



Legislation Details (With Text)

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On agenda: 9/7/2021 **Final action:**
Title: Action on Amendment No. 2 to the Agreement for Design Services with Bellecci & Associates, Inc. and associated budget amendment for the Loyalton and Benicia Properties.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Original Agreement Bellecci, 2. Amendment No 1 Bellecci, 3. Proposed Amendment No 2 Bellecci

Date	Ver.	Action By	Action	Result
9/7/2021	1	Council and Authorities Concurrent Meeting	Adopted	Pass

REPORT TO COUNCIL

SUBJECT

Action on Amendment No. 2 to the Agreement for Design Services with Bellecci & Associates, Inc. and associated budget amendment for the Loyalton and Benicia Properties.

COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

BACKGROUND

The City owns several remote properties which were purchased for potential future energy production. In 2017, the City executed an agreement with Bellecci and Associates, Inc. (Bellecci) to provide Design Professional Services related to the City's remote property located in Benicia, as the result of a competitive RFP process. Specifically, Bellecci shall complete design and develop specifications for structure demolition for the remote property as well as the following services: Engineering Design Services, Field Visits, Asbestos Evaluation, Well Evaluation, Electrical Engineering Services, Preparation of Demolition Plans, Civil Engineering, Base Mapping, Project Management, and Design Services during Construction. In 2019, Amendment No. 1 to the Agreement was executed to include similar services for the City's remote property near Loyalton, CA. In the scope of the Agreement and Amendment No. 1, Bellecci has completed required design specifications and drawings.

DISCUSSION

During the 2020 Loyalton fire, the existing buildings scheduled for demolition and a majority of the exterior Loyalton property fencing were destroyed, necessitating a revision to the demolition plans. At this time, staff recommends executing Amendment No. 2 to this Agreement to include the plan revision and an evaluation of the Loyalton property fence which was damaged in the wildfire. To clarify the existing and new scope, Exhibit A to the Agreement (Scope of Service) was replaced with an updated scope that includes the existing work and proposed new scope. The proposed new work

scope includes development of specifications for public works bid, civil support during bid process and construction / demolition activity, and project management and construction management services for structure demolition at both Benicia and Loyalton properties.

Use of the same firm for engineering design and construction management is typical as it results in efficiencies in project supervision and evaluation. Staff recommends authorizing the City Manager to execute Amendment No. 2 to the Agreement with Bellecci and Associates to increase funding from \$116,021 to \$356,021. Added services total \$240,000 and include: construction management for Benicia (\$42,166), preliminary aerial survey and cost estimate for fence at Loyalton (\$36,703), preparation of bid documents and specifications for Loyalton fence and site remediation project (\$42,726), construction support for Loyalton project (\$70,174), contingency including allocation to meet apprentice requirements under California Prevailing wage (\$48,231).

The City Council is actively having discussions regarding the long-term plan for the Loyalton property, including possible consideration of a sale. Staff has delayed the execution of this agreement to incorporate any needed changes that might occur per the Council discussion. However, at this time, staff believes it is appropriate to move forward with the design to identify needed improvements and complete an engineering construction estimate for the project. Any future construction and/or demolition contract should require Council approval, and if it does not require Council approval, Staff will inform the Council prior to proceeding. Staff will take into consideration future Council discussion prior to making a recommendation on any construction contract related to the Loyalton property.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378 (b)(4) in that it is a fiscal activity that does not involve commitment to a specific project which may result in potential significant impact on the environment.

FISCAL IMPACT

Staff recommends a budget amendment to add additional appropriations to the Capital Outlay budget of the SVP Operating Budget in the amount of \$290,000. \$240,000 of the funding is for the Proposed Amendment No. 2 while \$50,000 is funding within the current agreement for work from FY 2020/21 that was put on hold after the fires. This funding will be transferred from Electric Utility Operating Fund Balance and will have no impact on the General Fund.

	Budget FY 2021/2022		
	Current	Increase/ (Decrease)	Revised
Electric Utility Operating Fund (091)			
<u>Expenditures</u>			
Electric Utility Department	\$475,628,224	\$290,000	\$475,918,224
Ending Fund Balance	\$83,451,789	(\$290,000)	\$83,161,789

COORDINATION

This report has been coordinated with the Finance Department and City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> .

RECOMMENDATION

1. Authorize the City Manager to execute Amendment No. 2 to the Agreement for Design Services with Bellecci & Associates, Inc. for engineering design services for the demolition buildings at the City's properties located at remote facilities in Benicia and Loyalton, California, to increase the maximum compensation from \$116,021 to \$356,021;
2. Authorize the City Manager to add or delete services consistent with the scope of the agreements, and allow future rate adjustments subject to request and justification by contractor, approval by the City, and the appropriation of funds; and
3. Consistent with City Charter Section 1305, *"At any meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by the **affirmative votes of at least five members** so as to authorize the transfer of unused balances appropriated for one purpose to another purpose, or to appropriate available revenue not included in the budget,"* approve the following FY 2021/22 budget amendment: In the Electric Utility Operating Fund, increase the Electric Utility Department budget by \$290,000 and reduce the unrestricted ending fund balance by \$290,000 (**five affirmative Council votes required for the use of unused balances**).

Reviewed by: Manuel Pineda, Chief Electric Utility Officer

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Original Agreement Bellecci
2. Amendment No. 1 Bellecci
3. Proposed Amendment No. 2 Bellecci