. No. 27196

CEQA

Civic Plaza Redevelopment Plan EIR, Resolution No. 68905, PP98-03-072.



KATY ALLEN
Director, Public Works Department