

**FIRST AMENDMENT TO AGREEMENT BETWEEN THE CITY OF
CUPERTINO AND 4LEAF, INC. FOR APPLE CAMPUS 2 PHASE 2 BUILDING
INSPECTION SERVICES**

This First Amendment to the Agreement between the City of Cupertino and 4LEAF, Inc., for reference dated October 20, 2016, is by and between the CITY OF CUPERTINO, a municipal corporation (hereinafter "City") and 4LEAF, Inc., a California Corporation ("Consultant") whose address is 2110 Rheem Drive, Suite A, Pleasanton, California 94588, and is made with reference to the following:

RECITALS:

A. On August 5, 2015, an agreement was entered into by and between City and Consultant (hereinafter "Agreement") for Apple Campus 2 Phase 2 building inspection services.

B. City and Consultant desire to modify the Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, it is mutually agreed by and between and undersigned parties as follows:

1. **SERVICES TO BE PERFORMED:**

Paragraph 2 of the Agreement is modified to read as follows:
Consultant shall perform building inspection services, set forth in Exhibit A, which is attached hereto and incorporated herein by this reference.

2. **COMPENSATION TO CONSULTANT:**

Paragraph 3 of the agreement is modified to read as follows:
Compensation shall be increased by this amendment in the amount not to exceed \$567,531 for Phase 2 Building Inspections for a total contract amount not to exceed \$914,787.

2. The following Exhibits to the Agreement, are amended and replaced to read as shown in the attachments to this Amendment:

a. Exhibit "A,"- Apple Campus 2 Inspection Services Estimates (August 1, 2016 – June 30, 2017)

3. Except as expressly modified herein, all other terms and covenants set forth in the Agreement shall remain the same and shall be in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this modification of Agreement to be executed.

CONSULTANT
4LEAF, Inc.

By _____
Title _____
Date _____

MUNICIPAL CORPORATION
City of Cupertino

By: _____
Title _____

RECOMMENDED FOR APPROVAL:

By: _____
Title _____

APPROVED AS TO FORM:

City Attorney

ATTEST:

City Clerk

EXPENDITURE DISTRIBUTION

PO # 2016-171	100-73-714 900-923
Original Contract	\$347,256.00
Amendment #1	\$567,531.00
Total	\$914,787.00



Albert Salvador, P.E., CBO
 Chief Building Official
 10300 Torre Ave
 Cupertino, CA 93014

September 7, 2016

RE: Apple Campus 2 Inspection Services Estimates (August 1, 2016 – June 30, 2017)

Dear Mr. Salvador,

We wanted to first say thank you for the opportunity to serve the City of Cupertino on the Apple Campus 2 (AC2) Project. We feel our partnership with the City has made for a very success project thus far and we hope to continue providing the same level of exemplary service the City has come to expect. We feel it is best to recap where we are today in hopes of providing an accurate accounting of the current contract and to propose an estimate and fee schedule to complete the project that has gone beyond the initial 31 Month estimate.

Recap:

In December of 2013, 4LEAF was awarded a Professional Services contract to provide Building and Public Works Inspections on behalf of the City of Cupertino. Based on the information provided by the City through the successful RFP process and subsequent information, the City of Cupertino requested a budget to include 31 Months of inspection and project administration services to cover January, 2014 through July, 2016. The Agreement was executed in February, 2014 and the contract term is valid through December, 2017.

Phase 1

In January, 2014, 4LEAF proposed and was granted a contract from the City of Cupertino in the amount of \$9,431,390 to cover the 31 month period. 4LEAF was also granted two smaller contracts to cover other items not addressed in the RFP including a \$54,000 contract for the Sound Wall, Batch Plant, and Demo Inspections and a contract for Temporary Facilities in the amount of \$56,000. 4LEAF also received an increase in budget for an expanded scope of services for the Public Works Department in the amount of \$933,712 in May, 2015.

