City Council Report

915 I Street, 1st Floor
Sacramento, CA 95814
www.cityofsacramento.org

File ID: 2018-00572 | May 1, 2018 | **Consent Item 03**

Title: Supplemental Agreement and Transfer of Funds for Design and Art for the Sacramento Convention Center Renovation and Expansion and Community Center Theater Projects (M17100100) [Published for 10-day Review 04/19/2018]

Location: 1400 J Street, District 4

Recommendation: Pass a Resolution authorizing the City Manager or the City Manager's designee to: 1) execute Supplemental Agreement No. 2 with Populous, Inc. for additional design services as part of the next phase of design work for the Convention Center Renovation and Expansion Project (M17100100), increasing the not to exceed amount by $4,130,400, for a new total not-to-exceed amount $10,544,675; and 2) transfer $4,330,400 from various projects to M17100100 in order to fund Supplemental Agreement No. 2 with Populous, Inc. and to fund the start of the Art in Public Places for both the Convention Center and Community Center Theater projects.

Contact: Desmond Parrington, Project Manager, (916) 808-5044; Fran Halbakken, Assistant City Manager/Project Executive, (916) 808-7194; Office of the City Manager.

Presenter: None

Attachments:
1-Description/Analysis
2-Resolution
3-Exhibit A - Supplemental Agreement

Description/Analysis

Issue Detail: On May 30, 2017, City Council (Council) approved a contract with Populous, Inc. for the design of the Convention Center Renovation and Expansion Project. However, on December 12, 2017, with the proposal from Visit Sacramento and the Sacramento Hotel Association to raise funding to cover the cost of a new ballroom, Council directed staff to proceed with the design of the full program for the renovation and expansion of the Sacramento Convention Center (SCC). This moved the new second ballroom from a future phase into the current phase. Staff reworked the scope of the existing contract with Populous to allow for that design work to proceed; however, without additional funding, the architect cannot proceed to the final phase of design.

Staff recommends Council approve the supplemental agreement that will not only allow for the completion of Construction Documents (CDs) and the Guaranteed Maximum Price phase of the project, which is the final design phase, but will also incorporate additional improvements. These include bulb-out, signage and striping plans, and audio-visual system improvements in the side of the building, which will remain. Staff will return in late May or early June with a comprehensive update on the project including an overview of the design, budget, financing and schedule.

In addition to the Supplemental Agreement, funding is needed to initiate preparation for the Art in Public Places (APP) requirements associated with this project as well as the Community Center Theater Renovation Project. This will allow for a panel to be formed, artists to be selected and art included in the overall design for both the SCC and the Theater projects. The actual artwork will not be purchased or installed until after approval of this project and its EIR by the Council.

Policy Considerations: The renovation and expansion of the SCC will allow the facility to remain attractive and competitive into the future, while providing a nationally-recognized convention venue for residents, visitors and convention attendees. It is also anticipated to grow TOT revenue as more events will likely lead to more hotel night stays and may generate the need for additional hotel development in the Downtown. The requested actions support the following City General Plan policy:

- ERC 4.1.5 The City shall support renovation and expansion of Convention Center facilities and adjacent supportive infrastructure, including hotels, to attract top tier national and international events.

Economic Impacts: Not applicable.

Environmental Considerations: On November 15th, the City released a draft environmental impact report (DEIR) for the project for public review. The public review period has been completed and the Final EIR is being prepared. The DEIR is available on the City's website at http://portal.cityofsacramento.org/Community-Development/Planning/Environmental/Impact-Reports. However, the actions contained in this report to regarding the schedule and design will have no significant effect on the environment and are exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3).

Sustainability: The project will be designed utilizing energy efficient standards and will reduce the carbon footprint contribution, therefore helping meet the City of Sacramento's sustainability goal. The facility will be designed in accordance with City policy LU 8.1.5 LEED Standard for City-Owned Buildings, which requires LEED (Leadership in Energy and Environmental Design) Silver or equivalent standard.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: Funding is necessary for the completion of the design for the Sacramento Convention Center Renovation and Expansion project. Similarly, funding is needed in order to incorporate art into the design in accordance with the City's Art in Public Places Program as set forth in Section 2.84.120 of the City Code.

