TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER

DEPARTMENT: PUBLIC WORKS

DATE: JULY 23, 2007

CMR:316:07

SUBJECT: APPROVAL OF AMENDMENT ONE OF CONTRACT C04105673 WITH
PHILIP HENRY ARCHITECTS, IN THE AMOUNT OF $65,000 FOR
DESIGN OF INFRASTRUCTURE MAINTENANCE FOR THE ANIMAL
SERVICES CENTER – CAPITAL IMPROVEMENT PROGRAM
PROJECT PE-04014

RECOMMENDATION

Staff recommends that Council authorize the City Manager or his designee to approve
 Amendment One to the contract C04105673 with Philip Henry Architects in the amount of
 $65,000 for design of infrastructure maintenance for the Animal Services Center.

BACKGROUND

The Animal Services Center at 3281 East Bayshore Road was built in 1972. Since the time of
 construction, a few piecemeal changes have been made to the original design in efforts to
 accommodate changes in the way business is conducted, an increase in animals handled, new
 services, and changes in legal requirements. Some of these changes included the construction of
 an isolation building and euthanasia room in 1985, a front office remodel in 1987, and a
 volunteer center/meeting room which was added in 1990.

In 1996, the City retained a consultant, Adamson Associates, to evaluate the condition of all of
 the City’s buildings. The Adamson report listed the specific renovations needed at each City
 facility, estimated costs, and recommended a timetable for implementation. It recommended
 renovations for the animal shelter that included electrical, mechanical, and Americans with
 Disabilities Act (ADA) upgrades; roofing; painting; and flooring. These recommendations were
 then incorporated into the City’s Infrastructure Management Plan (IMP) and Capital
 Improvement Program, with $526,000 budgeted for their completion.

Renovations were delayed due to the potential contract with the City of Sunnyvale. Since 1993,
 the City of Palo Alto has provided regional animal control and sheltering services to Los Altos,
 agreements with Los Altos, Los Altos Hills and Mountain View and a 20-year service agreement
 with the City of Sunnyvale. In order to accommodate the additional need to house and treat the
 increased number of animals from Sunnyvale, plans were developed to expand the administrative
 area of the shelter. The four other cities agreed to share in the cost of the shelter design and
 construction. Sunnyvale has since decided not to contract for Palo Alto services and due to the
 significant deterioration of the building, the need to repair certain portions of the building has
 become urgent.
DISCUSSION
In February 2004, Council approved a contract with Philip Henry Architecture for design services (CMR:102:04). The proposed expansion project (CIP PE-04014) would have combined the renovations to the existing building recommended in the Adamson Associates report as well as provide expanded dog kennels and more space for the shelter needs of both Palo Alto and the other client cities. The existing office area and kennel areas are approximately 3,600 and 2,000 square feet, respectively. Approval of a construction contract would have added 2,000 square feet of office area (for a total of 5,600 square feet) and 1,687 square feet of kennel (for a total of 3,687 square feet) as well as upgrade the existing building’s electrical and heating systems, flooring and other deficiencies noted in the Adamson report.

The project was first advertised for construction bids on May 30, 2006, and only one bid from John Plane Construction was received at a cost of $3,080,838. This bid was rejected by the Purchasing Manager due to its cost, and the project was re-bid, hoping that more favorable bids would be received later in the construction season. The second set of bids were opened on July 25, 2006 and ranged from a low of $2,224,737 to a high of $2,837,000. The low bid was again significantly over the construction budget. Therefore, staff met with representatives from Sunnyvale, Mountain View, Los Altos and Los Altos Hills to discuss the need for additional funding in order to award a construction contract. The staff members from these cities were not able to obtain their Council’s approval for increased funding within the 120 days allocated to award the construction contract, so the Purchasing Manager again rejected all bids.

A third invitation for formal bids for the project was posted at City Hall and sent to 22 contractors and 11 builder's exchanges on December 4, 2006. The bidding period was 71 days. Bids were received from eight contractors on February 13, 2007. Bids ranged from a low of $2,046,300 to a high of high of $2,594,342. The low bid from D.L. Falk Construction was $524,489 above the construction budget that had been agreed to by the various cities. Staff met with representatives from the other agencies and outlined the additional funding that would be required from each jurisdiction.

However, on March 27, 2007, the Sunnyvale City Council voted to withdraw from participation in the project and will instead secure animal services through a contract with the Silicon Valley Humane Society. The City of Sunnyvale will not be reimbursed its portion ($220,000) of the design fees. The Purchasing Manager has once again rejected all construction bids.

It is imperative that this work be completed as soon as possible and before the rainy season arrives. Amendment One to contract C04105673 with Philip Henry Architects provides for the revision of the construction drawings to reflect removal of the new administration area from the plans, re-calculation and re-routing of electrical, heating and air conditioning (HVAC) lines and ductwork away from what was to have been the administration area. It also allows for the revision of interior walls, equipment and other modifications that would have been made to existing work areas if staff had moved into the new administration space. Maintenance work, such as a new roof, new HVAC units, dry rot repair, tenting for termites and staff and public restroom accessibility items will remain in the project. It had been anticipated that the roof would have been replaced years ago, after the first advertisement for construction bids, however while three separate sets of bids have been rejected, the roof has deteriorated to such an extent that rotting rafters make stability uncertain for maintenance crews walking on the roof to patch it.
and presents health and safety concerns for staff, the public and the animals. The leaking roof has also damaged merchandise that is for sale in the shelter’s retail area.

The Amendment One to contract C04105673 with Philip Henry Architecture will allow the revised bid package with the various maintenance items to be completed so that hopefully this work can begin before this coming winter’s rains.

**RESOURCE IMPACT**
The cost of the new roof, heating, air conditioning, dry rot repair, restroom and other miscellaneous accessibility upgrades and repairs is estimated to be roughly $600,000 and can be funded within the existing CIP PE-04014, Animal Shelter Expansion & Renovation. The original CIPs for this work were closed when PE-04014 was funded and their budgets included in the expanded project. There is sufficient budget remaining in this project to fund this amendment for the design, the subsequent upgrades/repairs and a portion for a later phase of construction of the protective custody kennels.

**POLICY IMPLICATIONS**
Approval of this contract is consistent with City policies.

**TIMELINE**
The re-design of the project will be completed this summer and the maintenance portion of the project advertised for construction bids in the fall of 2007.

**ENVIRONMENTAL REVIEW**
This project has been determined to have no significant effect on the environment and to be Categorically Exempt from the requirement for the preparation of environmental documents under the California Environmental Quality Act (CEQA) per CEQA Guidelines, Article 19, Section 15303, Class 3C.

**ATTACHMENTS**
Attachment A: Amendment One of Contract C04105673 with Philip Henry Architects

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