Here is the current cost accounting for the entirety of the 31 month budget:

Job #	Project Contracts	Budget Per Contract	% Of Budget Complete	Total Billed To Date	Remaining Budget	Status
J1848	AC2 Building Inspection	\$8,310,998	87.29%	\$7,255,037	\$1,055,961	Open
J1848	AC2 Public Works Inspection	\$2,054,104	109%	\$2,233,125	(\$179,021)	Open
J1860	AC2 Sound Wall, Batch, Demo	\$54,000	64.12%	\$34,625	\$19,375	Closed
J1866	AC2 Temp Facilities	\$56,000	90%	\$50,668	\$5,332	Closed
	TOTALS	10,475,102	91.39%	\$9,573,455	\$901,647	



4LEAF has provided the City a monthly summary report of all accounts as part of our invoicing procedures. Although we haven't been formally notified, we understand that the AC2 project is behind its anticipated 31 Month construction schedule. Per the City's request, 4LEAF has prepared a budget for the anticipated 11 Months to include September 1, 2016 through June 30, 2017. 4LEAF has utilized the current fee schedule and terms and conditions that exist in our Agreement. We have not provided a budget for August as the month is complete and we currently have a budget surplus.

Phase 2

In August, 2015, 4LEAF was awarded Phase 2 of the AC2 project. With limited information and scope, 4LEAF proposed and was granted a contract for \$347,256. Here is the current cost accounting for the Phase 2 Project:

Job #	Project Contracts	Budget Per Contract	% Of Budget Complete	Total Billed To Date	Remaining Budget
J1865	AC2 Phase 2	\$347,256	141%	\$490,016	(\$142,760)
	TOTALS	\$347,256	141%	\$490,016	(\$142,760)

4LEAF has provided:

- Estimate of fees for Phase 2 including breakdown of Full Time Equivalent (FTE) count by staff type per each month of construction. Phase 2 includes Research and Development Buildings and supporting parking structure.
- Current Fee Schedule and Basis of Charges, including terms and conditions.

Not Included:

- Invoice for August, 2016 (Pending)



We look forward to the opportunity to continue to serve the City of Cupertino. Should you have any questions, I may be reached on my office phone at (925) 462-5959 or by cellular phone at (925) 580-4055. You may also reach me at ctole@4leafinc.com.

Sincerely,
4LEAF, Inc.

Craig Tole
Director of Development Services/Principal Project Manager



INSPECTION FEE SCHEDULE & BASIS OF CHARGES FOR APPLE CAMPUS 2

Field Services*

Lead Inspector	\$ 125 per hour
Assistant Inspector	\$ 105 per hour
Plan Reviewer	\$ 157 per hour
Public Works Resident Engineer	\$ 224 per hour
Public Works Inspector	\$ 175 per hour
Office Engineer	\$ 125 per hour
Project Administrator	\$ 74 per hour

Office Services*

Principal (Direct Charge only)	\$ 250 per hour
Project Manager (Direct Charge only)	\$ 250 per hour

Other Direct Charges*

CA Code Book Library** (if provided by 4LEAF)	\$1,200 each
Site Vehicles **	\$1,000 per month each
Personal Computer **	\$ 1 per hour surcharge
Field Tablet and/or Mobile Assistant **	\$ 1 per hour surcharge
GoFormz software **	\$ 25 per month per user
Personal Protective Equipment (PPE)**	Cost + 20%
Internet Access (MIFI, WIFI, or 3G)**	Cost + 20%
Office or Administrative furnishings and consumables**	Cost + 20%

***All Fees Subject to Basis of Charges**

****If provided by 4LEAF**

BASIS OF CHARGES

- All time and materials invoices will be submitted monthly.
- Work is subject to 4 hour minimum charges unless stated otherwise. Services billed in 4 hour increments.
- Overtime and Premium time will be charged as follows:

- Regular time (work begun after 5AM or before 4PM)	1 x hourly rate
- Night Time (work begun after 4PM or before 5AM)	1.125 x hourly rate
- Overtime (over 8 hour M-F or Saturdays)	1.5 x hourly rate
- Overtime (over 8 hours Sat or 1 st 8 hour Sun)	2 x hourly rate
- Overtime (over 8 hours Sun or Holidays)	3 x hourly rate
- All work with less than 8 hours rest between shifts will be charged the appropriate overtime rate.
- Mileage and/or travel cost and travel time will be charged from site for all offsite work.
- All billable expenses will be charged at cost plus 20%.
- All rates are subjected to annual escalation of the greater of 6% or the CA CPI each January 1st.
- Payment due on receipt. All payments over 30 days will be assessed a 1.5% interest charge.