Financial Considerations: Funding required for Supplemental Agreement No. 2 with Populous, Inc. and to initiate the Art in Public Places effort for both the Convention Center and Theater projects will come from existing projects as shown in table below:

Project Description	Project #	Fund – Fund Name	Amount ($)
Community Center Improvements	M17100000	6010 – Community Center	2,100,000
Convention Center Carpet Replacement	M17101500	6010 – Community Center	1,200,000
Convention Durable Equipment Replacement	M17101600	6010 – Community Center	350,000
Convention Center Production Equipment Upgrade	M17101700	6010 – Community Center	200,000
Convention Center Chiller Upgrade	M17100500	6010 – community Center	150,000
Memorial Auditorium Improvements	M17101000	6010 – Community Center	130,400
APP Maintenance	I17000500	1001 - General	200,000
Total			$4,330,400

Upon the issuance of bonds for the Sacramento Convention Center Renovation and Expansion and the Community Center Theater projects in the fall of 2018, staff will return to Council to restore funding back to the projects as needed. Sufficient funding is available in each of the projects to support the recommended transfers. In the event that the Council decides not to move forward with the projects and did not authorize the issuance of bonds for the Convention Center expansion, then these funds would not be reimbursed, and the funds would incur the loss.

Local Business Enterprise (LBE): Populous, Inc. is not an LBE. The minimum participation was waived due to the unique qualifications of Populous, Inc. and the need for continuity based on their prior involvement in the SCC project.

RESOLUTION NO. 2018-

Adopted by the Sacramento City Council

AUTHORIZING A SUPPLEMENTAL AGREEMENT AND TRANSFER OF FUNDING FOR THE DESIGN OF THE SACRAMENTO CONVENTION CENTER RENOVATION AND EXPANSION AND TO INITIATE THE ART IN PUBLIC PLACES PROGRAM FOR THE CONVENTION CENTER AND COMMUNITY CENTER THEATER RENOVATION PROJECTS

A. On May 30, 2017, City Council in Resolution 2017-0216 approved a contract with Populous, Inc. for the design of the Convention Center Renovation and Expansion Project (M17100100).

B. On December 12, 2017, City Council directed staff in Motion No. 2017-0376 to proceed with the design of the full program for the renovation and expansion of the Sacramento Convention Center (SCC), which added the future ballroom to the current phase of work.

C. As a result of Council action, staff revised the scope of the existing contract with Populous, Inc. to add the ballroom and enable design to proceed.

D. In order to allow the architect to start the Construction Documents (CDs) /Guaranteed Maximum Price (GMP) phase of the project, which is the final design phase of the project, additional funding is required.

E. City Public Works projects are subject to the City's Art in Public Places requirement as set forth in Section 2.84.120 of the City Code.

F. In order to incorporate art into the design of the Convention Center Renovation and the Community Center Theater projects, funding is needed to initiate the process.

G. On January 24, 2017, City Council approved Resolution No. 2017-0036 which allows for bonds issued for the Community Center Theater, Memorial Auditorium and Convention Center Renovation and Expansion projects to be used to cover design and other soft costs associated with these projects.

H. To advance the funding for Supplemental Agreement No. 2 and to incorporate art into the design of the Convention Center Renovation and the Community Center Theater projects, reallocation of the financial resources is recommended.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City Manager or his designee is authorized to execute Supplemental Agreement No. 2 with Populous, Inc. for the final phase of design for the Convention Center Renovation and Expansion Project (M17100100) for an amount not to exceed $4,130,400.

Section 2. The following transfer is approved to fund Supplemental Agreement No. 2 with Populous Inc. and to fund the start of the Art in Public Places for both the Convention Center and Community Center Theater projects.

