



City of Palo Alto

City Council Staff Report

(ID # 10193)

Report Type: Consent Calendar

Meeting Date: 6/3/2019

Summary Title: Fire Station 3 Design Contract Amendment No.2

Title: Approval of Amendment Number 2 to Contract Number C16161210 With Shah Kawasaki Architects, Inc., in an Amount Not-to-Exceed \$117,564 to Provide Continued Construction Administration and LEED Certification Services for the Fire Station 3 Replacement Project (PE-15003), for a new Total Not-To-Exceed Amount of \$814,242

From: City Manager

Lead Department: Public Works

Recommendation

Staff recommends that Council approve and authorize the City Manager or his designee to execute Contract Amendment No. 2 to Contract No. C16161210 with Shah Kawasaki Architects, Inc., (Attachment A) to increase compensation by a not-to-exceed amount of \$117,564 to provide continued construction administration and LEED certification services for the Fire Station No. 3 Replacement Project (CIP PE-15003). The added amount includes \$98,244 for basic services and \$10,000 for additional services. The revised total contract amount is not to exceed \$814,242, including \$740,983 for basic services and \$73,259 for additional services.

Background

The Fire Station No. 3 Replacement Project is part of the 2014 Council Infrastructure Plan. The project will provide a new facility built to meet essential services standards. The new fire station is being built at the existing location of Fire Station No. 3 at 799 Embarcadero Road in Palo Alto.

On December 14, 2015, Council approved a contract with Shah Kawasaki Architects, Inc. (SKA) to provide architectural design services for the Fire Station No. 3 Replacement Project, which included construction administration and LEED certification services during construction, with a contract end date of September 10, 2018 ([Staff Report ID#6299](#)).

Council awarded a construction contract to the lowest responsible bidder, Strawn Construction, Inc. ([Staff Report ID#8561](#)) on November 27, 2017. Construction on the Fire Station No. 3 Project began in January 2018 with an anticipated completion date in early 2019.

On October 18, 2018, Council approved Amendment No. 1 to extend SKA's construction administration services contract ([Staff Report ID#9511](#)) for an additional 154 days from September 11, 2018 to February 11, 2019 and LEED certification services to 95 days to May 17, 2019 in order to meet Strawn's anticipated construction completion date of early 2019. The amendment increased the SKA contract budget by \$97,626 for a total revised contract amount not to exceed \$696,678. The need for Amendment No. 1 was primarily due to the additional time that occurred during the design review process prior to the start of construction.

Discussion

Construction on the Fire Station No 3 Project was contracted for completion by January 8, 2019, with minor change orders extending the completion date to January 20, 2019. The contractor is behind schedule, and has been notified of the City's right to assess liquidated damages under the contract in the amount of \$1,500 per day, intended to cover all costs associated with delay, including costs such as added construction administration costs. Currently, completion is expected this summer. As of mid-April 2019, the fire station interior work is in progress, and the connectors for the exterior cladding are being mounted. The building elevator is being provided in May and installed by Pacific Access Elevator (a local Palo Alto company).

SKA Contract Amendment No. 2 is necessary to provide the additional funding needed for the extended construction administration services resulting from the delay in completing the project.

Timeline

Construction of the Fire Station No. 3 Project is now expected to complete in summer 2019.

Resource Impact

Funding for this contract amendment is currently available in the Fire Station No. 3 Replacement Capital Improvement Project (PE-15003). The additional amount for these extended construction administration services may be offset by the assessment of liquidated damages.

Policy Implications

The proposed action is consistent with City policy.

Environmental Review

This project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) under Section 15302 of the CEQA Guidelines as "Replacement or Reconstruction of Existing Structures" and no further Environmental review is necessary. A notice of CEQA exemption was filed in early March 2017.

Attachments:

- Attachment A: Contract C16161210 Amendment No. 2

**AMENDMENT NO. 2 TO CONTRACT NO. C16161210
BETWEEN THE CITY OF PALO ALTO AND
SHAH KAWASAKI ARCHITECTS, INC.**

This Amendment No. 2 (this "Amendment") to contract no.C16161210 is entered into June 3, 2019, by and between the CITY OF PALO ALTO, a California chartered municipal corporation ("CITY"), and SHAH KAWASAKI ARCHITECTS, INC., a California corporation, located at 570 10th Street, Suite 201, Oakland, CA 94607 ("CONSULTANT"). CITY and CONSULTANT are referred to herein collectively as the "Parties".

