



# City of Palo Alto

## City Council Staff Report

(ID # 5261)

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**Report Type: Action Items**

**Meeting Date: 11/10/2014**

**Summary Title: City Hall Remodel Review**

**Title: Review of City Hall Remodel Project (Continued From October 20, 2014)**

**From: City Manager**

**Lead Department: City Manager**

At the August 4, 2014 Council meeting, several Council Members asked to add a review of the City Hall remodel project as a follow-up to previous Council action. On June 16, 2014 Council approved the construction contract and Budget Amendment Ordinance to continue work on the City Hall remodel project. Attached is the June 16, 2014 staff report (Attachment A). Staff will be prepared to make a presentation and update Council on the project's progress and answer any questions.

**Attachments:**

- **Attachment:** Attachment A - Staff Report 4754 (PDF)



# City of Palo Alto

## City Council Staff Report

(ID # 4754)

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Report Type: Consent Calendar

Meeting Date: 6/16/2014

Summary Title: City Hall Remodel Contract

Title: Approval of a Construction Contract with D.L. Falk Construction, Inc. in the Amount of \$2,718,350, Approval of Amendment Number 2 to Contract No. C12144101 with WMB Architects, Inc. in the Amount of \$141,565 for a Not-to-Exceed Amount of \$426,256 for the City Hall Remodel Project PE-12017, and Adoption of a Budget Amendment Ordinance for Fiscal Year 2014 to Provide an Additional Appropriation in the Amount of \$1,607,109

From: City Manager

Lead Department: Public Works

### Recommendation

Staff recommends that Council:

1. Approve and authorize the City Manager or his designee to execute the attached contract with D.L. Falk Construction, Inc. in the amount of \$2,718,350 (Attachment A) for the City Hall Remodel Capital Improvement Program Project PE-12017;
2. Authorize the City Manager or his designee to negotiate and execute one or more change orders to the contract with D.L. Falk Construction, Inc. for related, additional but unforeseen work which may develop during the project, the total value of which shall not exceed a ten percent contingency of \$271,835;
3. Approve and authorize the City Manager or his designee to execute the attached amendment to Contract C12144101 with WMB Architects, Inc. (Attachment B) in the amount of \$141,565 for construction administration services for the City Hall Remodel Project (Capital Improvement Program Project PE-12017), adding \$128,695 to basic services and adding \$12,870

for additional services for a total contract amount not-to-exceed \$426,256;  
and

4. Approve the attached Budget Amendment Ordinance (BAO) in the amount of \$1,607,109 (Attachment C) for construction to selected areas on the first floor, mezzanine, and second floor of City Hall.

## **Background**

Palo Alto City Hall opened 44 years ago in 1970. Although the building has recently undergone a thorough mechanical, electrical, and exterior refurbishment under the Civic Center Infrastructure Upgrade Project (PF-01002), some of the interior areas remain functionally inadequate and aesthetically dated. Specifically, there are several public meeting and gathering areas that hinder effective interaction between the community and city staff and Council due to small seating capability and technical limitations. In particular, the Council Conference Room has a limited seating capacity, has outdated architectural treatments and furnishings, and lacks modern amenities such as flexible seating, efficient lighting, and technological resources for audio-visual presentations.

Staff has identified the need for additional building elements similar to the Council Conference Room for the first floor of City Hall, and included them in the scope of this comprehensive project. These include a more welcoming and accommodating lobby area; a new community conference room with a capacity to seat 55 to better serve larger Council Committee and Commission meetings, and several areas for efficient use of space for enhanced customer services for residents.

Additionally, the elevator cabs have worn-out wall and floor finishes, harsh lighting, and inadequate building information and directional signage. There is also a significant need to improve the signage and other wayfinding information at the various building entrances and on the first floor of City Hall in order to assist members of the public with finding the staff members and services that can meet their needs.

During the project design, the goal of the first floor renovation was broadened in scope to achieve a more open atmosphere to encourage public participation and community access to City Hall. The final plan also includes moving the Utilities

Department's customer service counter from the second floor to the lobby area to be located near the Revenue Collections customer service counter. The People Strategy & Operations conference room behind the Council Chambers would then become a new, larger conference room that could also be used for Council and staff sessions and the current (very inadequate) Council Conference Room would be transformed into a staff training and multi-use room.

To relocate People Strategy & Operations (PSO) out of the lobby level, a number of other staff reconfigurations and relocations are necessary. PSO would be consolidated on the mezzanine level by relocating the Information Technology (IT) Department staff currently using the space. The IT Department will be consolidated on the second floor using more densely configured desks in an open floor plan similar to what many high tech firms use. They will also expand into the portion of the second floor vacated by the Utilities Department's customer service counter staff that will move to the first floor.

The plan accomplishes the goal of consolidating customer service functions on the first floor and providing improved public spaces to promote public involvement. In addition, PSO and IT staff are currently split between different floors. Following construction, they will each be located together on their respective floors, improving employee interaction and increasing efficiency.

Additional aspects of the project include reconfiguration of the existing restrooms serving the Council to conform to Americans with Disabilities Act (ADA) accessibility requirements. The kitchenette serving evening Council meetings will also be relocated. Since the project will include extensive carpeting on much of the first floor, mezzanine and second floor, staff combined the new carpeting and the reupholstery of the seating for the Council Chambers. Council Chamber carpeting is funded through CIP PF-11001.

Open government and technology are the key principles for this project. The new community conference room and renovated public spaces have been designed for better interaction and public engagement. The rooms will be equipped with broadcast media capabilities, including multiple LCD screens, High Definition cameras, and wall-mounted speakers. Flexibility is also a key theme of the design. The rooms will allow multiple table and chair configurations. Most importantly, for very large events, the proposed glass partition separating the lobby from the

new community conference room can be opened and folded away to allow even greater space flexibility.

The project will also coordinate with a new interactive digital media public art element to be installed on the main lobby wall facing the main building entry doors. An open call to new media artists was recently conducted by the Community Services Department (CSD). Their call for artists resulted in 104 responses that were narrowed to 29 by a selection panel that included staff and Public Art Commissioners. Further selection panels brought the field down to 5, then to 3, and now a final artist selection is nearly complete. CSD will bring the artist's contract and full details of the proposed digital art piece for Council approval in late summer. A portion of the funding for the artist is included in the attached Budget Amendment Ordinance.

Wayfinding and building signage aspects of the overall project are also still in final design stages. Exterior signage is expected to be reviewed by the Architectural Review Board (ARB) this summer. Following ARB approval, an invitation for bids (IFB) will be issued to procure the services of a specialty signage fabrication and installation contractor.

## **Discussion**

### Scope Overview

The scope of work for the attached construction contract includes:

- 1) Main Lobby remodel including coordination with an interactive digital media public art element;
- 2) Enhance the lobby area heating, ventilation, and air conditioning (HVAC) system in order to handle the increased loads from the new community meeting room and the new digital art installation;
- 3) Restore the terrazzo floor of the main lobby;
- 4) Convert existing PSO conference room into a new Council Conference Room;
- 5) Convert existing Council Conference Room into a new Training and Multi-purpose Meeting Room for staff and the public;
- 6) Create a new Community Meeting Room beside the Main Lobby;
- 7) Install broadcast media capabilities for all the new lobby-level meeting spaces, including multiple LCD screens, High Definition cameras, and wall-mounted speakers;

- 8) Modify the lobby payment counter to match the new architectural style of the lobby and provide a lower ledge for writing checks and signing forms;
- 9) Convert the Revenue Services offices into new Utilities Customer Service counter and offices;
- 10) Reconfigure and renovate mezzanine level offices (PSO and Purchasing);
- 11) Reconfigure and renovate second floor offices (IT and Utilities);
- 12) New carpeting and new bench upholstery for Council Chambers; and
- 13) Remodel the three (3) building elevator cabs.

The building will remain occupied during the course of the project. Work will be scheduled to keep systems operational during working hours and to minimize the impacts of construction on staff and the public. There may be some temporary relocation of department staff to accommodate construction. The entire PSO Department will temporarily relocate to Cubberley Community Center Room H-5 for the duration of the project. This move will provide space in the building for other temporary office relocations that are necessary for construction.

Bid Process

Notices inviting formal bids for the City Hall Remodel Project were posted at City Hall and sent to 32 contractors on April 18, 2014. The bidding period was 19 days. Bids were received from one qualified contractor on May 6, 2014.

Summary of Bid Process

Bid Name/Number	City Hall Remodel Project – IFB 153838
Proposed Length of Project	225 calendar days
Number of Bid Packages Mailed to Contractors	32
Number of Builder's Exchanges receiving Bid Packages	0
Total Days to Respond to Bid	19
Pre-Bid Meeting	April 23, 2014
Number of Company Attendees at Pre-Bid Meeting	10 firms attended of which 5 were General Contractors and 5 were Subcontractors
Number of Bids Received:	1
Base Bid Price Range	\$2,664,000

\*The submitted bid form from D.L. Falk is provided as Attachment D.

Staff reviewed the bid submitted and recommends that D.L. Falk Construction be declared the lowest responsible bidder. Staff recommends that the City award the Base Bid (\$2,664,000) plus Add Alternates 1 through 6 (\$54,350) for a total contract award amount of \$2,718,350.

The base bid is approximately 19% above the construction cost estimate for the scope of work included. Staff believes that the busy local construction industry has resulted in higher prices and the higher bid is still reasonable for the complex nature of this project. Staff also inquired as to why other contractors did not submit bids. Smaller firms indicated that bonds for projects over \$1.5 million are difficult to obtain. One firm that worked on City Hall previously indicated they no longer bid on public projects. Another unionized firm indicated they did not think they could prepare a competitive bid for a non-prevailing wage project. Others said the project did not fit their schedule.

A contingency amount of \$271,835 equal to 10 percent of the total contract is requested for unforeseen conditions which may be discovered during construction. With renovation of an existing facility, there is a high likelihood of additional required repairs or system replacement triggered by the base construction. In addition, due to the time constraints placed upon the contractors to complete their work during off hours, the majority of change orders will be billed at a premium rate for night or weekend work.

Staff confirmed with the Contractor's State License Board that the contractor has an active license on file. Staff checked references supplied by the contractor for previous work performed and found that their projects were similar to this project and were completed to the satisfaction of the owners.

#### WMB Contract – Construction Administration

The contract amendment with the design architect, WMB Architects (Attachment B) will provide for the architect's general construction administration oversight during project work. As the designer of record, WMB Architects will respond to design questions and issues raised by the contractor, attend meetings at the job site, make construction observations, review material submittals, and assist in the preparation of the record documents at the completion of

construction. The contract also includes work related to wayfinding signage design for the exterior and interior areas of the City Hall complex. The signage fabrication and installation will be let as a separate invitation for bid (IFB) to be awarded to a specialty contractor in late summer or early fall.

