TO:        HONORABLE CITY COUNCIL
FROM:      CITY MANAGER
DEPARTMENT: PUBLIC WORKS
DATE:      OCTOBER 25, 2004

SUBJECT:  APPROVAL OF AMENDMENT NO. ONE TO THE AGREEMENT
          BETWEEN THE CITY OF PALO ALTO, THE PALO ALTO
          LIBRARY FOUNDATION, AND THE FRIENDS OF THE PALO
          ALTO LIBRARY AND APPROVAL OF CONTRACT
          AMENDMENT NO. ONE TO CONTRACT NO. C05108354 WITH
          ARCHITECTURAL RESOURCES GROUP IN THE AMOUNT OF
          $44,275 FOR ADDITIONAL DESIGN SERVICES FOR A 610
          SQUARE FOOT SOUTH ADDITION TO THE CHILDREN’S
          LIBRARY

RECOMMENDATION
Staff recommends that Council:

1. Approve Amendment No. 1 to the Agreement (Attachment A) between the
   City of Palo Alto, the Palo Alto Library Foundation, and the Friends of the
   Palo Alto Library for funding the Palo Alto Children’s Library Improvements
   and Expansion Project.

2. Approve and authorize the Mayor to execute the attached contract amendment
   with Architectural Resources Group (Attachment B) in the amount of $44,275
   for additional design services for a 610 square foot south addition to the
   Children’s Library. This will become part of the Children’s Library
   Renovation and Expansion Project (PE-04010).

BACKGROUND
The Children’s Library is part of the Lucie Stern Community Center. The Library was
designed in 1932 by Birge Clark, a prominent local architect, and was constructed in
1940. It is a 3,400 square foot, single-story, wood-framed building. The Library has
been designated a local historic resource. The adjacent Secret Garden is used by the
Library’s customers, mostly as an overflow space for the children’s programs.

As part of the Fall 2002 Library bond election, the Children’s Library north wing
expansion was proposed to add approximately 1,600 square feet of program space to
alleviate over-crowding. The project that was included in the bond measure also had a
5,700 square foot south addition that had three levels; a basement, main floor, and second floor. This part of the project was expensive to build because of the basement and consisted mostly of space for staff, mechanical equipment, and Code-required circulation (stairs and elevator). In September 2001 Council approved a contract with ARG for preliminary design (CMR 327:01). This conceptual design supported the bond measure and was reviewed by the Architectural Review Board and Historic Resources Board prior to City Council approval.

Subsequent to the failure of the bond measure to achieve 2/3 voter approval, on February 10, 2003, the City Council approved a public-private partnership between the City and the Friends of the Palo Alto Library (FOPAL) to support the fundraising effort for the proposed renovation and expansion of the Children’s Library. Council subsequently approved a funding agreement for the project on March 1, 2004 (CMR 142:04).

**DISCUSSION**

Increasing the scope of the project increases the cost of designing and constructing the project by an estimated $300,000. FOPAL and PALF were contacted about making additional contributions to the project. They will provide additional funds as outlined in the attached amendment (Attachment A) and have agreed to contribute an additional $170,000 for the 610 square foot south addition when the project goes out to bid. Staff has already begun the application for a second grant from Housing and Urban Development (HUD). Until grant funds are secured, the City will need to increase the project budget using Infrastructure Reserve funds to supplement the FOPAL/PALF funding. Staff will submit a Budget Amendment Ordinance for Council approval during the mid-year budget process or at time of award of the construction contract.

When interior layouts were being developed for the upgrade and north addition, it became clear that all of the existing Children’s Library program would not fit in the proposed building. Staff has had discussions about the best way to accommodate as much of the essential elements of the Children’s Library program as possible and what reasonably can be placed in other facilities. Expanding the building by the additional 610 square feet on the south side of the building would greatly improve the ability of the building to function as intended and significantly mitigate the negative consequences mentioned above.

**Scope of Services Description**

The scope of work to be performed under the contract is for design services needed to extend the Children’s Library south to fill the area bounded by the projection of the Secret Garden wall and the front wall of the library. See Exhibit “B” of Attachment A. This addition will allow the improvements to the Children’s Library to more closely, yet not completely, meet the needs of the existing program at this library. Please see Attachment C for the complete scope of services.
Architectural Resources Group will be doing this work as additional tasks to the work that its doing on the north addition and the improvements within the existing structure. Their design will address the north wing, south addition, and renovation of the existing building as a single integrated project rather than planning three discreet sections of the building. Renovation of the existing building will include required seismic upgrades, ADA accessibility improvements, replacement of the antiquated heating system to be replaced with a modern energy efficient heating and air conditioning system, and needed re-roofing. This approach is in the best interest of the project and the library.

**RESOURCE IMPACT**
Funding for the amendment to the ARG design agreement is available in Capital Improvement Project PE-04010. The total increase in budget necessary to add the 610 square foot south addition is estimated at $45,000 for design, $10,000 in construction management, and $245,000 for construction; a total additional project cost of $300,000. Additional budget for this change is expected to come from another Federal grant of $100,000, additional donated funds of $50,000 from the Friends of the Palo Alto Library, additional donated funds of $120,000 from the Palo Alto Library Foundation. Revised total project costs are estimated at $445,000 for design and $2.2 million for construction.

**POLICY IMPLICATIONS**
This recommendation does not represent any change to existing City policies.

**PROJECT REVIEW**
The previous project that was part of the bond measure was subjected to approximately 40 public meetings. So far, this project has undergone additional review by the Historic Resources Board (HRB). Reviews by the Architectural Review Board, Historic Resources Board, and the Library Advisory Commission are anticipated.

**ENVIRONMENTAL REVIEW**
The project is a modified version of a previous project that was developed for the City’s November 2002 bond measure. That project underwent environmental review pursuant to the California Environmental Quality Act (CEQA), and a Mitigated Negative Declaration (MND), Resolution No. 8183 (see Attachment D), was approved by Council that included both north and south wing additions that were larger than the project described in this report. Because the Children’s Library is an historic structure, the MND requires expansion of the Children’s Library to adhere to the Secretary of the Interior’s Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings. No further CEQA review is required for the proposed project because it is a reduced scale of the previously reviewed project. However, due to the historic significance of the building and funding from HUD, additional environmental review under the National Environmental Protection Act (NEPA) is required that also will require design review by the State Historic Preservation Office (SHPO). The project, including any seismic and ADA retrofits, will be done in accordance with the mitigation measures of the MND and will be reviewed by the Planning Department, ARB and HRB.
ATTACHMENTS
Attachment A: Amendment #1 to Agreement Between CPA, FOPAL and PALF
Attachment B: Amendment #1 to Design Contract with ARG
Attachment C: Scope of Services
Attachment D: MND, Resolution No. 8183

PREPARED BY: ________________________________
DEBRA JACOBS
Project Engineer

DEPARTMENT HEAD: ________________________________
GLENN S. ROBERTS
Director of Public Works

CITY MANAGER APPROVAL: ________________________________
EMILY HARRISON
Assistant City Manager