RECITALS

- A. The Contract (as defined below) was entered into December 14, 2015 between the parties for the provision of professional services in connection with the new construction of Fire Station No.3 located at Embarcadero and Newell (Project).
- B. The Contract was amended by Amendment No.1 to extend the term of the Contract through December 31, 2020, to add continued construction administration services and to increase the total not- to- exceed amount of compensation by an amount not to exceed Ninety Seven Thousand Six Hundred Twenty Six Dollars (\$97,626), from Five Hundred Ninety Nine Thousand Fifty Two Dollars (\$599,052.00), to a new total not-to-exceed amount of Six Hundred Ninety Six Thousand Seventy Eight Dollars (\$696,678.00).
- C. The Parties now wish to amend the Contract to amend Exhibit "B" ("Schedule of Performance") to add continued construction administrative services; and to increase the total not- to- exceed amount of compensation by an amount not to exceed One Hundred Seventeen thousand Five Hundred Sixty Four (\$117,564.00), from Six Hundred Ninety Six Thousand Six Hundred Seventy Eight Dollars (\$696,678.00) to a new total not-to-exceed amount of Eight Hundred Fourteen Thousand Two Hundred Forty Two Dollars (\$814,242.00).

NOW, THEREFORE, in consideration of the covenants, terms, conditions, and provisions of this Amendment, the Parties agree:

SECTION 1. Definitions. The following definitions shall apply to this Amendment:

- a. **Contract.** The term "Contract" shall mean contract no. C16161210 between CONSULTANT and CITY, as amended by:

Amendment No.1, dated September 10, 2018

- b. **Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Contract.

SECTION 2. Section 4, "NOT TO EXCEED COMPENSATION," of the Contract is hereby amended to read as follows:

"The compensation to be paid to CONSULTANT for performance of the Services described in Exhibit "A", including both payment for professional services and reimbursable expenses, shall not exceed Seven hundred forty thousand nine hundred eight three Dollars (\$740,983). In the event Additional Services are authorized, the total compensation for Services, Additional Services and reimbursable expenses shall not exceed Eight Hundred Fourteen Two Hundred forty Two Dollars (\$814,242.00). The applicable rates and schedule of payment are set out at Exhibit "C-1", entitled "HOURLY RATE SCHEDULE," which is attached to and made a part of this Agreement.

Additional Services, if any, shall be authorized in accordance with and subject to the provisions of Exhibit "C". CONSULTANT shall not receive any compensation for Additional Services performed without the prior written authorization of CITY. Additional Services shall mean any work that is determined by CITY to be necessary for the proper completion of the Project, but which is not included within the Scope of Services described at Exhibit "A."

SECTION 3. The following exhibits to the Contract are hereby deleted and replaced in the entirety, as indicated below, to read as set forth in the attachments to this Amendment, all of which are hereby incorporated into this Amendment as though fully set forth herein, and into the Contract as though fully set forth therein, respectively, by this reference.

a. Exhibit "B" entitled "SCHEDULE OF PERFORMANCE, Amendment 1" of the Contract is hereby deleted and replaced in its entirety to read as provided in the attached Exhibit "B", entitled "SCHEDULE OF PERFORMANCE, AMENDMENT No. 2".

b. Exhibit "C" entitled "COMPENSATION, AMENDMENT No.1" of the Contract is hereby deleted and replaced in its entirety to read as provided in the attached Exhibit "C", entitled "COMPENSATION, AMENDMENT No. 2".

SECTION 4. **Legal Effect.** Except as expressly modified by this Amendment, all of the terms and conditions of the Contract, including any exhibits thereto, shall remain unchanged and in full force and effect.

SECTION 5. Incorporation of Recitals. The recitals set forth above are terms of this Amendment and are hereby fully incorporated herein by this reference.

SIGNATURES OF THE PARTIES

IN WITNESS WHEREOF, the parties hereto have by their duly authorized representatives executed this Amendment on the date first above written.

CITY OF PALO ALTO

SHAH KAWASAKI ARCHITECTS, INC.