### **Timeline**

The construction of the architectural upgrades to City Hall are to be completed in four phases. The first phase encompasses the majority of the work for the first floor and the duration is anticipated to be ninety days. The subsequent three remaining phases at forty-five days each will be used for work on the mezzanine level and second floors. Note that some construction in the first floor lobby may be delayed towards the end of the project to keep the current Council Conference Room available for meetings during Phase 1 and to allow for construction to include a new public art display on the large lobby wall near the main building entrance.

### **Resource Impact**

Funding for this project has been allocated in several capital projects, including: City Hall First Floor Renovations (PE-12017), Facility Interior Finishes Replacement (PF-02022), and Council Chambers Carpet (PF-11001). Remaining funding from the Civic Center Infrastructure Upgrade project (PF-01002) will also be used for the project. All of these projects are budgeted in the Capital Improvement Fund, which receives the majority of its funding from the annual General Fund transfer.

As referenced earlier in the staff report, the bids for the project came in higher than previously estimated as a result of the local construction environment, the public art element, and changes in scope. In order to complete the project, a Budget Amendment Ordinance (BAO) is required. The Budget Amendment Ordinance recommended as part of this report would increase the City Hall First Floor Renovations project by \$1,607,109. This increase would allow for the construction contract, contingency, design fees, wayfinding systems construction, furniture, temporary office space, permit fees, architectural construction administration, and a portion of the public art costs. Offsetting the increased costs would be transfers from various funding sources, resulting in no reduction to the Infrastructure Reserve. The transfers from other funding sources, which will recover each fund's respective fair share of the costs, will enable a return of



funds to the Infrastructure Reserve upon completion of the project.

In determining the amounts and funding sources for the BAO, staff carefully reviewed the bid and the work units benefitting from the work. A concerted effort has been made to align the cost of the project to the benefitting department/fund. For example, the cost of renovating the space to meet the functional requirements of the Utilities Department will be charged to the Utility Funds. Similarly, the cost of improving the Information Technology Department’s space will be charged to the Technology Fund, while the cost of improving the Administrative Services and People Strategies and Operations Departments will be charged to the Capital Improvement Fund. Much of the work involves improvements to common areas. The common area costs can be divided into two categories: the first floor community room and improvements to the rest of the facility that do not primarily benefit one exclusive department.

As part of the BAO, the cost of the new community room is recommended to be charged to the Community Center Development Impact Fee Fund. The remaining common areas are charged to the Capital Improvement Fund, with the City’s various Enterprise Funds paying a share proportionate to their anticipated utilization of space in City Hall. It should be noted that after accounting for the transfers from the various Utility Funds, Technology Fund, and the Community Center Development Impact Fee Fund, some portion of the funding in the Capital Improvement Fund is expected to be returned to the Infrastructure Reserve. A summary of the funding sources, as well as anticipated uses, is included in the table on the following page.

<b>Summary of Project Funding</b>	
<b>Existing Funding Source (from Capital Improvement Fund)</b>	<b>Amount allocated</b>
City Hall First Floor Renovations (PE-12017)	\$2,183,733
Facility Interior Finishes Replacement (PF-02022)	\$380,000
Council Chambers Carpet (PF-11001)	\$80,000
Civic Center Infrastructure Upgrade (PF-01002)	\$61,643
<b>Total Current Funding</b>	<b>\$2,705,376</b>

<b>Funding Source (BAO)</b>	<b>Amount allocated</b>
Transfer from Community Center Development Impact Fee Fund	\$686,298
Transfer from Electric Fund	\$133,687
Transfer from Gas Fund	\$133,687
Transfer from Wastewater Collection Fund	\$133,687
Transfer from Water Fund	\$133,687
Transfer from Fiber Optics Fund	\$133,687
Transfer from Technology Fund	\$499,335
Total New Funding	\$1,854,068
<b>Total Project Funding</b>	<b>\$4,559,444</b>
<b>Summary of Project Expenditures</b>	
Construction Contract	\$2,718,350
Contract Contingency (10%)	\$271,835
Design Fees	\$278,285
Architectural Construction Administration	\$141,565
Public Art	\$150,000
Furniture	\$300,000
Wayfinding Systems Construction	\$307,450
Other	\$145,000
<b>Total Project Expenditures</b>	<b>\$4,312,485</b>
<b>Anticipated Return to Infrastructure Reserve</b>	<b>\$246,959</b>

### **Policy Implications**

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

### **Environmental Review**

This project is categorically exempt from California Environmental Quality Act (CEQA) under Sections 15301 and 15302 of the CEQA guidelines as an alteration to an existing facility and no further environmental review is necessary.

#### **Attachments:**

- A - D.L. Falk Construction Contract (PDF)

- B - WMB Architects Contract Amendment No. 2 (PDF)
- C - BAO - City Hall Remodel (DOC)
- D - D.L. Falk Bid Form (PDF)



CITY OF  
**PALO  
ALTO**

**CONSTRUCTION CONTRACT**

**Contract No. C14153838**

**City of Palo Alto**

**And**

**D.L. Falk Construction, Inc.**

**PROJECT  
City Hall Remodel Project**

**CONSTRUCTION CONTRACT  
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## CONSTRUCTION CONTRACT

THIS CONSTRUCTION CONTRACT entered into on June 5, 2014 ("Execution Date") by and between the CITY OF PALO ALTO, a California chartered municipal corporation ("City"), and D.L. Falk Construction, Inc. ("Contractor"), is made with reference to the following:

### RECITALS:

- A. City is a municipal corporation duly organized and validly existing under the laws of the State of California with the power to carry on its business as it is now being conducted under the statutes of the State of California and the Charter of City.
- B. Contractor is a California Corporation duly organized and in good standing in the State of California, Contractor's License Number 683837. Contractor represents that it is duly licensed by the State of California and has the background, knowledge, experience and expertise to perform the obligations set forth in this Construction Contract.
- C. On April 18, 2014, City issued an Invitation for Bids (IFB) to contractors for the City Hall Remodel Project ("Project"). In response to the IFB, Contractor submitted a Bid.
- D. City and Contractor desire to enter into this Construction Contract for the Project, and other services as identified in the Contract Documents for the Project upon the following terms and conditions.

NOW THEREFORE, in consideration of the mutual promises and undertakings hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed by and between the undersigned parties as follows:

### SECTION 1      **INCORPORATION OF RECITALS AND DEFINITIONS.**

#### **1.1      Recitals.**

All of the recitals are incorporated herein by reference.

#### **1.2      Definitions.**

Capitalized terms shall have the meanings set forth in this Construction Contract and/or in the General Conditions. If there is a conflict between the definitions in this Construction Contract and in the General Conditions, the definitions in this Construction Contract shall prevail.

### SECTION 2      **THE PROJECT.**

The Project is the City Hall Remodel Project, located at 250 Hamilton Avenue, Palo Alto, CA. 94301 ("Project").



## **SECTION 3      THE CONTRACT DOCUMENTS.**

### **3.1      List of Documents.**

The Contract Documents (sometimes collectively referred to as “Agreement” or “Bid Documents”) consist of the following documents which are on file with the Purchasing Division and are hereby incorporated by reference.

- 1) Change Orders
- 2) Field Orders
- 3) Contract
- 4) Bidding Addenda
- 5) Special Provisions
- 6) General Conditions
- 7) Project Plans and Drawings
- 8) Technical Specifications
- 9) Instructions to Bidders
- 10) Invitation for Bids
- 11) Contractor's Bid/Non-Collusion Affidavit
- 12) Reports listed in the Contract Documents
- 13) Public Works Department’s Standard Drawings and Specifications (most current version at time of Bid)
- 14) Utilities Department’s Water, Gas, Wastewater, Electric Utilities Standards (most current version at time of Bid)
- 15) City of Palo Alto Traffic Control Requirements
- 16) City of Palo Alto Truck Route Map and Regulations
- 17) Notice Inviting Pre-Qualification Statements, Pre-Qualification Statement, and Pre-Qualification Checklist (if applicable)
- 18) Performance and Payment Bonds

### **3.2      Order of Precedence.**

For the purposes of construing, interpreting and resolving inconsistencies between and among the provisions of this Contract, the Contract Documents shall have the order of precedence as set forth in the preceding section. If a claimed inconsistency cannot be resolved through the order of precedence, the City

shall have the sole power to decide which document or provision shall govern as may be in the best interests of the City.

**SECTION 4      CONTRACTOR'S DUTY.**

Contractor agrees to perform all of the Work required for the Project, as specified in the Contract Documents, all of which are fully incorporated herein. Contractor shall provide, furnish, and supply all things necessary and incidental for the timely performance and completion of the Work, including, but not limited to, provision of all necessary labor, materials, equipment, transportation, and utilities, unless otherwise specified in the Contract Documents. Contractor also agrees to use its best efforts to complete the Work in a professional and expeditious manner and to meet or exceed the performance standards required by the Contract Documents.

**SECTION 5      PROJECT TEAM.**

In addition to Contractor, City has retained, or may retain, consultants and contractors to provide professional and technical consultation for the design and construction of the Project. The Contract requires that Contractor operate efficiently, effectively and cooperatively with City as well as all other members of the Project Team and other contractors retained by City to construct other portions of the Project.

**SECTION 6      TIME OF COMPLETION.**

**6.1      Time Is of Essence.**

Time is of the essence with respect to all time limits set forth in the Contract Documents.

**6.2      Commencement of Work.**

Contractor shall commence the Work on the date specified in City's Notice to Proceed.

**6.3      Contract Time.**

Work hereunder shall begin on the date specified on the City's Notice to Proceed and shall be completed

not later than \_\_\_\_\_.

within 225 calendar days () after the commencement date specified in City's Notice to Proceed.

By executing this Construction Contract, Contractor expressly waives any claim for delayed early completion.

**6.4 Liquidated Damages.**

Pursuant to Government Code Section 53069.85, if Contractor fails to achieve Substantial Completion of the entire Work within the Contract Time, including any approved extensions thereto, City may assess liquidated damages on a daily basis for each day of Unexcused Delay in achieving Substantial Completion, based on the amount of Five Hundred dollars (\$500.00) per day, or as otherwise specified in the Special Provisions. Liquidated damages may also be separately assessed for failure to meet milestones specified elsewhere in the Contract Documents, regardless of impact on the time for achieving Substantial Completion. The assessment of liquidated damages is not a penalty but considered to be a reasonable estimate of the amount of damages City will suffer by delay in completion of the Work. The City is entitled to setoff the amount of liquidated damages assessed against any payments otherwise due to Contractor, including, but not limited to, setoff against release of retention. If the total amount of liquidated damages assessed exceeds the amount of unreleased retention, City is entitled to recover the balance from Contractor or its sureties. Occupancy or use of the Project in whole or in part prior to Substantial Completion, shall not operate as a waiver of City's right to assess liquidated damages.

**6.4.1 Other Remedies.**

City is entitled to any and all available legal and equitable remedies City may have where City's Losses are caused by any reason other than Contractor's failure to achieve Substantial Completion of the entire Work within the Contract Time.

