

**AMENDMENT NO. 1
TO THE AGREEMENT BETWEEN
THE CITY OF SANTA CLARA, CALIFORNIA
AND
PROJECT FINANCE ADVISORY, LIMITED**

PREAMBLE

This agreement (“Amendment No. 1”) is by and between Project Finance Advisory, Limited (“PFAL”), a Delaware Corporation, with its principal place of business located at 16A Funston Avenue, The Presidio, San Francisco, CA 94129 (“Contractor”), and the City of Santa Clara, California, a chartered California municipal corporation with its primary business address at 1500 Warburton Avenue, Santa Clara, California 95050 (“City”). City and Contractor may be referred to individually as a “Party” or collectively as the “Parties” or the “Parties to this Amendment No. 1.”

RECITALS

- A. The Parties previously entered into an agreement entitled “Agreement for Professional Services By and Between the City of Santa Clara”, dated April 4, 2017 (the “Original Agreement”); and
- B. The Parties entered into the Original Agreement for the purpose of having Contractor: a) develop and evaluate potential financial strategies, public and private funding capacities and options; b) conduct public opinion research on options developed; c) form a capital campaign team to assist in raising private/corporate funds; d) provide community outreach and information services; and, e) develop potential public private partnership agreements for the delivery (design, financing, construction, maintenance and operation) of a new 171,000 square foot International Swim Center (ISC), Community Recreation Center (CRC) and International Swimming Hall of Fame (ISHOF) and related parking in Santa Clara’s Central Park, and
- C. The Parties now wish to amend the Original Agreement of the Contractor to provide additional project analysis to determine financing capacity of a potential ballot measure to support Council priority infrastructure projects; review the capital cost estimates and analyze project financing, timelines, tax revenue collection; develop functional program options of a "right sized" CRC-ISC and high level operational estimates; review project options in the context of the Central Park masterplan update; provide strategic guidance; community and stakeholder outreach and provide updates to CMO and City Council.

The Parties agree as follows:

AGREEMENT PROVISIONS

1. AMENDMENT PROVISIONS

That Exhibit A of the Original Agreement, entitled “Scope of Services” is hereby amended to include the additional “Exhibit A-1 Additional Scope of Services - Phase II Work Streams” (See Exhibit A-1 Scope of Services).

2. AMENDMENT PROVISIONS

That Exhibit B of the Original Agreement, entitled “Fee Schedule” is hereby amended to include the additional “Exhibit B-1: Additional Fee Schedule – Phase II Work Streams” (see Exhibit B-1 Fee Schedule).

3. AMENDMENT PROVISIONS

That Exhibit F of the Original Agreement, entitled “Milestone Schedule” is hereby amended to include the additional “Exhibit F-1: Milestone Schedule – Phase II Work Streams” (see Exhibit F-1 Milestone Schedule).

4. TERMS

All other terms of the Original Agreement which are not in conflict with the provisions of this Amendment No. 1 shall remain unchanged in full force and effect. In case of a conflict in the terms of the Original Agreement and this Amendment No. 1, the provisions of this Amendment No. 1 shall control.

5. COUNTERPART/FACSIMILE SIGNATURE

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument; and, the Parties agree that signatures on this Agreement, including those transmitted by facsimile, shall be sufficient to bind the Parties.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 1 as evidenced by the following signatures of their duly authorized representatives. The Effective Date is the date that the final signatory executes the Agreement. It is the intent of the Parties that this Amendment No. 1 shall become operative on the Effective Date.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

APPROVED AS TO FORM:

Dated: _____

BRIAN DOYLE
City Attorney

ATTEST:

JENNIFER YAMAGUMA
Acting City Clerk

DEANNA J. SANTANA
City Manager
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

“CITY”

Project Finance Advisory, Limited
a Delaware corporation

Dated: _____

By: _____

(Signature of Person executing the Agreement on behalf of Contractor)

Name: Victoria Taylor

Title: President & CEO

Local Address: 16 A Funston Avenue

San Francisco, CA 94129

Email Address: Victoria.Taylor@PFALimited.com

Telephone: (415)580-5202

Fax: (866) 647 0864

“CONTRACTOR”

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EXHIBIT A-1

ADDITIONAL SCOPE OF SERVICES

PHASE II WORK STREAMS

The ADDITIONAL Services to be performed for the City by the Contractor under this AMENDMENT No 1 are listed below.

