



## PUBLIC WORKS DEPARTMENT

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### CITY COUNCIL STAFF REPORT DESK ITEM

Meeting: April 16, 2024

#### Agenda Item #9

#### Subject

Approve a Fifth Amendment with Moore Iacofano Goltsman, Inc. (MIG) to provide additional design and project management services for the Lawrence-Mitty Park and Trail Project for a total not-to-exceed amount of \$955,403 and extend the contract date to December 31, 2027.

#### Recommended Action

Authorize the City Manager to execute a fifth amendment (Agreement #402, P.O. 2022-0325) with MIG to extend the contract term end date to December 31, 2027, and to provide additional design and project management services on the Lawrence-Mitty Park and Trail Project, for a revised total and additional service amount of \$661,619, increasing the maximum compensation amount to \$955,403.

#### Background

Some pages in Attachment A needed to be re-scanned. Resubmitting for clarity.

Q1: Did the contract include payment for meals plus 5%? **(Chao)**

*Staff response: The previously executed agreement allows for reimbursement of expenses, including meals. Consultants submit their receipts when expenses are invoiced, and the reimbursable expenses typically include a percentage mark-up. MIG has not submitted any invoices for meals for this project.*

Q1A: Did other contracts of the City also include payment for meals? **(Chao)**

*Staff response: Other City contracts allow for reimbursement of project-related expenses.*

Q2: It is not clear from the staff report why there is a need to increase the contingency from 10% to 20%. Please provide rationale. **(Chao)**

*Staff response: Staff reviews each project for the potential of unanticipated expenses. In this case, the complexity of the design and environmental work due to the project proximity to a waterway increases the likelihood of unanticipated expenses. It is noted in the staff report: "A*

20% contingency, rather than typical 10% contingency, is recommended to allow the Project team to address and respond to unknown issues that may be encountered during the extensive environmental review process." Other projects, such as the DeAnza Bike Lanes involves a simplified scope and minimal opportunity for increased costs.

Q3: It is not clear from reading the staff report why there is a need to increase the contract amount. Please provide explanation. **(Chao)**

*Staff response: There are two distinct needs for the contract. The first is an additional \$15,000 to complete the current scope and finish CEQA documentation. This is a major project milestone.*

*The second need allows for the continued design of the project. The original agreement includes public outreach, environmental clearance, and design services through the end of Conceptual Design. This contract amendment augments the original agreement to include services for preparation of construction design documents, including acquisition of all of the necessary permitting, and construction support through the completion of the project.*

Q4: MIG has been paid \$341,819 to date, which included extensive community outreach and developing conceptual designs. The requested additional amount is \$613,584, for "design and project management" for the next phase, not including construction, which is almost twice the amount paid so far. Why the cost for the next design phase is much higher? **(Chao)**

*Staff response: The original agreement covered the design phase up to Conceptual Design and was projected to last one year (Exhibits A and B on pages 86-99 of Attachment A- Draft contract – Updated). The remainder of the project is estimated to require three years of work and will include Schematic Design, Design Development, Construction Documentation, environmental permitting, and approval, and bid and construction administration. As stated in the staff report, Design and Engineering costs typically fall within 15% to 20% of the overall project cost. The project budget that remains (after acquisition and annexation of the property) is roughly \$6M. 15% - 20% of \$6M is \$900,000 to \$1.2M. The proposed contract amendment would bring the maximum compensation to this consultant to \$955,403, in alignment with anticipated design costs.*

Q5: The cost matrix in the contract attachment is cut off due to the page size, can we have a replacement"

*Staff Response: An updated draft Contract is provided.*

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Attachments Provided with Original Staff Report:

A. Draft Contract - Updated