**6.5 Adjustments to Contract Time.**

The Contract Time may only be adjusted for time extensions approved by City and memorialized in a Change Order approved in accordance with the requirements of the Contract Documents.

**SECTION 7 COMPENSATION TO CONTRACTOR.**

**7.1 Contract Sum.**

Contractor shall be compensated for satisfactory completion of the Work in compliance with the Contract Documents the Contract Sum of two million seven hundred eighteen three hundred fifty Dollars (\$2,718,350).

[This amount includes the Base Bid of \$2,664,000 and Additive Alternates 1 for \$7,800, Additive Alternate 2 for \$13,400, Additive Alternate 3 for \$5,050, Additive Alternate 4 for \$3,000, Additive Alternate 5 for \$17,200, and Additive Alternate 6 for \$7,900.]

**7.2 Full Compensation.**

The Contract Sum shall be full compensation to Contractor for all Work provided by Contractor and, except as otherwise expressly permitted by the terms of the Contract Documents, shall cover all Losses arising out of the nature of the Work or from the acts of the elements or any unforeseen difficulties or obstructions which may arise or be encountered in performance of the Work until its Acceptance by City, all risks connected with the Work, and any and all expenses incurred due to suspension or discontinuance of the Work, except as expressly provided herein. The Contract Sum may only be adjusted for Change Orders approved in accordance with the requirements of the Contract Documents.

**SECTION 8      STANDARD OF CARE.**

Contractor agrees that the Work shall be performed by qualified, experienced and well-supervised personnel. All services performed in connection with this Construction Contract shall be performed in a manner consistent with the standard of care under California law applicable to those who specialize in providing such services for projects of the type, scope and complexity of the Project.

**SECTION 9      INDEMNIFICATION.**

**9.1      Hold Harmless.**

To the fullest extent allowed by law, Contractor will defend, indemnify, and hold harmless City, its City Council, boards and commissions, officers, agents, employees, representatives and volunteers (hereinafter individually referred to as an "Indemnatee" and collectively referred to as "Indemnitees"), through legal counsel acceptable to City, from and against any and liability, loss, damage, claims, expenses (including, without limitation, attorney fees, expert witness fees, paralegal fees, and fees and costs of litigation or arbitration) (collectively, "Liability") of every nature arising out of or in connection with the acts or omissions of Contractor, its employees, Subcontractors, representatives, or agents, in performing the Work or its failure to comply with any of its obligations under the Contract, except such Liability caused by the active negligence, sole negligence, or willful misconduct of an Indemnatee. Contractor shall pay City for any costs City incurs to enforce this provision. Except as provided in Section 9.2 below, nothing in the Contract Documents shall be construed to give rise to any implied right of indemnity in favor of Contractor against City or any other Indemnatee.

Pursuant to Public Contract Code Section 9201, City shall timely notify Contractor upon receipt of any third-party claim relating to the Contract.

**9.2      Survival.**

The provisions of Section 9 shall survive the termination of this Construction Contract.

**SECTION 10      NONDISCRIMINATION.**

As set forth in Palo Alto Municipal Code section 2.30.510, Contractor certifies that in the performance of this Agreement, it shall not discriminate in the employment of any person because of the race, skin color, gender, age, religion, disability, national origin, ancestry, sexual orientation, housing status, marital status, familial status, weight or height of such person. Contractor acknowledges that it has read and understands the provisions of Section 2.30.510 of the Palo Alto Municipal Code relating to Nondiscrimination Requirements and the penalties for violation thereof, and will comply with all requirements of Section 2.30.510 pertaining to nondiscrimination in employment.

**SECTION 11      INSURANCE AND BONDS.**

Within ten (10) business days following issuance of the Notice of Award, Contractor shall provide City with evidence that it has obtained insurance and shall submit Performance and Payment Bonds satisfying all requirements in Article 11 of the General Conditions.

**SECTION 12      PROHIBITION AGAINST TRANSFERS.**

City is entering into this Construction Contract in reliance upon the stated experience and qualifications of the Contractor and its Subcontractors set forth in Contractor’s Bid. Accordingly, Contractor shall not assign, hypothecate or transfer this Construction Contract or any interest therein directly or indirectly, by operation of law or otherwise without the prior written consent of City. Any assignment, hypothecation or transfer without said consent shall be null and void, and shall be deemed a substantial breach of contract and grounds for default in addition to any other legal or equitable remedy available to the City.

The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of Contractor or of any general partner or joint venturer or syndicate member of Contractor, if the Contractor is a partnership or joint venture or syndicate or co-tenancy shall result in changing the control of Contractor, shall be construed as an assignment of this Construction Contract. Control means more than fifty percent (50%) of the voting power of the corporation or other entity.

**SECTION 13      NOTICES.**

**13.1      Method of Notice.**

All notices, demands, requests or approvals to be given under this Construction Contract shall be given in writing and shall be deemed served on the earlier of the following:

- (i)      On the date delivered if delivered personally;
- (ii)     On the third business day after the deposit thereof in the United States mail, postage prepaid, and addressed as hereinafter provided;
- (iii)    On the date sent if sent by facsimile transmission;
- (iv)    On the date sent if delivered by electronic mail; or
- (v)    On the date it is accepted or rejected if sent by certified mail.

**13.2      Notice Recipients.**

All notices, demands or requests (including, without limitation, Change Order Requests and Claims) from Contractor to City shall include the Project name and the number of this Construction Contract and shall be addressed to City at:

To City:              City of Palo Alto  
                            City Clerk  
                            250 Hamilton Avenue  
                            P.O. Box 10250  
                            Palo Alto, CA 94303

Copy to:       City of Palo Alto  
                            Public Works Administration  
                            250 Hamilton Avenue  
                            Palo Alto, CA 94301  
                            Attn: Matt Raschke

AND

[Include Construction Manager, If Applicable.]

     City of Palo Alto  
                            Utilities Engineering  
                            250 Hamilton Avenue

Palo Alto, CA 94301  
Attn:

In addition, copies of all Claims by Contractor under this Construction Contract shall be provided to the following:

Palo Alto City Attorney's Office  
250 Hamilton Avenue  
P.O. Box 10250  
Palo Alto, California 94303

All Claims shall be delivered personally or sent by certified mail.

All notices, demands, requests or approvals from City to Contractor shall be addressed to:

D.L. Falk Construction, Inc.  
3526 Investment Blvd.  
Hayward, CA 94545  
Attn: David L. Falk

**13.3 Change of Address.**

In advance of any change of address, Contractor shall notify City of the change of address in writing. Each party may, by written notice only, add, delete or replace any individuals to whom and addresses to which notice shall be provided.

**SECTION 14      DEFAULT.**

**14.1 Notice of Default.**

In the event that City determines, in its sole discretion, that Contractor has failed or refused to perform any of the obligations set forth in the Contract Documents, or is in breach of any provision of the Contract Documents, City may give written notice of default to Contractor in the manner specified for the giving of notices in the Construction Contract, with a copy to Contractor's performance bond surety.

**14.2 Opportunity to Cure Default.**

Except for emergencies, Contractor shall cure any default in performance of its obligations under the Contract Documents within two (2) Days (or such shorter time as City may reasonably require) after receipt of written notice. However, if the breach cannot be reasonably cured within such time, Contractor will commence to cure the breach within two (2) Days (or such shorter time as City may reasonably require) and will diligently and continuously prosecute such cure to completion within a reasonable time, which shall in no event be later than ten (10) Days after receipt of such written notice.

**SECTION 15 CITY'S RIGHTS AND REMEDIES.**

**15.1 Remedies Upon Default.**

If Contractor fails to cure any default of this Construction Contract within the time period set forth above in Section 14, then City may pursue any remedies available under law or equity, including, without limitation, the following:

**15.1.1 Delete Certain Services.**

City may, without terminating the Construction Contract, delete certain portions of the Work, reserving to itself all rights to Losses related thereto.

**15.1.2 Perform and Withhold.**

City may, without terminating the Construction Contract, engage others to perform the Work or portion of the Work that has not been adequately performed by Contractor and withhold the cost thereof to City from future payments to Contractor, reserving to itself all rights to Losses related thereto.

**15.1.3 Suspend The Construction Contract.**

City may, without terminating the Construction Contract and reserving to itself all rights to Losses related thereto, suspend all or any portion of this Construction Contract for as long a period of time as City determines, in its sole discretion, appropriate, in which event City shall have no obligation to adjust the Contract Sum or Contract Time, and shall have no liability to Contractor for damages if City directs Contractor to resume Work.

**15.1.4 Terminate the Construction Contract for Default.**

City shall have the right to terminate this Construction Contract, in whole or in part, upon the failure of Contractor to promptly cure any default as required by Section 14. City's election to terminate the Construction Contract for default shall be communicated by giving Contractor a written notice of termination in the manner specified for the giving of notices in the Construction Contract. Any notice of termination given to Contractor by City shall be effective immediately, unless otherwise provided therein.

**15.1.5 Invoke the Performance Bond.**

City may, with or without terminating the Construction Contract and reserving to itself all rights to Losses related thereto, exercise its rights under the Performance Bond.

**15.1.6 Additional Provisions.**

All of City's rights and remedies under this Construction Contract are cumulative, and shall be in addition to those rights and remedies available in law or in equity. Designation in the Contract Documents of certain breaches as material shall not waive the City's authority to designate other breaches as material nor limit City's right to terminate the Construction Contract, or prevent the City from terminating the Agreement for breaches that are not material. City's determination of whether there has been noncompliance with the Construction Contract so as to warrant exercise by City of its rights and remedies for default under the Construction Contract, shall be binding on all parties. No termination or action taken by City after such termination shall prejudice any other rights or remedies of City provided by law or equity or by the Contract Documents upon such termination; and City may proceed against Contractor to recover all liquidated damages and Losses suffered by City.

**15.2 Delays by Sureties.**

Time being of the essence in the performance of the Work, if Contractor's surety fails to arrange for completion of the Work in accordance with the Performance Bond, within seven (7) calendar days from the date of the notice of termination, Contractor's surety shall be deemed to have waived its right to complete the Work under the Contract, and City may immediately make arrangements for the completion of the Work through use of its own forces, by hiring a replacement contractor, or by any other means that City determines advisable under the circumstances. Contractor and its surety shall be jointly and severally liable for any additional cost incurred by City to complete the Work following termination. In addition, City shall have the right to use any materials, supplies, and equipment belonging to Contractor and located at the Worksite for the purposes of completing the remaining Work.

### **15.3 Damages to City.**

#### **15.3.1 For Contractor's Default.**

City will be entitled to recovery of all Losses under law or equity in the event of Contractor's default under the Contract Documents.

#### **15.3.2 Compensation for Losses.**

In the event that City's Losses arise from Contractor's default under the Contract Documents, City shall be entitled to deduct the cost of such Losses from monies otherwise payable to Contractor. If the Losses incurred by City exceed the amount payable, Contractor shall be liable to City for the difference and shall promptly remit same to City.

