



PUBLIC WORKS DEPARTMENT

CITY HALL

10300 TORRE AVENUE • CUPERTINO, CA 95014-3255

TELEPHONE: (408) 777-3354 www.cupertino.org

CITY COUNCIL STAFF REPORT

Meeting: August 18, 2015

Subject

Civic Center Master Plan Implementation - Master Agreement for Design Consultant Services and Official Intent Resolution

Recommended Action

Staff recommends that the City Council take the following actions:

1) Adopt Draft Resolution to:

- a. Authorize the City Manager to negotiate and execute the Master Agreement for design consultant services with the firm of Perkins+Will for implementation of the Civic Center Master Plan in substantially similar form as presented to Council; and
- b. Authorize the City Manager to negotiate and execute service orders under the terms of the master agreement for phases of work for which funds have been appropriated, but in no event, in an amount to exceed Five Million Five Hundred Thousand Dollars (\$5,500,000); and
- c. Authorize the City Manager to negotiate and execute other agreements for professional services to implement the approved Civic Center Master Plan, to the extent that the funds are appropriated for such purposes, with the following terms and conditions:
 - i. for professional services for: building systems engineering, site investigation and engineering, building project/construction management; interim move planning and facilitation, and financial advisory;
 - ii. with a contract term not to exceed two years; and
 - iii. with cumulative compensation not to exceed Two Million Dollars (\$2,000,000).

- 2) Adopt Draft Resolution declaring its official intent to reimburse itself from the proceeds of debt financing for certain expenditures related to the Civic Center Master Plan Implementation.

Background

The FY13/14 CIP included a project to prepare a civic center master plan, to develop a master plan consistent with Council sentiments expressed at the February 2013 presentation of the Civic Center Master Plan Framework.

In December 2013, a qualifications based selection (QBS) process was completed to select a master consultant to provide urban planning and architectural design services for the civic center master plan process, including any and all services for the implementation of the master plan.

In March 2014, Council approved an agreement with the selected firm, Perkins+Will (P+W), for master planning services for the Civic Center Master Plan.

In February 2015, Council approved an amendment of the Perkins+Will agreement for additional services for analysis of city hall building options.

On July 7, 2015, Council approved the Civic Center Master Plan along with the Initial Study/Mitigated Negative Declaration and gave direction to staff to proceed with design for implementation of the master plan. The major elements of the master plan are:

- City Hall: construct a new replacement building of 40,000 square feet, in the same general location on the civic center site as the existing city hall; to be a two-story building including an Emergency Operations Center (EOC) and space for community functions;
- Parking: to be located underground below the new City Hall with capacity to park approximately 118 vehicles;
- Library Program Room Expansion to be the “Perch” option to seat up to 130 people.

The total estimated project cost for this approved option is approximately \$70 million.

Description

An architectural consultant will be required to perform the design services necessary to develop the design and plans for implementation of the Civic Center improvements. The consultant will perform the following stages of plan development: programming, conceptual design, schematic design, design development, and construction documents. This would be followed with assistance with bidding the construction contract and construction contract support services.

Discussion

In accordance with state and city codes, in the fall of 2013, a qualifications based selection process was conducted to identify firms with the requisite skills to perform the planning and design services required for the Civic Center Master Plan and its implementation. Nine statements of qualifications were received in response to a request for qualifications. A 4-person panel evaluated the extensive statements of qualifications. The panel was comprised of two internal executive staff members and two external members – one from the Santa Clara County Library District and the other an architectural professional. The panel ranked the firms and recommended that the five top-ranked firms be interviewed. The same panel convened with the addition of the city manager, to interview the five top-ranked firms. Based on the interviews, Perkins+Will was selected as the firm to provide planning services for the Civic Center Master Plan and the follow-on architectural services due to their superior experience in both areas of expertise.

Staff recommends approval of a master agreement with the firm of Perkins+Will to provide all of the architectural/engineering services required to implement the Civic Center Master Plan. Under the master agreement, specific service phases will be authorized incrementally as the project develops, but the phases will only be authorized once funds are available to encumber for those services. The master agreement establishes a menu of services by phase of project development but locks in a maximum compensation and duration for the agreement.