Project Description	Project #	Fund – Fund Name	Amount ($)
Community Center Improvements	M17100000	6010 – Community Center	(2,100,000)
Convention Center Carpet Replacement	M17101500	6010 – Community Center	(1,200,000)
Convention Durable Equipment Replacement	M17101600	6010 – Community Center	(350,000)
Convention Center Production Equipment Upgrade	M17101700	6010 – Community Center	(200,000)
Convention Center Chiller Upgrade	M17100500	6010 – community Center	(150,000)
Memorial Auditorium Improvements	M17101000	6010 – Community Center	(130,400)
APP Maintenance	I17000500	1001 – General	(200,000)
Convention Center Complex Renovation	M17100100	6010 – Community Center	4,130,400
Convention Center Complex Renovation	M17100100	1001 – General	200,000
		Total	$0

Exhibit A – Supplemental Agreement with Populous, Inc.

SUPPLEMENTAL AGREEMENT

Project Title and Job Number: Convention Center Project - M17100101 **Date:** 4/16/18
Purchase Order #: 38427 **Supplemental Agreement No.:** 2

The City of Sacramento ("City") and Populous, Inc. ("Contractor"), as parties to that certain Professional Services Agreement designated as Agreement Number 2017-0634, including any and all prior supplemental agreements modifying the agreement (the agreement and supplemental agreements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. The scope of Services specified in Exhibit A of the Agreement is amended as follows:

   As described in detail in Attachment 1, CONTRACTOR shall prepare the Construction Drawings as set forth in Section 2.5 of their revised contract (Contract #2017-0634-1). In addition, CITY shall be responsible for Commissioning and CITY shall be credited $32,700. CONTRACTOR shall provide additional audio-visual and bulb-out work as described in Attachment 1 for $27,485 and the remaining credit in the amount of $5,215 shall be set aside as a contingency to be used by CONTRACTOR upon written authorization from CITY.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is Increased by $4,130,400, and the Agreement's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	$6,764,375
Net change by previous supplemental agreements:	-$350,100
Not-to-exceed amount prior to this supplemental agreement:	$6,414,275
Increase by this supplemental agreement:	$4,130,400
New not-to exceed amount including all supplemental agreements:	$10,544,675

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor.

4. Contractor warrants and represents that the person or persons executing this supplemental agreement on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental agreement and bind Contractor to the terms hereof.

5. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this supplemental agreement.

Approval Recommended By:

Project Manager

Approved By:

Contractor

Approved By:

City of Sacramento

Approved As To Form By:

City Attorney

Attested To By:

City Clerk

(Rev. 9-17-12)

Attachment 1 – Scope of Services

In addition to the work set forth under Exhibit A to Attachment 1, Section 2.5 of Contract 2017-0634-1, Task 2.5 is amended to include the following tasks:

2.5.9 Bulb-outs: Topographic Survey and Civil engineering for Bulb-out and Signage & Striping Plans for:

2.5.9.1 Bulb-outs located at the northwest corner of the intersection or J & 13th Streets together with the three bulb-outs located northeast, southeast and southwest corners of the intersections of K & 15th Streets.

2.5.9.2 Signage & Striping Plans for the re-striping to 15-foot wide continental crosswalks at all legs of the 13th & J Street intersection, the cast and west legs of the 14th & J Street intersection, the west leg of the 15th & J Street intersection, and all legs of the 15th & K Street intersection.

2.5.9.3 See attached for scope of work, Exhibit A1 – Bulb-Out Consultant Scope of Services

2.5.10 Audio-Visual: Travel to and evaluation of the existing Sacramento Convention Center facility to establish as-built conditions of the audio-visual system.

2.5.10.1 See attached for scope of work, Exhibit A2 – Audio-Visual Consultant Scope of Services

Furthermore, Section 3.3.28 of Exhibit A to Attachment 1 is removed from Contract 2017-0634-1. Design services for standard commissioning will not be provided by CONTRACTOR as part of Basic Services. Instead, CITY shall retain the Commissioning Agent for all project commissioning. CITY shall be credited for the cost of the Commissioning removed from the contract.