City Manager (Contract over \$85k)

DocuSigned by:
Officer 1
By: *Alan Kawasaki*
Name: Alan Kawasaki
Title: President

APPROVED AS TO FORM:

City Attorney or designee
(Contract over \$25k)

DocuSigned by:
Officer 2 (Required for Corp. or LLC)
By: *Philip Luo*
Name: Philip Luo
Title: Secretary

Attachments:

Exhibit "B" entitled "SCHEDULE OF PERFORMANCE, AMENDMENT No. 2" (AMENDED-REPLACES PREVIOUS)

Exhibit "C" entitled "COMPENSATION, AMENDMENT No. 2"- (AMENDED-REPLACES PREVIOUS)

EXHIBIT "B"
SCHEDULE OF PERFORMANCE, AMENDMENT NO. 2
(AMENDED- REPLACES PREVIOUS)

CONSULTANT shall perform the Services so as to complete each milestone within the number of days specified below. The time to complete each milestone may be increased or decreased by mutual written agreement of the project managers for CONSULTANT and CITY so long as all work is completed within the term of the Agreement. CONSULTANT shall provide a detailed schedule of work consistent with the schedule below within 2 weeks of receipt of the notice to proceed (NTP).

Milestones	Completion No. of Days from NTP
1. Task 1, Schematic Design	91 days
2. Task 2, Design Development	182 days
3. Task 3, Construction Documents	365 days
4. Task 4, Construction Administration	1,318 days
5. Task 5, LEED Certification	1,443 days

EXHIBIT "C"
COMPENSATION, AMENDMENT NO. 2
(AMENDED- REPLACES PREVIOUS)

The CITY agrees to compensate the CONSULTANT for professional services performed in accordance with the terms and conditions of this Agreement, and as set forth in the budget schedule below. Compensation shall be calculated based on the hourly rate schedule attached as exhibit C-1 up to the not to exceed budget amount for each task set forth below.

CONSULTANT shall perform the tasks and categories of work as outlined and budgeted below. The CITY's Project Manager may approve in writing the transfer of budget amounts between any of the tasks or categories listed below provided the total compensation for Basic Services, including reimbursable expenses, and the total compensation for Additional Services do not exceed the amounts set forth in Section 4 of this Agreement.

BUDGET SCHEDULE	NOT TO EXCEED AMOUNT
Task 1 (Schematic Design)	\$89,785.00
Task 2 (Design Development)	\$115,010.00
Task 3 (Construction Document)	\$181,609.00
Task 4 (Construction Administration)	\$327,123.00
Task 5 (LEED Silver Certification)	Included in Task 4 amount
 Sub-total Basic Services	 \$713,527.00

Reimbursable Expenses	\$27,456.00
Total Basic Services and Reimbursable expenses	\$740,983.00
Additional Services (Not to Exceed)	\$73,259.00
Maximum Total Compensation	\$814,242.00

REIMBURSABLE EXPENSES

The administrative, overhead, secretarial time or secretarial overtime, word processing, photocopying, in-house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. CITY shall reimburse CONSULTANT for the following reimbursable expenses at cost. Expenses for which CONSULTANT shall be reimbursed are:

A. Travel outside the San Francisco Bay area, including transportation and meals, will be reimbursed at actual cost subject to the City of Palo Alto’s policy for reimbursement of travel and meal expenses for City of Palo Alto employees.

B. Long distance telephone service charges, cellular phone service charges, facsimile transmission and postage charges are reimbursable at actual cost.

All requests for payment of expenses shall be accompanied by appropriate backup information. Any expense anticipated to be more than \$1,320.00 shall be approved in advance by the CITY’s project manager.

ADDITIONAL SERVICES

The CONSULTANT shall provide additional services only by advanced, written authorization from the CITY. The CONSULTANT, at the CITY’s project manager’s request, shall submit a detailed written proposal including a description of the scope of services, schedule, level of effort, and CONSULTANT’s proposed maximum compensation, including reimbursable expense, for such services based on the rates set forth in Exhibit C-1. The additional services scope, schedule and maximum compensation shall be

negotiated and agreed to in writing by the CITY's Project Manager and CONSULTANT prior to commencement of the services. Payment for additional services is subject to all requirements and restrictions in this Agreement

Work required because the following conditions are not satisfied or are exceeded shall be considered as additional services:

1. Geotechnical Report is not received from City prior to commencement of structural engineering services
2. Geotechnical Report recommends special (not spread footings) foundations systems such as mat, piers or piles.
3. Survey including topographic, boundary and utilities is not received from City prior to commencement of civil engineering.
4. Design services to incorporate Public Art is an additional service.
5. CEQA documents other than negative declaration is an additional service.
6. Alert System design is an additional service
7. IT/Telecommunications Equipment design including routers, servers, PBX is an additional service
8. Cell tower and equipment design other than coordination is an additional service
9. As-Built documentation is an additional service