### **15.4 Suspension by City**

#### **15.4.1 Suspension for Convenience.**

City may, at any time and from time to time, without cause, order Contractor, in writing, to suspend, delay, or interrupt the Work in whole or in part for such period of time, up to an aggregate of fifty percent (50%) of the Contract Time. The order shall be specifically identified as a Suspension Order by City. Upon receipt of a Suspension Order, Contractor shall, at City's expense, comply with the order and take all reasonable steps to minimize costs allocable to the Work covered by the Suspension Order. During the Suspension or extension of the Suspension, if any, City shall either cancel the Suspension Order or, by Change Order, delete the Work covered by the Suspension Order. If a Suspension Order is canceled or expires, Contractor shall resume and continue with the Work. A Change Order will be issued to cover any adjustments of the Contract Sum or the Contract Time necessarily caused by such suspension. A Suspension Order shall not be the exclusive method for City to stop the Work.

#### **15.4.2 Suspension for Cause.**

In addition to all other remedies available to City, if Contractor fails to perform or correct work in accordance with the Contract Documents, City may immediately order the Work, or any portion thereof, suspended until the cause for the suspension has been eliminated to City's satisfaction. Contractor shall not be entitled to an increase in Contract Time or Contract Price for a suspension occasioned by Contractor's failure to comply with the Contract Documents. City's right to suspend the Work shall not give rise to a duty to suspend the Work, and City's failure to suspend the Work shall not constitute a defense to Contractor's failure to comply with the requirements of the Contract Documents.



**15.5 Termination Without Cause.**

City may, at its sole discretion and without cause, terminate this Construction Contract in part or in whole upon written notice to Contractor. Upon receipt of such notice, Contractor shall, at City's expense, comply with the notice and take all reasonable steps to minimize costs to close out and demobilize. The compensation allowed under this Paragraph 15.5 shall be the Contractor's sole and exclusive compensation for such termination and Contractor waives any claim for other compensation or Losses, including, but not limited to, loss of anticipated profits, loss of revenue, lost opportunity, or other consequential, direct, indirect or incidental damages of any kind resulting from termination without cause. Termination pursuant to this provision does not relieve Contractor or its sureties from any of their obligations for Losses arising from or related to the Work performed by Contractor.

**15.5.1 Compensation.**

Following such termination and within forty-five (45) Days after receipt of a billing from Contractor seeking payment of sums authorized by this Paragraph 15.5.1, City shall pay the following to Contractor as Contractor's sole compensation for performance of the Work :

**.1 For Work Performed.** The amount of the Contract Sum allocable to the portion of the Work properly performed by Contractor as of the date of termination, less sums previously paid to Contractor.

**.2 For Close-out Costs.** Reasonable costs of Contractor and its Subcontractors:  
(i) Demobilizing and  
(ii) Administering the close-out of its participation in the Project (including, without limitation, all billing and accounting functions, not including attorney or expert fees) for a period of no longer than thirty (30) Days after receipt of the notice of termination.

**.3 For Fabricated Items.** Previously unpaid cost of any items delivered to the Project Site which were fabricated for subsequent incorporation in the Work.

**.4 Profit Allowance.** An allowance for profit calculated as four percent (4%) of the sum of the above items, provided Contractor can prove a likelihood that it would have made a profit if the Construction Contract had not been terminated.

**15.5.2 Subcontractors.**

Contractor shall include provisions in all of its subcontracts, purchase orders and other contracts permitting termination for convenience by Contractor on terms that are consistent with this Construction Contract and that afford no greater rights of recovery against Contractor than are afforded to Contractor against City under this Section.

**15.6 Contractor's Duties Upon Termination.**

Upon receipt of a notice of termination for default or for convenience, Contractor shall, unless the notice directs otherwise, do the following:

- (i) Immediately discontinue the Work to the extent specified in the notice;
- (ii) Place no further orders or subcontracts for materials, equipment, services or facilities, except as may be necessary for completion of such portion of the Work that is not discontinued;
- (iii) Provide to City a description in writing, no later than fifteen (15) days after receipt of the notice of termination, of all subcontracts, purchase orders and contracts that are outstanding, including, without limitation, the terms of the original price, any changes, payments, balance owing, the status of the portion of the Work covered and a copy of

the subcontract, purchase order or contract and any written changes, amendments or modifications thereto, together with such other information as City may determine necessary in order to decide whether to accept assignment of or request Contractor to terminate the subcontract, purchase order or contract;

- (iv) Promptly assign to City those subcontracts, purchase orders or contracts, or portions thereof, that City elects to accept by assignment and cancel, on the most favorable terms reasonably possible, all subcontracts, purchase orders or contracts, or portions thereof, that City does not elect to accept by assignment; and
- (v) Thereafter do only such Work as may be necessary to preserve and protect Work already in progress and to protect materials, plants, and equipment on the Project Site or in transit thereto.

Upon termination, whether for cause or for convenience, the provisions of the Contract Documents remain in effect as to any Claim, indemnity obligation, warranties, guarantees, submittals of as-built drawings, instructions, or manuals, or other such rights and obligations arising prior to the termination date.

## **SECTION 16      **CONTRACTOR'S RIGHTS AND REMEDIES.****

### **16.1      Contractor's Remedies.**

Contractor may terminate this Construction Contract only upon the occurrence of one of the following:

#### **16.1.1      For Work Stoppage.**

The Work is stopped for sixty (60) consecutive Days, through no act or fault of Contractor, any Subcontractor, or any employee or agent of Contractor or any Subcontractor, due to issuance of an order of a court or other public authority other than City having jurisdiction or due to an act of government, such as a declaration of a national emergency making material unavailable. This provision shall not apply to any work stoppage resulting from the City's issuance of a suspension notice issued either for cause or for convenience.

#### **16.1.2      For City's Non-Payment.**

If City does not make pay Contractor undisputed sums within ninety (90) Days after receipt of notice from Contractor, Contractor may terminate the Construction Contract (30) days following a second notice to City of Contractor's intention to terminate the Construction Contract.

### **16.2      Damages to Contractor.**

In the event of termination for cause by Contractor, City shall pay Contractor the sums provided for in Paragraph 15.5.1 above. Contractor agrees to accept such sums as its sole and exclusive compensation and agrees to waive any claim for other compensation or Losses, including, but not limited to, loss of anticipated profits, loss of revenue, lost opportunity, or other consequential, direct, indirect and incidental damages, of any kind.

## **SECTION 17      **ACCOUNTING RECORDS.****

### **17.1      Financial Management and City Access.**

Contractor shall keep full and detailed accounts and exercise such controls as may be necessary for proper financial management under this Construction Contract in accordance with generally accepted accounting principles and practices. City and City's accountants during normal business hours, may inspect, audit and copy Contractor's records, books, estimates, take-offs, cost reports, ledgers, schedules, correspondence, instructions, drawings, receipts, subcontracts, purchase

orders, vouchers, memoranda and other data relating to this Project. Contractor shall retain these documents for a period of three (3) years after the later of (i) Final Payment or (ii) final resolution of all Contract Disputes and other disputes, or (iii) for such longer period as may be required by law.

**17.2 Compliance with City Requests.**

Contractor's compliance with any request by City pursuant to this Section 17 shall be a condition precedent to filing or maintenance of any legal action or proceeding by Contractor against City and to Contractor's right to receive further payments under the Contract Documents. City may enforce Contractor's obligation to provide access to City of its business and other records referred to in Section 17.1 for inspection or copying by issuance of a writ or a provisional or permanent mandatory injunction by a court of competent jurisdiction based on affidavits submitted to such court, without the necessity of oral testimony.

**SECTION 18 INDEPENDENT PARTIES.**

Each party is acting in its independent capacity and not as agents, employees, partners, or joint ventures' of the other party. City, its officers or employees shall have no control over the conduct of Contractor or its respective agents, employees, subconsultants, or subcontractors, except as herein set forth.

**SECTION 19 NUISANCE.**

Contractor shall not maintain, commit, nor permit the maintenance or commission of any nuisance in connection in the performance of services under this Construction Contract.

**SECTION 20 PERMITS AND LICENSES.**

Except as otherwise provided in the Special Provisions and Technical Specifications, The Contractor shall provide, procure and pay for all licenses, permits, and fees, required by the City or other government jurisdictions or agencies necessary to carry out and complete the Work. Payment of all costs and expenses for such licenses, permits, and fees shall be included in one or more Bid items. No other compensation shall be paid to the Contractor for these items or for delays caused by non-City inspectors or conditions set forth in the licenses or permits issued by other agencies.

**SECTION 21 WAIVER.**

A waiver by either party of any breach of any term, covenant, or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained herein, whether of the same or a different character.

**SECTION 22 GOVERNING LAW AND VENUE.**

This Construction Contract shall be construed in accordance with and governed by the laws of the State of California, and venue shall be in a court of competent jurisdiction in the County of Santa Clara, and no other place.

**SECTION 23 COMPLETE AGREEMENT.**

This Agreement represents the entire and integrated agreement between the parties and supersedes all prior negotiations, representations, and contracts, either written or oral. This Agreement may be amended only by a written instrument, which is signed by the parties.

**SECTION 24 SURVIVAL OF CONTRACT.**

The provisions of the Construction Contract which by their nature survive termination of the Construction Contract or Final Completion, including, without limitation, all warranties, indemnities, payment obligations, and City's right to audit Contractor's books and records, shall remain in full force and effect after Final Completion or any termination of the Construction Contract.

**SECTION 25 PREVAILING WAGES.**

This Project is not subject to prevailing wages. The Contractor is not required to pay prevailing wages in the performance and implementation of the Project, because the City, pursuant to its authority as a chartered city, has adopted Resolution No. 5981 exempting the City from prevailing wages. The City invokes the exemption from the state prevailing wage requirement for this Project and declares that the Project is funded one hundred percent (100%) by the City of Palo Alto. This Project remains subject to all other applicable provisions of the California Labor Code and regulations promulgated thereunder.

Or

The Contractor is required to pay general prevailing wages as defined in Subchapter 3, Title 8 of the California Code of Regulations and Section 16000 et seq. and Section 1773.1 of the California Labor Code. Pursuant to the provisions of Section 1773 of the Labor Code of the State of California, the City Council has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in this locality for each craft, classification, or type of worker needed to execute the contract for this Project from the Director of the Department of Industrial Relations. Copies of these rates may be obtained at the Purchasing Office of the City of Palo Alto. Contractor shall provide a copy of prevailing wage rates to any staff or subcontractor hired, and shall pay the adopted prevailing wage rates as a minimum. Contractor shall comply with the provisions of Sections 1775, 1776, 1777.5, 1810, and 1813 of the Labor Code.