Each phase of services would be authorized by a Service Order that will define the tasks, deliverables, schedule and compensation for that phase of work within the terms of the master agreement. Each Service Order will be authorized by the City Manager only when appropriated funds are available.

This form of agreement allows the greatest flexibility and efficiency to manage the progressive work for the design of the civic center improvements while establishing controls on the work plan and expenditures.

Attributes of the recommended master agreement include:

Maximum compensation: \$5,500,000.

Duration of agreement: from date executed through March 2019.

Major sequential service phases:

- Pre-Design - Architectural Programming & Conceptual Design
- Schematic Design
- Design Development

- Construction Documents
- Bid Assistance
- Contract Administration/Construction Support Services

The maximum compensation for the recommended agreement is included in the overall estimated cost of \$70 million for the project approved by the Council on July 7, 2015. The project will be brought before Council for key reviews and decisions on the design as it develops and for additional funding appropriations.

Official Intent Resolution

Anticipating the use of tax-exempt bonds to fund costs of the new civic center project, it is recommended that the City Council approve a resolution declaring its official intent to reimburse itself from the proceeds of debt financing for certain expenditures related to the Civic Center Master Plan Implementation. Approval of this resolution would be pursuant to federal tax procedures with the sole purpose to preserve the option to use tax-exempt bond financing to reimburse the City for certain project expenditures made during the period that begins 60 days before approval of the resolution and ends on the date any bonds are issued. The resolution does not authorize bonds to be issued and is not a decision or commitment to issue bonds.

Next Steps

- Financing Plan – prepare a financing plan for implementation of the Civic Center Master Plan for Council consideration. It is anticipated that this document would be brought to Council for consideration later this year.
- Conduct a consultant outreach and selection process for a project/construction management firm to assist with the interim placement of city hall services and staff, to provide advice and due-diligence services for the design of the City Hall and Library expansion, and contract management services for construction. Staff anticipates bringing a recommendation for a master agreement for these services for Council consideration before the end of the calendar year.

Schedule

Pre-design –	August 2015 – January 2016
Design –	January – October 2016
Construction Documents –	October 2016 – May 2017
Bid & award construction contract –	Summer 2017
Construction –	Summer 2017 – Winter 2018/19
Occupancy –	Winter - Spring 2019

Sustainability Impact

The design and construction of the civic center improvements will be consistent with the sustainability measures outlined in the Initial Study and Mitigated Negative Declaration for the Civic Center Master Plan. The project will be consistent with the LEED Silver standard or greater; will incorporate graywater system into the City Hall and on-site stormwater management, among other measures.

Fiscal Impact

Approval of the Master Agreement for Architectural Services for the Civic Center Master Plan Implementation has no direct fiscal impact. Subject to Council authorization to the City Manager to negotiate and execute Service Orders, the City Manager would execute Services Orders under the terms of the Master Agreement for phases of work for which funds have been appropriated.

The FY 2016 CIP budget includes the following appropriations-

- Initial Civic Center Projects – Budget Unit No. 420-90-942 – Budget Amount: \$2,200,000; Remaining Balance as of June 10, 2015: \$2,118,327;
- Library Expansion – Budget Unit No. 420-90-939 – Budget Amount: \$500,000; Remaining Balance as of June 10, 2015: \$364,000.

Subject to the approval of the Master Agreement for Architectural Services for the Civic Center Master Plan Implementation, the currently available funding is sufficient to undertake the initial phases of architectural/engineering services that would be authorized by Service Orders approved by the City Manager. No additional appropriation is required at this time. Additional appropriations will be needed to fund the balance of the design and project/construction management services, and the construction contract. Staff will recommend appropriations as necessary to facilitate the project schedule.

Prepared by: Katy Jensen, Capital Improvement Program Manager

Reviewed by: Timm Borden, Director of Public Works Department

Approved for Submission by: David Brandt, City Manager

Attachments:

A - Draft Agreement with P+W for Consultant Design Services

B – Draft Resolution Authorizing Agreements and Service Orders Related to the Civic Center Master Plan Implementation

C – Draft Official Intent Resolution