



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Barry Ng

SUBJECT: SEE BELOW

DATE: August 21, 2017

Approved

D. DSYL

Date

8/29/17

SUBJECT: FIRST AMENDMENT TO MASTER AGREEMENT WITH VERDE DESIGN, INC. FOR LANDSCAPE ARCHITECTURAL DESIGN SERVICES FOR VARIOUS CITY FACILITY PROJECTS

RECOMMENDATION

Approve the First Amendment to the Master Agreement with Verde Design, Inc. for landscape architectural design services to (1) increase the total compensation by \$500,000, for a total Agreement amount not to exceed \$1,500,000, (2) increase the hourly rates, and (3) extend the term of the Agreement from December 31, 2017, to June 30, 2019, for the exclusive purpose of allowing the consultant to complete work on the Arcadia Softball Facility and the Tamien Park Phase II projects.

OUTCOME

Approval of this First Amendment to the Master Agreement will allow Verde Design, Inc. to continue providing landscape architectural services through completion of the Arcadia Softball Facility and Tamien Park Phase II projects.

BACKGROUND

In August 2014, the City conducted a Request for Qualifications (RFQ) seeking qualified landscape architecture consulting firms to cover a wide range of services for various City facility projects including design development, feasibility studies, master planning, preparing construction documents, construction management, and drafting support. Verde Design, Inc., Callander Associates Landscape Architecture, Inc., and PlaceWorks were the top three ranked firms of the ten who submitted Statements of Qualifications. Negotiations for the agreements concluded in October 2014.

On November 11, 2014, the City Council approved a Master Agreement with Verde Design, Inc., a landscape architecture firm, for various City facility projects in an amount not to exceed \$1,000,000. The firm's expertise and success with park and sports field development was a significant factor in

their selection as the top-ranked consultant. The Master Agreement is currently set to expire on December 31, 2017.

ANALYSIS

Two service orders were issued under the current Master Agreement and are both complete. Service Order No. 1 authorized the preparation of construction documents, bidding, and construction support for the Tamien Park Phase I project and the preparation of 90% construction documents for the Tamien Park Phase II project in the amount of \$351,000. Tamien Phase I and Phase II were originally one project. Verde finished the construction documents up to 90%. Due to delays in completing the property acquisition with the VTA for the parcel containing the Phase II area, Parks, Recreation, and Neighborhood Services Department decided to split the project into two phases. Phase I was able to proceed to construction while Phase II needed more time to complete the acquisition and remained at 90% design. Service Order No. 2 authorized the preparation of construction documents and bidding assistance for the Arcadia Softball Facility project in the amount of \$649,000.

Currently, the Arcadia Softball Facility and Tamien Park Phase II projects require Verde's assistance to complete, but the current Master Agreement amount is depleted. The Arcadia Softball Facility is scheduled to start construction in November 2017, and the Tamien Phase II project is scheduled to be completed by Fall 2018. An increase in compensation and extending the term for the existing Master Agreement with Verde Design, Inc. is necessary because they have completed substantial work on both projects and have knowledge that cannot be efficiently transferred to another firm.

Approval of this amendment to the Master Agreement will be utilized for two Service Orders. Service Order No. 3, estimated at \$231,000, will provide construction administration support for the Arcadia Softball Facility Project that will include responses to highly technical submittal review and specialty inspections for geotechnical and structural aspects. Service Order No. 4, estimated at \$150,000, will provide services to complete the construction documents, provide bid/award support, and construction administration support for the Tamien Phase II project. The remaining amount will be set aside and limited to these two projects for any unforeseen conditions that may require additional consultant assistance during construction or be liquidated at the end of the projects.

Since approval of the Master Agreement in 2014, labor rates and office overhead costs have increased. As a result, an increase in the hourly labor rate is necessary to reflect the current market conditions.

EVALUATION AND FOLLOW-UP

No additional follow up action with Council is expected at this time.

POLICY ALTERNATIVES

Alternative #1: Do not extend the agreement and remain within existing budget and expiration date.

Pros: None.

Cons: Staff does not possess the appropriate technical capabilities across the broad range of required disciplines to provide appropriate responses to technical submittal review, clarification, and interpretation of the construction documents for the Arcadia Softball Facility.

Reason for not recommending: As the preparer of construction documents for the Arcadia project, the Consultant is in a much better position than staff to provide these services and to provide support of staff already engaged in administration, engineering, and inspection activities.

PUBLIC OUTREACH

This memorandum will be posted to the City's website for the September 12, 2017, Council agenda.

COORDINATION

This memorandum has been coordinated with the Department of Planning, Building and Code Enforcement and the City Attorney's Office.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

FISCAL/POLICY ALIGNMENT

This project is consistent with the Council approved Budget Strategy to continue with capital investments that spur construction spending in our local economy.

COST SUMMARY/IMPLICATIONS

No funding is necessary to approve this Master Agreement modification. Funds have already been appropriated in the specific project budgets.

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CEQA

Not a Project, File No. PP17-003, Agreements/Contracts resulting in no physical changes to the environment.

/s/

BARRY NG

Director of Public Works

For questions, please contact Michael O'Connell, Deputy Director, Public Works at 408-535-8300.