**SECTION 26 NON APPROPRIATION.**

This Agreement is subject to the fiscal provisions of the Charter of the City of Palo Alto and the Palo Alto Municipal Code. This Agreement will terminate without any penalty (a) at the end of any fiscal year in the event that the City does not appropriate funds for the following fiscal year for this event, or (b) at any time within a fiscal year in the event that funds are only appropriated for a portion of the fiscal year and funds for this Construction Contract are no longer available. This section shall take precedence in the event of a conflict with any other covenant, term, condition, or provision of this Agreement.

**SECTION 27 AUTHORITY.**

The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

**SECTION 28      COUNTERPARTS**

This Agreement may be signed in multiple counterparts, which shall, when executed by all the parties, constitute a single binding agreement.

**SECTION 29      SEVERABILITY.**

In case a provision of this Construction Contract is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected.

**SECTION 30      STATUTORY AND REGULATORY REFERENCES.**

With respect to any amendments to any statutes or regulations referenced in these Contract Documents, the reference is deemed to be the version in effect on the date that the Contract was awarded by City, unless otherwise required by law.

**SECTION 31      WORKERS' COMPENSATION CERTIFICATION.**

Pursuant to Labor Code Section 1861, by signing this Contract, Contractor certifies as follows: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the Work on this Contract."

IN WITNESS WHEREOF, the parties have caused this Construction Contract to be executed the date and year first above written.

CITY OF PALO ALTO

D. L. Falk Construction, Inc.

\_\_\_\_\_  
 Purchasing Manager  
 City Manager

By: \_\_\_\_\_

Name: David L. Falk

Title: President

APPROVED AS TO FORM:

Date: \_\_\_\_\_

\_\_\_\_\_  
Senior Asst. City Attorney

APPROVED:

\_\_\_\_\_  
Public Works Director

**AMENDMENT NO. 2 TO CONTRACT NO. C12144101  
BETWEEN THE CITY OF PALO ALTO AND  
WMB ARCHITECTS, INC.**

This Amendment No. 2 (“Amendment”) to Contract No. C12144101 (“Contract”) is entered into and made effective on June \_\_, 2014, by and between the CITY OF PALO ALTO, a California chartered municipal corporation (“CITY”), and WMB Architects, Inc., a California Corporation, located at 5757 Pacific Avenue, Suite 226, Stockton, CA 95207, (“CONSULTANT”).

**RECITALS**

WHEREAS, the Contract was entered into between the parties for the provision of professional design services relating to the City Hall Remodel Project (“Project”); and

WHEREAS, on September 16, 2013, the parties amended the Contract to add \$105,974 of compensation for a total Contract amount not to exceed \$284,691; and

WHEREAS, the parties seek by this Amendment No. 2 to increase the scope of services, schedule of performance, and compensation;

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

**SECTION 1.** Section A of RECITALS is hereby amended to read as follows:

“A. CITY intends to implement the City Hall Renovation Project (“Project”) and desires to engage a consultant to provide professional architectural design services and **construction administration services** for architectural upgrades in connection with the Project (“Services”).”

**SECTION 2.** Section 4 of the Contract, **NOT TO EXCEED COMPENSATION**, Paragraph 1, 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 **Three Hundred Eighty-Seven Thousand Five Hundred Five Dollars [\$387,505.00]**. In the event Additional Services are authorized, the total compensation for services and reimbursable expenses shall not exceed **Four Hundred Twenty-Six Thousand Two Hundred Fifty-Six Dollars [\$426,256.00]**. The applicable rates and schedule of payment are set out in Exhibit “C-2”, entitled “CONSTRUCTION ADMINISTRATION FEE SCHEDULE”, which is attached to and make a part of this Agreement.”

SECTION 4. The following exhibit(s) to the Contract is/are hereby amended to read as set forth in the attachment(s) to this Amendment, which are incorporated in full by this reference:

- a. Exhibit "A" entitled "Scope of Work".
- b. Exhibit "B" entitled "Schedule".
- c. Exhibit "C" entitled "Compensation".

SECTION 5. Except as herein modified, all other provisions of the Contract, including any exhibits and subsequent amendments thereto, shall remain in full force and effect.

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

CITY OF PALO ALTO

WMB Architects, Inc.

\_\_\_\_\_  
City Manager

By: 

Name: THOMAS BOWNE

APPROVED AS TO FORM:

Title: PRESIDENT

\_\_\_\_\_  
Senior Asst. City Attorney

Attachments:

EXHIBIT "A": SCOPE OF PROJECT  
EXHIBIT "B": TIME SCHEDULE  
EXHIBIT "C": COMPENSATION SCHEDULE

**EXHIBIT “A” - SCOPE OF WORK**  
**CONTRACT C12144101 - AMENDMENT No. 2**  
**CIP PROJECT PE-12017**

**Task 1: City Hall Lobby Design Modifications**

The Lobby is intended to serve as a space that welcomes members of the public to the building and helps direct them to their destination within City Hall. The Lobby should also be modified to better accommodate the display of public art and to create opportunities for small, informal gatherings of staff and the public.

- A) Transform the Lobby into an attractive and welcoming space to display public art and facilitate gatherings and events.
- B) Remove the current furniture and cabinets.
- C) Refinish walls and design an improved display mounting system to create a more attractive, functional, and safe environment for the display of artwork.
- D) Establish lighting conducive to displaying art, both on walls and freestanding that allows for safe, easy, and efficient bulb replacement.
- E) Establish signage and an electronic information kiosk to provide wayfinding information to the public.
- F) Create paths for foot traffic through the lobby which create protected spaces conducive to small gatherings.
- G) Design and select furniture and carpets which create space for gatherings & meetings.
- H) Consider changes to ceiling fixtures to modernize the lobby’s appearance.

**Task 2: City Hall Council Conference Room Design Modifications**

The Council Conference Room is intended to serve as a less formal, more intimate meeting space for the Finance Committee and Policy & Services Committee of the City Council, various advisory Boards and Commissions, public gatherings, and to host larger staff meetings.

- A) Transform the Council Conference Room into a more modern and usable space which will more readily accommodate the multitude of departments and Committees, Boards, and Commissions that utilize the area.
- B) Explore opportunities to enlarge the existing area via the removal of the existing east wall and incorporation of the adjoining corridor into a larger and more usable meeting space. A structural analysis for this portion of the design will be required.
- C) Provide room layout and seating arrangements that will improve the interface between



Committee/Board/Commission members and audience members during public meetings.

D) Provide flexible room layout and seating arrangements to accommodate a larger number of occupants during public meetings, public multi-media presentations, and staff meetings.

E) Design a more modern method for effective presentation delivery to accommodate conferences and public presentations via electronic media. Seating arrangements will be critical to allow for easy viewing of the material presented by both board/commission members as well as audience members.

F) Modernize the area utilizing newly-designed lighting, wall coverings, flooring, and furniture.

### **Task 3: City Hall Human Resources Conference Room Design Modifications**

The Human Resources Conference Room serves as one of the larger staff meeting rooms in City Hall and is used by the City Council for private discussion during closed sessions.

A) Transform the Human Resources Conference Room into a more modern and usable space which will more readily accommodate the multitude of departments that utilize the area.

B) Design a more modern method for effective presentation delivery to accommodate conferences and small department presentations via electronic media.

C) Modernize the area utilizing newly-designed lighting, wall coverings, flooring, and furniture.

### **Task 4: City Hall Wayfinding Design Modifications**

Existing directional signage in City Hall is sparse and inadequate. The proposed wayfinding modifications should provide a simple, attractive, uniform, intuitive system of signage and other directional elements to assist members of the public to locate the service provider within City Hall that can address their needs and to find their vehicle upon returning to the garage.

A) Integrate the signage and an electronic information kiosk from Task 1 into a programmatic and unified City Hall signage program that will readily direct members of the public to service locations throughout the various departments on all levels of City Hall (including the Police Wing); including paths of travel from the exterior of the building.

B) Improve signage on the building exterior to direct members of the public to the Police Department offices on Forest Avenue. Coordinate the new signage with the signage on the Downtown Library across the street.

C) Provide an easy means of identifying parking locations in the underground City Hall Garage which will readily assist customers in relocating their vehicle.

D) Incorporate signage to direct customers from the parking garage to the location of an information kiosk on the First Floor.

E) Provide signage and terminology that assists the customer to readily locate the service provider

within City Hall that can address their needs. Integrate service descriptions with department names into unified naming conventions.

F) Coordinate the design of informational signage in the elevator lobbies with ongoing efforts by the City Manager's Office to integrate photographs evocative of the services provided on each floor of the building with the accompanying signage.

### **Task 5: City Hall Way Elevator Cabs Refurbishment**

A) Upgrade and modernize interior cab panels, including all sides, doors, flooring, and ceiling.

B) Provide a more energy-efficient lighting system that will provide softer, more diffused illumination.

C) Modernize the signage direction/display systems. Integrate same with Task 4, Wayfinding.

D) Enhance the appearance of exterior door panels. Possibilities include integration with Task 4, Wayfinding, as well as including artistic concepts that correlate with department themes associated with that individual floor level.

## **B. SCOPE OF SERVICES**

### **1. Study Phase**

City Hall is an occupied building and will remain so during the entire design process and through the completion of construction. The Consultant will be responsible for surveying all the various departments and end-users that will be utilizing the areas of refurbishment to effectively address their desired needs and concerns. The study shall identify strategies and alternatives that will provide maximum benefit to endusers and optimize the functionality and usefulness of the work spaces. The analysis and resulting recommendation shall take into account both feasibility and economics. The Consultant shall work with the City's Project Manager to develop the survey strategy, identify the existing conditions and needs, and develop recommended modifications to meet the critical needs. Consultant shall identify implementation methodologies for the renovation to assist in accommodating existing occupants. Relocation alternatives, rebuilding on a "fast-track" basis, and other alternatives proposed by Consultant shall be considered during this phase to accomplish the work with the least cost and/or minimum disruption to the occupants. Consultant shall present the study with alternates and recommendations to the Project Manager and appropriate departmental managers in the affected work areas for review and comment. Once a decision on approach, alternates, and recommendations is made by the City, the next phase of the project shall commence.

### **2. Conceptual Design**

Consultant's second phase shall be to prepare a preliminary design with estimated construction costs for the City's review. Consultant shall evaluate all parameters and observations in preparing a conceptual design to accomplish the City's objectives as outlined in the four tasks described above. A proposed methodology for completing the renovations during time periods of least impact to the functions of the departments will be proposed; along with refining the full scope of the project. Consultant shall provide conceptual (30%) drawings for review and approval and shall attend

meetings with City staff to describe and discuss the elements of the conceptual design. Consultant shall provide a preliminary engineer's estimate of the construction contract cost for City review at the 30% design stage to aid the City in determining the final scope of work.

### **3. Construction Documents**

In the third phase, Consultant shall prepare the construction documents, including plans, technical specifications, an engineer's estimate, and a preliminary construction schedule which minimizes disruptions to building occupants. Consultant shall prepare the final construction documents for all components defined in the Conceptual Design. Plans and specifications shall be presented to the City at 60% and 90% completion for review and comment. An engineer's estimate shall be prepared at the 90% design stage. Consultant shall assist the City in obtaining all building permits, and other permits as applicable, required for implementation of the work.

