



# City of Palo Alto

## City Council Staff Report

(ID # 9511)

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**Report Type: Consent Calendar**

**Meeting Date: 9/17/2018**

**Summary Title: Approval of Fire Station 3 Replacement Design Contract Amendment No. 1**

**Title: Approval of Amendment No. 1 to Contract No. C16161210 With Shah Kawasaki Architects, Inc., in an Amount Not-to-Exceed \$97,626 to Provide Continued Construction Administration and LEED Certification Services for Fire Station 3 Replacement Project (PE-15003), for a new Total Not-To-Exceed Amount of \$696,678, and to Extend the Term Through May 17, 2019**

**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. 1 to Contract No. C16161210 with Shah Kawasaki Architects, Inc., (Attachment A), to increase compensation by a not-to-exceed amount of \$97,626 to provide continued Construction Administration and LEED Services for the Fire Station No. 3 Replacement Project (CIP PE-15003) and to extend the term through May 17, 2019. The added amount includes \$88,826 for basic services and \$8,800 for additional services. The revised total contract amount is not to exceed \$696,678 including \$633,419 for basic services and \$63,259 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 3

Replacement, which included Construction Administration and LEED Services during the construction of the project ([Staff Report ID#6299](#)). On November 27, 2017, Council approved a construction contract with Strawn Construction, Inc. ([Staff Report ID#8561](#)) and construction on Fire Station No. 3 began on January 8, 2018.

### **Discussion**

The Fire Station No. 3 project is currently in construction with an anticipated completion date for early 2019. SKA completed Phase I of their contract and is now on Phase II, Construction Administration and LEED Services with a contract end date of September 10, 2018. The time spent on Construction Administration services by SKA has significantly exceeded the estimates on which the original contract was based, and staff agrees that it is appropriate to amend the contract to provide additional budget and to extend the contract time. It is necessary for SKA to continue providing these essential services during construction, which includes but is not limited to: responding to contractor's requests for information, participating in project management meetings with City staff and contractor representatives, and providing LEED services.

This contract amendment will extend SKA's Phase II services for Task 4, Construction Administration for an additional 154 days from September 11, 2018, to February 11, 2019, and Task 5, LEED Certification services to 95 days to May 17, 2019. The compensation for SKA to continue to provide these services will increase the total contract amount by \$97,626. This amount includes \$88,826 for basic services and \$8,800 for additional services. The total revised contract amount is not to exceed \$696,678 including \$633,419 for basic services and \$63,259 for additional services. Although the amendment represents an increase to the project's soft costs for construction administration, the project budget includes a soft cost contingency that allows for the increased cost while staying within the total project budget.

### **Timeline**

Construction of the Fire Station No. 3 Project is expected to be complete in early 2019.

### **Resource Impact**

Funding for this contract amendment is currently available in the Fire Station 3

Replacement Capital Improvement Project (PE-15003).

**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:**

- C16161210 Amendment No. 1

**AMENDMENT NO. 1 TO CONTRACT NO. C16161210  
BETWEEN THE CITY OF PALO ALTO AND  
SHAH KAWASAKI ARCHITECTS, INC.**

This Amendment No. 1 (this "Amendment") to contract no.C16161210 is entered into September 10, 2018, 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 10<sup>th</sup> 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 Parties now wish to amend the Contract to add continuing construction administration services; 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); and to extend the term through December 31, 2020; as detailed herein.

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.
- 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 2, "TERM," of the Contract is hereby amended to read as follows:

"The term of this Agreement shall be from the date of its full execution through completion of the services in accordance with the Schedule of Performance attached as Exhibit "B" but in no event later than December 31, 2020 unless terminated earlier pursuant to Section 19 of this Agreement."

SECTION 3. 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 Six hundred Thirty Three thousand four hundred Nineteen Dollars (\$633,419). In the event Additional Services are authorized, the total compensation for Services, Additional Services and reimbursable expenses shall not exceed Six Hundred Ninety Six Thousand Six Hundred Seventy Eight Dollars (\$696,678.00). 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 4. 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" 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. 1".

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

**SECTION 5. 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 6. 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)

**Officer 1**

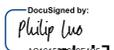
By:   
Name: Alan Kawasaki

Title: President

APPROVED AS TO FORM:

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

**Officer 2 (Required for Corp. or LLC)**

By:   
Name: Philip Luo

Title: Secretary

**Attachments:**

Exhibit "B" entitled "SCHEDULE OF PERFORMANCE, AMENDMENT No. 1" (AMENDED-REPLACES PREVIOUS)

Exhibit "C" entitled "COMPENSATION, AMENDMENT No. 1"- (AMENDED-REPLACES PREVIOUS)

**EXHIBIT "B"**  
**SCHEDULE OF PERFORMANCE, AMENDMENT NO. 1**  
**(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	1,154 days
5. Task 5, LEED Certification	1,190 days

**EXHIBIT "C"**  
**COMPENSATION, AMENDMENT NO. 1**  
**(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.

<b>BUDGET SCHEDULE</b>	<b>NOT TO EXCEED AMOUNT</b>
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)	\$219,559.00
Task 5 (LEED Silver Certification)	Included in Task 4 amount

Sub-total Basic Services	\$605,963.00	
Reimbursable Expenses	\$27,456.00	
Total Basic Services and Reimbursable expenses	\$633,419.00	
Additional Services (Not to Exceed)	\$63,259.00	
Maximum Total Compensation		\$696,678.00

**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 services
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 services