The credit for removing Commissioning Costs shall be applied to cover the cost of services for the bulb-outs and the audio-visual work. The remaining credit of $5,215 shall be set aside as contingency to be used by CONTRACTOR upon written authorization from CITY.

Compensation:

The totals in the Design Fee Schedule in Attachment 1 to Exhibit B are not changed as a result of this Supplement. However, the information below provides additional detail on the revised line-item costs included in the Lump Sum Fee for Basic Design Services.

Exhibit B to Attachment 1 is amended to add:

- Construction Documents / GMP: $4,130,400 (per Contract 2017-0634-1)

- Bulb-Outs and Signage/Striping Plan: $19,785
- Audio-Visual Work: $7,700
- Contingency: $5,215
- Removal of Commissioning Work: ($32,700) [credit to CITY]

Total: $4,130,400

In addition, under the Design Fee Schedule, Attachment 1 to Exhibit B in Contract 2017-0634-1 is revised to read:

> *The Cost of the Work (according to the definition of "Work" specified in Attachment 1 to Exhibit A) is revised to $182,500,000.*

Schedule:

The schedule shall be the schedule set forth in Section 7.11 of Contract 2017-0634-1 unless additional design work requested by the City results in delays.

Exhibit A1 –Bulb-Out Consultant Scope of Services

Per the traffic mitigation measures from the Environmental Impact Report (EIR), the Convention Center Renovation and Expansion project includes the design of bulb-outs located at the northwest corner of the intersection of J & 13th Streets together with three bulb-outs located northeast, southeast and southwest corners of the intersections of K & 15th Streets. Also, a Signage & Striping Plan will be needed for the re-striping to 15-foot wide continental crosswalks at all legs of the 13th & J Street intersection, the east and west legs of the 14th & J Street intersection, the west leg of the 15th & J Street intersection, and all legs of the 15th & K Street intersection.

In order to prepare the improvement plans for the above, additional topographic survey information will be required. NV5, consultant to CONTRACTOR, will partner with the Convention Center project ALTA Surveyor, Andregg Psomas, to provide this additional survey work. The cost of the services includes Andregg Psomas's fees for the additional surveying.

NV5 will prepare the grading, drainage, and utility plans for the bulb-outs and the signage and striping plans for the intersection crosswalk striping per the City of Sacramento standards on City standard improvement plan sheets. The plans will be incorporated into the overall project plans prepared by the CONTRACTOR (Populous) for review and approval by the City of Sacramento Public Works – Transportation Division.

EXCLUSIONS

The following items are not considered in the above Scope of Services and are excluded as a part of this work:

1. Potholing, underground utility locating, subsurface excavation, removing lids and/or covers of any dry utilities, and the setting of monuments
2. Geotechnical Report
3. Street Light Engineering
4. Traffic Signal Engineering
5. Agency Fees
6. Construction Staking

Exhibit A2 – Audio-Visual Consultant Scope of Services

Sacramento Convention Center Site Visit to establish as-built condition of AV system

This scope of work is proposed to cover travel to the Sacramento Convention Center in order to establish the as-built conditions of the audio-visual system. This information will allow CONTRACTOR to develop a plan for the inter-connection of the new and existing sound reinforcement system.

The scope of work for this service is based on information Veneklausen Associates, consultant to CONTRACTOR, received during various meeting regarding the fire alarm annunciating system and discussions Veneklausen Associates have had with Dustin Hollingsworth, Facilities and Real Property Superintendent with the City of Sacramento. The scope of work is as follows:

- Travel to and from the jobsite
- Record equipment used in the existing system and outline rough signal flow Submit report on our findings. Devices include in our study:
    - Signal Processors
    - Amplifiers
    - Switching Equipment
    - Distribution Equipment
    - Infrastructure Connectivity Endpoints

Excluded from Scope of Work:

- Equipment outside of equipment racks
- As built drawings