### **4. Bid and Construction Phase**

The Consultant shall provide assistance to City staff (e.g. pre-bid meeting with prospective bidders, issuance of addenda, etc.) during the bidding phase of the project. Upon award of a construction contract to a general contractor, the City will negotiate with the Consultant an appropriate scope of work for construction phase services to be provided (e.g. assistance with Requests for Information, review of contractor submittals, review of change order requests, periodic site inspections, preparation of record drawings, etc.). Construction phase services will be added to the Consultant's contract at the City's discretion via a contract amendment.

## **C. PROJECT ELEMENTS**

### **Preparation Work**

- City will provide any available existing plans for the City Hall work spaces to be modified during this project.
- Consultant will meet with City representatives to develop a schedule for the work. Some tasks will hold a higher priority and may need to be fast tracked in comparison to some of the other tasks.

### **Site Assessment**

- Consultant will conduct site visits.
- Consultant will review and evaluate all available information and determine procedure for acquiring any necessary additional information. Equipment Evaluation
- Consultant will evaluate existing lighting for anticipated needs.
- Consultant will suggest possible audio/visual equipment to satisfy requirements. Economic Analysis and Feasibility
- Consultant will recommend equipment based on functionality and cost.

## WORK PLAN

### ARCHITECTURAL AND ENGINEERING TASK LIST

TASK 1: INVESTIGATION PHASE	
Subtask 1.1	On-site review of existing building documents.
Subtask 1.2	On-site verification and measurement of lobby, elevator lobbies and conference rooms, mezzanine and second floor.
Subtask 1.3	On-site photographing of existing building areas.
Subtask 1.4	CADD input of base floor plans, reflected ceiling plans and interior elevations.
Subtask 1.5	CADD input of parking levels and site plan for wayfinding.
TASK 2: NEEDS ASSESSMENT PHASE	
Subtask 2.1	Prepare program survey forms
Subtask 2.2	On-site meetings with departmental end-user groups to establish needs for conference spaces and lobby areas
Subtask 2.3	On-site meetings with departmental end-user groups to establish needs for wayfinding.
Subtask 2.4	Summarize in written and graphic format the needs assessment information.
Subtask 2.5	Meet with Project Manager, Project Engineer to review needs assessment data.
Subtask 2.6	Working with Project Manager and Project Engineer, refine needs assessment and set priorities.
Subtask 2.7	Prepare final Needs Assessment document that will serve as the basis for the design
Subtask 2.8	Meet with design team to review completed needs assessment document.
TASK 3: CONCEPT DESIGN DEVELOPMENT PHASE	
Subtask 3.1	Utilizing the approved Final Needs Assessment, design team will develop concept design solutions that meet the criteria set forth in the Final Needs Assessment. Design concepts to be illustrated by floor plan(s), reflected ceiling plans, 3 dimensional sketches, interior finish materials samples, AV concepts and modifications to building electrical and mechanical systems
Subtask 3.2	Develop concept budget estimates for design options.
Subtask 3.3	Meet with City's Project Manager to review concept design/cost estimates.
Subtask 3.4	Prepare base floor plans, reflected ceiling plans and interior elevations of existing conditions.
Subtask 3.5	Per Project Managers Direction, Present concept design to City Staff for review and input.
Subtask 3.6	Refine concept design documentation and budget estimate incorporating City input.
Subtask 3.7	Prepare Concept Design package (30%) for City review and approval.
TASK 4: CONSTRUCTION DOCUMENTS PHASE	
Subtask 4.1	Based on approved concept design and budget, develop construction documents (including plans, specifications, calculations and budget estimate) for plan review, permitting and bidding. Prepare City review packages at 60% and 90%.
Subtask 4.2	60% document review meeting with Project Manager and Project Engineer.
Subtask 4.3	90% document review meeting with Project Manager and Project Engineer.
Subtask 4.4	In-house peer review of documents.

Subtask 4.5	Prepare 100% construction document submittal package.
Subtask 4.6	Review meeting with Project Manager and Project Engineer of final construction document package.
<b>TASK 5: PLAN REVIEW   PERMITTING PHASE</b>	
Subtask 5.1	Assist City in submittal of construction documents package for plan review for building permit.
Subtask 5.2	Make revisions to construction documents to address plan review comments.
Subtask 5.3	Assist City in re-submittal of construction documents package incorporating plan review comments.
<b>TASK 6: BIDDING PHASE</b>	
Subtask 6.1	Provide assistance to City staff during bid process including: attendance at pre-bid meeting, assist City in responding to bid questions, and issue addenda as required.
Subtask 6.2	Assist City in review of submitted bids.
<b>TASK 7: CONSTRUCTION ADMINISTRATION PHASE (Amendment No. 2)</b>	
Subtask 7.1	Twenty-four (24) Weekly Construction site meetings with architect (assume 6 months construction timeframe).
Subtask 7.2	Six (6) monthly Site visits for mechanical, electrical and audio visual engineers.
Subtask 7.3	Process and document as required General Contractor's Requests for Information (RFI's).
Subtask 7.4	Process product submittals and shop drawings.
Subtask 7.5	Review and evaluate substitutions to products and equipment submitted by the General Contractor.
Subtask 7.6	General Contractor payment request and progressive lien waiver review. Sub-contractor lien waiver documentation and verification responsibility of the General Contractor.
Subtask 7.7	Punch-list site at substantial completion. Develop punch list of items for correction. Follow-up evaluation of punch list items at final completion.
Subtask 7.8	Review of General Contractor's Operations and Maintenance Manual and warranties.
Subtask 7.9	Perform project closeout activities and prepare final record plan set from contractor markups.

## WORK PLAN WAYFINDING TASKS

### PARAGRAPH 5.4 SCOPE OF WORK | WORK PLAN

#### PROPOSAL SCOPE OF WORK

The Square Peg Proven Project Approach and Design Process

Square Peg employs a proven project process and design approach based on a well defined schedule of evaluation, progress and milestone review meetings with the Client and the Design team. The checks and balances built in the this highly collaborative process ensures that the

- Vision and goals are clearly understood at the onset of the project
- Pertinent information is collected and analyzed
- Design work is conceived and refined based on multiple reviews by the Client and Design Team
- Documentation is subjected to multiple reviews
- One or more of the key sign types are prototyped prior to final production for Client and Design Team approval.
- Construction administration and installation oversight services ensure continuity and control throughout the entire process.

Square Peg will thoroughly review the existing signing, study circulation etc in preparation to develop a new wayfinding and signing program. The new program will address the following:

1. Integrate the signage and an electronic information kiosk from Task 1 into a programmatic and unified City Hall signage program that will readily direct members of the public to service locations throughout the various departments on all levels of City Hall (including the Police Wing); including paths of travel from the exterior of the building.
2. Improve signage on the building exterior to direct members of the public to the Police Department offices on Forest Avenue. Coordinate the new signage with the signage on the Downtown Library across the street.
3. Provide an easy means of identifying parking locations in the underground City Hall Garage which will readily assist customers in relocating their vehicle.
4. Incorporate signage to direct customers from the parking garage to the location of an information kiosk on the First Floor.
5. Provide signage and terminology that assists the customer to readily locate the service provider within City Hall that can address their needs. Integrate service descriptions with department names into unified naming conventions.
6. Coordinate the design of informational signage in the elevator lobbies with ongoing efforts by the City Manager's Office to integrate photographs evocative of the services provided on each floor of the building with the accompanying signage.

Based on the scope outline from the RFP and past experience with similar projects we anticipate the scope of signs to include, but is not limited to:

Based on the scope outline from the RFP and information gained at the interview with the City, we anticipate the scope of signs may include, but is not limited to:

#### SITE SIGNING

- Project/Building Identity Signing
- Parking Garage Entrance ID Sign
- Directional Signing
- Accessibility Signing
- Signing at Entry Doors
- Entrance ID Signing
- Pedestrian Directional & Information Signing
- Building Entry Identification Graphics at Entry Doors (Address, HC Accessibility, No Smoking, etc.)
- Emergency Assembly Area Signing
- Building Address

#### PARKING

- Parking Entry ID
- Clearance Bar
- Vehicular Directional Signing
- Pedestrian Directional Signing
- Column and Core Graphics
- Misc Room ID Signing

#### INTERIOR SIGNING

- Orientation Directory/Information Display or Kiosk (Static / Dynamic) - Main Lobby
  - Secondary Entry Lobbies
  - Elevator Lobbies at Upper Levels
- Floor Level ID in Elevator Lobbies
- Floor Level Directories and/or Orientation Maps
- Directional Signing
- Changeable Displays for Daily Events, Information, etc ( Digital System and/or Static)
- Service Window Signing ( Digital System and/or Static)
- Informational Signing in Elevator Cabs ( Digital System and/or Static)

**NOTE: The design process for signing will be closely coordinated with WMB Architects and GB Engineers to insure a well integrated design solution.**

**Square Peg will explore and incorporate technology as potential solutions at multiple locations throughout the project. A combination of design, cost and evaluation of benefits will be provided to the client with regard to proposed technology solutions as a means to inform the design decisions and approvals.**

## SCOPE EXCLUSIONS

Items that are specifically excluded from the scope of work include:

- Signing for Non Public Areas such as office areas and back of house:
  - Room Identification Signing
  - Department/Area Identification
  - Office ID
  - Workstation ID
  - Conference Room ID Misc Room ID
  - Back of House Room ID
  - Evacuation Maps at Elevators, Stairs and Exits
  
- Preparation of building floor plans for use in sign location plans. It is assumed that the client will provide SPD with building plans for use in preparation of sign location plans and documents.
- Logo design
- Print & Amenity design
- Sculptures / Feature pieces
- Content Design of Digital Media for Digital Displays. Note: SPD can provide content solutions as additional service if requested, or recommend other means of creating and/or obtaining content.

Should any of these items be required Square Peg Design can provide them as an additional service.

## PHASE 1 WAYFINDING STRATEGY AND SCHEMATIC DESIGN

During this phase of work, SPD will meet with the Client and consultants to review the project goals, existing design concepts, program criteria, and design influences. This phase shall include, but not limited to, the following tasks and design work:

1. Meet with Client and consultants to review the project goals, existing design concepts, program criteria, design influences etc.
2. Conduct wayfinding survey to determine overall signage strategy. Systematically study pedestrian and vehicular traffic flow as it relates to ingress, egress and circulation within the development.
3. Conduct appropriate research on potential design influences, available technologies, materials and finishes.
4. Collect all relevant data available for the Project to include:
  - Architectural plans and drawings
  - Existing design themes and details
  - Details of architectural elements



5. Prepare preliminary programming for sign locations and message schedules.
6. Confirm required sign types and environmental graphic elements.
7. Review of municipality and authorities regulations.
8. Produce three (3) design concepts for physical form and scale of signage including proposed materials, finishes, colors.
9. Coordinate design concepts with the architecture and lighting.
10. Based on design concepts and proposed sign quantities, prepare implementation budgets for review and discussion with client.
11. Present Schematic Design Concepts, budgets and phasing options for comment and approval.