1. Financial analysis to determine what level of new tax revenue would be supported by the community based on public opinion results and the financial affordability limit of different taxing scenarios. Refine existing property and/or sales tax revenue projections to reflect additional feedback from City and/or public opinion expert analysis. Work with the public opinion expert to craft specific questions and test certain language;
 - Deliverable: Tax revenue forecast summary (MS Excel) and review and provide input to public opinion surveys.
2. Determine the financing capacity of the new tax measure to identify the priority projects that would be supported by the community;
 - Deliverable: Financial capacity and revenue collection analysis of tax revenue (MS Excel)
3. Review the capital cost estimates at a high level for the priority projects (identified in item 2 above) for reasonableness on what the tax measure can fund;
 - Deliverable: Capital project review memo and two workshops
4. Determine which projects could be financed and which projects could be delivered through tax revenue collection to identify the timeline of infrastructure needs that the new tax measure would provide;
 - Deliverable: Timeline of infrastructure project delivery
5. Determine at a high level the functional program (i.e. define building space and use needs) and concept design options of a "right sized" CRC-ISC and the high level revenue estimates the project could generate from previous analysis. Provide visual representation of the "right sized" CRC-ISC concepts and review this project in the context of the Central Park Master Plan Update;
 - Deliverable: Functional programming and high level concept study with visual representations

6. Engage with the resident ISC and CRC user groups and programs including potential new groups such as ISHOF to determine at a high level the potential new user arrangements (i.e. partnerships, revenue levels, and funding capacity to be anticipated for the ISC-CRC project). This will not include negotiations with potential user groups;
 - Deliverable: Summary memo of user group findings and recommendations
7. Provide updates to CMO and City Council and a summary memorandum of the findings from above.
 - Deliverable: Summary presentation to City Council and CMO/Department Directors
8. Provide strategic support and community outreach per City direction.

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EXHIBIT B-1

ADDITIONAL FEE SCHEDULE
FOR PHASE II WORK STREAMS

1. Original Agreement Amount. In no event shall the amount billed to City by Contractor for services under the ORIGINAL AGREEMENT SCOPE OF SERVICES exceed Six Hundred and Forty Nine Thousand Seven Hundred and Thirty-Five Dollars (\$649,735.00).

2. Amendment No. 1 Not to Exceed Amount. In no event shall the amount billed to City by Contractor for AMENDMENT No. 1 SCOPE OF SERVICES exceed Two Hundred and Sixty Thousand Dollars (\$300,000.00), subject to budget appropriations. The Amendment No. 1 “not to exceed” total amount contains a contingency of twenty five thousand dollars (\$25,000.00) for potential additional services, materials, and/or supplies that may be required or requested by the City, and five thousand dollars (\$5,000.00) in reimbursable expenses. Additional services, materials, supplies and reimbursable expenditures over \$999.00 must be itemized, proposed by Contractor to the City in writing, in advance, and reviewed and authorized by a notice to proceed at the City’s sole discretion. If approved, item shall be billed for the pre-authorized items and amounts only.

Firm/Sub consultants	Role	Amt
PFAL	Engagement lead, City Council/CMO reporting, tax revenue & financial analysis, financing capacity analysis, infrastructure project timing analysis,	\$107,000
TSE & PROS	ISC-CRC user group engagement, aquatic & recreation programming & project revenue analysis	\$20,000
Consulting	Property tax analysis	\$10,000
Strategic Economics	Project capital cost, scope and schedule analysis	\$18,000
Currie & Brown	CRC-ISC functional programming, facility conceptual design options analysis	\$45,000
Perkins + Will	Strategic support and outreach – on a task order basis	\$70,000
Various		
	Subtotal	<u>\$270,000</u>
	Reimbursable expenses	\$5,000
	Contingency	<u>\$25,000</u>
	Total	<u><u>\$300,000</u></u>

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EXHIBIT F-1

MILESTONE SCHEDULE FOR PHASE II WORK STREAMS

The NEW Milestone Schedule for Phase II Project Work streams to be performed for the City by the Contractor under this AMENDMENT No 1 is below.

- **Scope of Work Timeline: June 2018 to August 2018**