#### MEETINGS

1. Kickoff Meeting
2. Interim Meetings with City Staff and Design Team as needed for coordination
3. Schematic Design presentation

#### PHASE DELIVERABLES

1. Schematic drawing package showing three (3) signage concepts
2. Preliminary power, data and structural requirements.
3. Preliminary sign location plans and phasing options
4. Preliminary implementation budgets.

#### PHASE ACTION REQUIRED BY CLIENT

Client review, comment, selection of one Schematic design direction and final approval of all phase deliverables to proceed into Phase 2.

#### PHASE 2 DESIGN DEVELOPMENT

Based on the approved Schematic Design direction from Phase 1, Square Peg will develop and apply the approved design direction to all remaining sign types.

The following is expected during this phase of work:

1. Develop the approved Schematic Design per comments from Phase 1 and apply to all remaining sign types.
2. Coordinate all sign sizes, locations, power and structural requirements with the Design Team and project Consultants.
3. Refine and finalize signing typography, icons, materials and finishes
4. Prepare sign message schedules listing all proposed sign types and message copy.
5. Prepare Design Development presentation
6. Present developed materials for approval

#### MEETINGS

1. Interim design coordination with the city and design consultants as needed
2. Present Final Design

## PHASE DELIVERABLES

1. Design Development drawings for all sign types.
2. Sign location plans and message schedule(s) for all required sign types.
3. Power, data and structural requirements per sign type
4. Sign implementation budget.
5. Material samples as necessary for review.

## PHASE ACTION REQUIRED BY CLIENT

Client review, comment and final approval of all phase deliverables to proceed into Phase 3.

## PHASE 3 DOCUMENTATION

The purpose of Phase 3 is to provide design intent documentation and technical detailing sufficient in detail to facilitate tendering and fabrication by a qualified sign fabricator.

The Documentation Phase shall include, but not limited to, the following:

1. Prepare design intent documentation drawings sufficient in detail to facilitate bidding and fabrication by a qualified sign fabricator.
2. Coordinate all sign sizes, locations, power and structural requirements with the design team.
3. Document design details for all sign types.
4. Specify and document signing colors, illumination and materials.
5. Write performance specifications for all signing colors, illumination, materials and installation as required.
6. Finalize typography.
7. Finalize sign location plans and message schedules.
8. Produce final set of documentation drawings for signing and graphic elements.

## MEETINGS

1. Coordination with the city and design consultants as required

## PHASE DELIVERABLE

At the completion of the Documentation Phase, we will deliver Final Documents to the Client. Documents shall include, but not limited to, the following deliverables and presentation materials:

1. Design Intent documentation sufficient in detail to facilitate tendering and fabrication by a qualified sign fabricator.
2. Specifications
3. Final sign location plans and message schedule(s) for all required sign types.

Documents will be issued as follows:

1. Design documentation drawings for signing elements in Illustrator CS4 on Mac OS X platform: CD and three (3) hard copies, Tabloid format
2. Location Plans - CAD 2010, CD and three (3) hard copies
3. Message Schedule - Filemaker: CD and three (3) hard copies

#### PHASE 4 CONSTRUCTION ADMINISTRATION

The purpose of Phase 4 is to provide Construction Administration services for the Exterior, Parking and Interior Signing.

To insure the design intent and desired quality of fabrication is achieved, SPD will coordinate with the selected fabricator through the submittal, fabrication and installation phases of work to answer questions, provide details and information. SPD will also review submittals, installation and a final inspection of the completed installation.

Tasks to included:

1. Review, comment and approval of shop drawings, materials, mock-ups and samples.
2. Review Prototypes and Samples.
3. Provide details and sketches to clarify design intent.
4. Coordinate with the fabricator on Site regarding sign locations.
5. Up to four (4) site visits.
6. Respond to requests made by fabricator for clarification of Contract Documents.
7. Inspect final Installations and prepare punchlist of items for correction.
8. Follow-up evaluation of punch list items at final completion.
9. Perform project closeout activities and prepare final record plan set from contractor markups.



# Exhibit "B" - Project Schedule

## City Hall Remodel

	2013					Contract Revision	2014												Contract Revision	2015			
	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	
Program Confirmation	█																						
Design Development		█	█																				
Construction Documents				█	█	█	█	█															
Plan Review									█	█	█	█											
Bidding													█	█	█								
Construction																█	█	█	█	█	█	█	█

**EXHIBIT “C”  
COMPENSATION  
CONTRACT C12144101 - AMENDMENT No. 2**

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.

The compensation to be paid to CONSULTANT under this Agreement for all services described in EXHIBIT “A” (“**Scope of Work**”) and reimbursable expenses shall not exceed **Three Hundred Eighty-Seven Thousand Five Hundred Five Dollars** [\$387,505.00]. CONSULTANT agrees to complete all Basic Services, including reimbursable expenses, within this amount. In the event CITY authorizes any Additional Services, the maximum compensation shall not exceed **Four Hundred Twenty-Six Thousand Two Hundred Fifty-Six Dollars** [\$426,256.00]. Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to the CITY.

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, does not exceed **Three Hundred Eighty-Seven Thousand Five Hundred Five Dollars** [\$387,505.00] and the total compensation for Additional Services does not exceed **Thirty-Eight Thousand Seven Hundred Fifty-One Dollars** [\$38,751.00].

Exhibit C - Compensation Summary					
Budget Schedule		Not To Exceed Amount			
		Original 3/5/2012	AMENDMENTS		Current Total
			#1	#2	
<b>Workplan</b>					
Task 1	Investigation	\$8,200	\$5,988	\$0	\$14,188
Task 2	Needs Assessment	\$13,390	\$3,310	\$0	\$16,700
Task 3	Concept Design Development	\$19,470	\$17,207	\$0	\$36,677
Task 4	Construction Documents	\$39,960	\$51,760	\$0	\$91,720
Task 5	Plan Review/Permitting	\$4,810	\$7,440	\$0	\$12,250
Task 6	Bidding	\$3,640	\$5,635	\$0	\$9,275
Task 7	Construction Administration	\$0	\$0	\$101,195	\$101,195
SPD Phase 1	Wayfinding Schematic	\$24,000	\$0	\$0	\$24,000
SPD Phase 2	Wayfinding Design	\$20,000	\$0	\$0	\$20,000
SPD Phase 3	Wayfinding Documentation	\$24,000	\$0	\$0	\$24,000
SPD Phase 4	Wayfinding Construction Admin	\$0	\$0	\$17,500	\$17,500
Subtotal Basic Services		\$157,470	\$91,340	\$118,695	\$367,505
Reimbursable Expenses		\$5,000	\$5,000	\$10,000	\$20,000
<b>Total Basic Services &amp; Reimbursables</b>		<b>\$162,470</b>	<b>\$96,340</b>	<b>\$128,695</b>	<b>\$387,505</b>
Additional Services (Not to exceed)		\$16,247	\$9,634	\$12,870	<b>\$38,751</b>
<b>MAXIMUM TOTAL COMPENSATION</b>		<b>\$178,717</b>	<b>\$105,974</b>	<b>\$141,565</b>	<b>\$426,256</b>

ORDINANCE NO. XXXX

ORDINANCE OF THE COUNCIL OF THE CITY OF PALO ALTO AMENDING THE BUDGET FOR FISCAL YEAR 2014 TO PROVIDE ADDITIONAL APPROPRIATION OF \$1,607,109 IN THE FIRST FLOOR RENOVATIONS PROJECT (PE-12017), BUDGETED IN THE CAPITAL IMPROVEMENT FUND, FOR ENHANCEMENTS TO CITY HALL, RESULTING IN NO IMPACT TO THE INFRASTRUCTURE RESERVE. A SERIES OF TRANSFERS INTO THE CAPITAL IMPROVEMENT FUND WILL OFFSET THE INCREASED BUDGET AMOUNT, INCLUDING: \$686,298 FROM THE COMMUNITY CENTER DEVELOPMENT IMPACT FEE FUND, \$499,335 FROM THE TECHNOLOGY FUND, AND \$668,437 FROM THE UTILITIES ADMINISTRATION FUND. THE TRANSFERS FROM THE COMMUNITY CENTER DEVELOPMENT IMPACT FEE FUND (\$696,298), TECHNOLOGY FUND (\$517,962), AND UTILITIES ADMINISTRATION FUND (\$685,121) WILL BE OFFSET BY DECREASES TO THE FUND BALANCES TO EACH RESPECTIVE FUND. THESE TRANSFERS FROM OTHER FUNDS WILL ALLOW FOR AN INCREASE TO THE INFRASTRUCTURE RESERVE IN THE AMOUNT OF \$246,961.

The Council of the City of Palo Alto does ordain as follows:

SECTION 1. The Council of the City of Palo Alto finds and determines as follows:

A. Pursuant to the provisions of Section 12 of Article III of the Charter of the City of Palo Alto, the Council on June 10, 2013 did adopt a budget for Fiscal Year 2014; and

B. At the time the 2014 Adopted Budget was being considered by the City Council, the costs associated with the First Floor Renovation project were not known; and

C. The project will provide for enhancements to City Hall in order to allow for better civic engagement. Improvements include: a remodel to the main lobby, including coordination with a new digital public art element; an enhancement to the heating, ventilation, and air conditioning (HVAC) system in the lobby area in order to handle the increased loads from the new community meeting room and digital art installation; a restoration to the terrazzo floor of the main lobby; conversion of the existing People Strategy and Operations conference room to a new City Council conference room; conversion of the existing City Council conference room to a new training and multipurpose meeting room; creation of a new

community meeting room beside the main lobby; installation of broadcast media capabilities for all the new lobby-level meeting spaces; modification of the lobby payment counter to match the new architectural style of the lobby and provide a lower ledge for writing checks and signing forms; conversion of the Revenue Services offices into new Utilities Customer Service counter and offices; reconfiguration and renovation of mezzanine level offices; reconfiguration and renovation of second floor offices; new carpeting and bench upholstery for City Council chambers; and remodeling the three building elevator cabs.

D. In April 2014, the City posted a notice inviting formal bids (IFB) for the project, with a bidding period of nineteen calendar days; and

E. Bids were received from one qualified contractor on May 6, 2014 with a base bid of \$2,664,000, plus add alternates of \$54,350, bringing the total bid to \$2,718,350. This bid amount is 19% higher than the construction cost estimate, indicative of the busy local construction climate.

F. Staff recommends that the bid of \$2,718,350 submitted by D.L. Falk Construction, Inc. be declared the lowest responsible and responsive bid; and

G. A contingency amount of \$271,835, equal to ten percent of the total base bid contract amount, is requested for related, additional, but unforeseen work which may develop during the project.

SECTION 2. The sum of One Million Six Hundred Seven Thousand One Hundred and Nine Dollars is hereby appropriated for the City Hall First Floor Remodel Project. To offset the increased a portion of the increased costs in the Capital Improvement Fund, a series of transfers are recommended, including Six Hundred Eighty Six Thousand Two Hundred Ninety Eight Dollars from the Community Center Development Impact Fee Fund, One hundred thirty three thousand six hundred eighty seven dollars from the Electric Fund, One hundred thirty three thousand six hundred eighty seven dollars from the Gas Fund, One hundred thirty three thousand six hundred eighty seven dollars from the Wastewater Collection Fund, One hundred thirty three thousand six hundred eighty seven dollars from the Water Fund, One hundred thirty three thousand six hundred eighty seven dollars from the Fiber Optics Fund, and four hundred ninety nine thousand three hundred and thirty five dollars from the Technology Fund. The transfers in from the

various funds would be offset by reductions to each respective funds ending fund balance. Finally, as a result of the transfers in to the Capital Improvement Fund from the various funds, the Infrastructure Reserve can be increased by two hundred forty six thousand nine hundred sixty one dollars.

SECTION 4. As provided in Section 2.04.330 of the Palo Alto Municipal Code, this ordinance shall become effective upon adoption.

SECTION 5. The Council of the City of Palo Alto hereby finds that this is not a project under the California Environmental Quality Act and, therefore, no environmental impact assessment is necessary.

INTRODUCED AND PASSED:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

ATTEST:

APPROVED:

---

City Clerk

---

Mayor

APPROVED AS TO FORM:

---

City Manager

---

Director of Public Works

---

Director of Administrative  
Services



BID FORM (Revised per Addendum No. 1)

City Council/City Manager  
 City of Palo Alto  
 Palo Alto, California

Name of Company D.L. Falk Construction Inc.

In response to this Invitation For Bids (IFB), the undersigned, as Bidder, declares that the only persons or parties interested in this Bid as principals are those named herein; that this Bid is made without collusion with any other person, firm or corporation; that the Bidder has carefully examined the location of the proposed work and the plans and specifications herein referred to; and that the Bidder proposes and agrees, if this Bid is accepted, to contract with the City of Palo Alto (City), to provide all necessary materials, equipment, tools, apparatus, and other means of transport services, and to do all the Work and comply with all the specified requirements in this IFB, in the manner herein prescribed and for the prices stated in the following Bid:

Project Title: CITY HALL REMODEL

A: Base Bid: Provide all labor, equipment material, transportation and applicable taxes, profit, insurance, bonds and other overhead to perform the Work in accordance with the Project Plans and Technical Specifications, herein:

BID ITEM	APPROX QUANTITY	UNIT	DESCRIPTION, WITH UNIT PRICE IN WORDS (EACH BID ITEM SHALL INCLUDE ALL APPLICABLE TAXES, PROFIT, INSURANCE, BONDS, AND OTHER OVERHEAD)	UNIT PRICE	TOTAL ITEM PRICE
1.	1	LS	Upgrade the aesthetic and functionality of the Council Conference Room, Human Resources Conference Room, Lobby Area, Mezzanine, Level 2, and Elevator Cabs at Palo Alto City Hall.	\$ 2,594,000	\$ <del>2,594,000</del> 2,594,000
2.	1	LS	Moving Allowance	\$70,000	\$70,000
Base Bid Total (item 1 and 2)					\$ 2,664,000
(Total in words: <u>two million six hundred sixty four thousand</u> )					

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B: Additive Alternate Bid: Provide all labor, equipment material, transportation and applicable taxes, profit, insurance, bonds and other overhead to perform the Work in accordance with the Project Plans and Technical Specifications, herein:

BID ITEM	APPROX. QTY.	UNIT	DESCRIPTION, WITH UNIT PRICE IN WORDS (EACH BID ITEM SHALL INCLUDE ALL APPLICABLE TAXES, PROFIT, INSURANCE, BONDS, AND OTHER OVERHEAD)	UNIT PRICE	TOTAL ITEM PRICE
1.	1	LS	Community Meeting Room: Upgrade AV01 – Allow multiple video camera feeds to be displayed on LCD screens, i.e. Camera #1 may be displayed on LCD #1 while Camera #2 is displayed on LCD #2. Routing will be achieved via intuitive controls on Community Meeting Room touch panel display.  <i>seven thousand eight hundred</i> (Unit Price in Words)	\$  7,800	\$  7,800
2.	1	LS	Lobby: Upgrade AV02 – Allow each LCD screen to show separate sources (in addition to ability to send one source scaled across the entire LCD screen array). Routing to individual displays will be achieved via intuitive controls on associated touch panel display.  <i>thirteen thousand four hundred</i> (Unit Price in Words)	\$  13,400	\$  13,400
3.	1	LS	Lobby: Upgrade AV03 – One LCD screen (at ADA-compliant height) shall be touch-capable, and allow users to access way-finding information on the LCD screen array. For example, if a user would like directions to the Flexible Meeting Space, they may use the touch-enabled LCD screen to get directions to the room from their current location.  <i>five thousand fifty</i> (Unit Price in Words)	\$  5,050	\$  5,050
4.	1	LS	Conference Room: Upgrade AV04 – Allow multiple video camera feeds to be displayed on LCD screens, i.e. Camera #1 may be displayed on LCD #1 while Camera #2 is displayed on LCD #2. Routing will be achieved via intuitive controls on Conference Room touch panel display.  <i>three thousand</i> (Unit Price in Words)	\$  3,000	\$  3,000
5.	1	LS	Flexible Meeting Space: Upgrade AV05 – Include (2) Panasonic AW-HE60S cameras on ceiling for routing to recording hardware in Council Chambers Control Room. Allow either camera feed to be displayed on LCD screen in room  <i>seventeen thousand two hundred</i> (Unit Price in Words)	\$  17,200	\$  17,200

BID ITEM	APPRO X.QTY.	UNIT	DESCRIPTION, WITH UNIT PRICE IN WORDS (EACH BID ITEM SHALL INCLUDE ALL APPLICABLE TAXES, PROFIT, INSURANCE, BONDS, AND OTHER OVERHEAD)	UNIT PRICE	TOTAL ITEM PRICE
6.	1	LS	Expand existing AMAG Security Access Control System to include Doors No: 107.1, 109.1, 126.1, 122.1, 122.2, 123.1, M05.1, Mo6.1 and 205.1.  <i>Seven thousand nine hundred</i>	\$  7,900	\$  7,900
Additive Alternate Bid Total (item 1 through 6)				\$	\$
(Total in words: <i>Fifty four thousand three hundred fifty</i> )					<i>54,350</i>

C: Deductive Alternate Bid Total: Provide all labor, equipment material, transportation and applicable taxes, profit, insurance, bonds and other overhead to perform the Work in accordance with the Project Plans and Technical Specifications, herein:

BID ITEM	APPRO X.QTY.	UNIT	DESCRIPTION, WITH UNIT PRICE IN WORDS (EACH BID ITEM SHALL INCLUDE ALL APPLICABLE TAXES, PROFIT, INSURANCE, BONDS, AND OTHER OVERHEAD)	UNIT PRICE	TOTAL ITEM PRICE
1.	1	LS	Delete Elevator Interiors Package <i>eighty two thousand four hundred seventy five</i> (Unit Price in words)	\$  82,475	\$  82,475
2.	1	LS	Delete AV @ Entry Wall including power, data and monitors refer to Sheet AV2.1, Note 1 <i>eighty six thousand eight hundred eighty</i> (Unit Price in Words)	\$  86,880	\$  86,880
3.	1	LS	Delete metal panels at entry surrounding restroom core. As shown on sheet A 2.4. On lieu of install 5/8" gyp board over the specified new furring. Tape, texture and paint (n) gyp board. <i>fifty two thousand five hundred</i> (Unit Price in Words)	\$  52,500	\$  52,500
4.	1	LS	Delete decorative glazing at doors to Community Meeting Room (refer to door schedule Sheet A 8.1) and replace with 1/4" clear tempered glazing. <i>one thousand one hundred</i> (Unit Price in Words)	\$  1,100	\$  1,100
5.	1	LS	Delete Folding walls at Community Meeting Room, replace with fixed anodized aluminum frame storefront system (see specifications) with 1/4" clear tempered glazing <i>twenty one thousand three hundred</i> (Unit Price in Words)	\$  21,300	\$  21,300

BID ITEM	APPRO X.QTY.	UNIT	DESCRIPTION, WITH UNIT PRICE IN WORDS (EACH BID ITEM SHALL INCLUDE ALL APPLICABLE TAXES, PROFIT, INSURANCE, BONDS, AND OTHER OVERHEAD)	UNIT PRICE	TOTAL ITEM PRICE
6.	1	LS	Delete Drinking Fountain Replacement with Water Filling stations on Floor Level A, 1, 2, 3, 4, 5, 6, and 7. See Sheet P.01 Note P of General Plumbing Notes. <i>City six thousand nine hundred</i> (Unit Price in Words)	\$ <i>56,900</i>	\$ <i>56,900</i>
7.	1	LS	Delete all work associated with Finance Department counter including casework, decorative glazing and terrazzo floor infill as shown on sheets D2.1, A2.1, A2.4 and A 11.1 <i>fourty six thousand four hundred sixty</i> (Unit Price in Words)	\$ <i>46,460</i>	\$ <i>46,460</i>
8.	1	LS	Delete all work in City Council Chambers as shown of Sheet A10.1-CC, including installation of new carpeting and reupholster of existing bench style seating. <i>eighty thousand nine hundred</i> (Unit Price in Words)	\$ <i>80,900</i>	\$ <i>80,900</i>
9.	1	LS	In lieu of replacing suspended ceiling systems as specified on the Mezzanine and Second Floor levels, maintain existing suspended grid system as currently installed. Modify existing grid system as required to accommodate new specified fixtures and mechanical diffusers. Replace ceiling tiles with specified tiles. Refer to sheet A 9.2 <i>three thousand eight hundred twenty</i> (Unit Price in Words)	\$ <i>3,820</i>	\$ <i>3,820</i>
Deductive Alternate Bid Total (items 1 through 9)				\$	\$
(Total in words: <i>four hundred thirty two thousand three hundred thirty five</i> )				\$	<i>432,335</i>

D. Addenda

During the Bid process there may be changes to the Contract Documents, which would require an issuance of an addendum or addenda. City disclaims any and all liability for loss, or damage to any Bidder who does not receive any addendum issued by City in connection with this IFB. Any Bidder in submitting a Bid is deemed to waive any and all claims and demands Bidder may have against City on account of the failure of delivery of any such addendum to Bidder. Any and all addenda issued by City shall be deemed included in this IFB, and the provisions and instructions therein contained shall be incorporated to any Bid submitted by Bidder.

To assure that all Bidders have received each addendum, the following acknowledgment and sign-off is required. Failure to acknowledge receipt of an addendum/addenda may be considered an irregularity in the Bid: