



AGENDA REPORT

Meeting Date: May 20, 2008

Item Number: F-13

To: Honorable Mayor & City Council

From: Alan Schneider, Director of Project Administration

Subject: APPROVAL OF THE AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND RTK ARCHITECTS, INC. FOR ARCHITECTURAL AND ENGINEERING DESIGN AND CONSTRUCTION ADMINISTRATION SERVICES RELATED TO REMODEL AND IMPROVEMENTS OF CITY HALL FIRST AND SECOND FLOORS; AND

APPROVE A PURCHASE ORDER IN THE AMOUNT OF \$50,000 TO RTK ARCHITECTS, INC. FOR SCHEMATIC DESIGN SERVICES AND AUTHORIZE THE CITY MANAGER TO APPROVE A SUBSEQUENT PURCHASE ORDER FOR THE BALANCE OF THE AGREEMENT

Attachments:

1. Agreement
2. Categorical Exemption

RECOMMENDATION

Staff recommends that the City Council move to approve an agreement with RTK Architects, Inc. (RTK) for architectural and engineering services related to the remodel of City Hall first and second floors at 455 N. Rexford Drive, and approve a Purchase Order in the amount of \$50,000 for schematic design services. The total compensation for all services under this agreement is comprised of a fee of \$328,000 and an additional \$39,800 for contingencies and reimbursable expenses.

INTRODUCTION

The proposed agreement will provide for architectural and engineering design and construction administration services for the remodel of the first and second floors of City Hall as part of the master plan to upgrade the facility. Currently the remodel of the ground floor is approximately 65% complete, which will create a new customer service center to accommodate the needs of most customers that do business at City Hall. In addition, the project design addresses new office furniture workstations; upgraded wall, ceiling and floor finishes; and improved HVAC, lighting and life-safety systems.

Upon completion of the ground floor remodel, the designation of the floors in City Hall is intended to change to first floor, second floor, third floor, and fourth floor. The proposed remodel under this agreement reflects the current floor designations for the first and second floors.

DISCUSSION

The office space in City Hall was last renovated as part of the Civic Center complex in the 1980's. City Hall was re-opened for services in June 1990. The conditions and function of the work space has been virtually unchanged in almost 20 years. Over this period of time the spatial needs of the departments located on the first and second floors have grown and the needs are different.

RTK was engaged to evaluate the program requirements of City Hall staff and develop conceptual plans that meet the needs of the various departments. The following scope of the proposed remodel was developed with the input of the Community Services Department, Administrative Services Department, City Attorney, and Communications & Marketing Division and includes:

- Remodel of approximately 6,200 square feet of first floor for Community Services Department, City Attorney's offices, Communication's offices, and staff lunch room; and upgrades to fire/life safety system and HVAC system at City Clerk's offices. Construction is intended to be performed in multiple phases.
- Remodel of approximately 11,000 square feet of second floor for Administrative Services Department and training/conference facilities, and minor cosmetic upgrade of the public corridors. Construction is intended to be performed following the first floor remodel as a single phase.
- The remodel construction requires the relocation of staff offices and functions to other locations in City Hall and/or to the temporary modular buildings located on Third Street. Space planning services for the temporary relocation of City staff offices are included in the project scope of work.
- Upgrade of fire/life safety systems to portions of City Hall outside the areas noted above.
- Services shall include cost estimating by a professional cost estimator at the Design Development and Construction Documents phases.
- Bid packages shall be prepared for both floors in a fashion that permits bidding as one bid or each floor separately.

Based on accepted conceptual plans, a proposal for full architectural and engineering services was submitted by RTK to provide the following scope of services:

- Field investigation of existing conditions
- Preparation of schematic and design development documents describing the proposed design in sufficient detail
- Preparation of construction plans and specifications suitable for bidding under the public contracting code

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- Submission of plans to Building & Safety for plan check review and resolution of any code compliance issues
- Construction administration services to ensure the work is executed according to the approved plans

The fee proposal for the above services is \$328,000. Based on a conceptual cost budget for the above capital improvements in the range of \$5.5 - \$5.8 million, the fee is approximately 6.5% of the construction cost. In addition, a contingency of \$20,000 for unforeseen conditions and reimbursable expenses of \$19,800 are included in the proposed agreement. The total compensation is not to exceed \$367,800.

The agreement stipulates the following schedule for the design services:

- Schematic designs – 6 weeks
- Design development documents – 6 weeks
- Construction documents – 12 weeks

A two week City review period is stipulated between the design phases, which would be followed by the permitting and bidding process. Construction period is estimated at 10 months.

The Department of Community Development has reviewed the project for environmental impact and concluded that the project qualifies for a categorical exemption under the procedures adopted by the City of Beverly Hills, and no further environmental assessment is necessary.

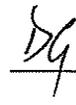
FISCAL IMPACT

Funding for this project is proposed in the fiscal year 08-09 Capital Improvement Program (CIP) budget for consideration and approval by the City Council.

At this time, the fiscal year 07-08 CIP budget for City Hall Master Project #0851 does not have available funds for the entire agreement. However, there are available funds in the budget to cover the cost of the schematic design services of \$49,200. Staff recommends that an initial purchase order for \$50,000 be issued and the City Manager authorized to approve a subsequent purchase order for the balance of the agreement when funds are budgeted.



Scott G. Miller
Finance Approval

David D. Gustavson
Approved By

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS
AND RTK ARCHITECTS, INC. FOR ARCHITECTURAL AND
ENGINEERING DESIGN AND CONSTRUCTION
ADMINISTRATION SERVICES RELATED TO REMODEL
AND IMPROVEMENTS OF CITY HALL FIRST AND SECOND
FLOORS

BASIC CONTRACT TERMS

NAME OF ARCHITECT: RTK Architects, Inc.

ARCHITECT'S DESIGNATED REPRESENTATIVE: Mandana Motahari, Vice President

ARCHITECT'S ADDRESS: 2020 S. Robertson Boulevard
Los Angeles, California 90034

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: Alan Schneider, Director of
Project Administration

CITY'S DESIGNATED REPRESENTATIVE: Alan Schneider, Director of Project
Administration

COMMENCEMENT DATE: Upon receipt of Notice to Proceed

COMPLETION DATE: Upon final acceptance by the City Council
of the Project

COMPENSATION: Professional fees not to exceed \$328,000 as
more fully described in Exhibit B

Design fee contingency not to exceed
\$20,000, as described in Exhibit E-1

Reimbursable expenses not to exceed
\$19,800, as described in Exhibit E

Total compensation not to exceed \$367,800

ARCHITECT'S CONSULTANTS: As listed in Exhibit F (list by name and
discipline)

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS
AND RTK ARCHITECTS, INC. FOR ARCHITECTURAL AND
ENGINEERING DESIGN AND CONSTRUCTION
ADMINISTRATION SERVICES RELATED TO REMODEL
AND IMPROVEMENTS OF CITY HALL FIRST AND SECOND
FLOORS

THIS AGREEMENT is entered into between the CITY OF BEVERLY HILLS (hereinafter called "City"), and RTK Architects, Inc. (hereinafter called, "Architect").

R E C I T A L S

A. City desires to contract for architectural services in connection with the remodel and improvements to the First and Second Floors of City Hall (the "Project"). The Project site is located at 455 North Rexford Drive, Beverly Hills, California.

B. Pursuant to the authority provided by Government Code Section 37103, City desires to engage Architect to design the Project in the manner set forth herein and more fully described in Section 1 and Exhibit A.

C. Architect represents that it is qualified and able to perform those services.

NOW, THEREFORE, the parties agree as follows:

Section 1. Scope and Level of Services.

(a) Subject to the terms and conditions set forth in this Agreement, City hereby engages Architect, and Architect hereby accepts such engagement, to perform the technical and professional services necessary to prepare all drawings, specifications, design and other documents for the Project as described in Exhibit A and Exhibit A-1, attached hereto and incorporated herein.

(b) In providing the Architect's services, Architect will review applicable laws, statutes, ordinances, codes, and other regulations affecting the Project, including without limitation, for the purpose of determining accessibility requirements, the State of California handicap accessibility requirements, and seismic requirements (collectively, "Laws"). The Architect shall prepare all design documents in compliance with such Laws.

(c) Architect hereby represents and warrants that it has the experience necessary to undertake the services to be provided herein. In light of such status and experience, Architect hereby covenants that it shall follow the customary professional standards in performing all services required hereunder.

(d) Architect shall provide prompt written notice to City if Architect becomes aware of any fault or defect in the Project, including any errors, omissions or inconsistencies in the Architect's plans, specifications or working drawings.

(e) By executing this Agreement, Architect warrants that, to the extent required by the standard of practice, Architect (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. Architect warrants that Architect, to the extent required by the standard of practice, has investigated the visible portions of the construction site(s) and is reasonably acquainted with the conditions there existing. Should Architect discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Architect shall immediately inform City of such fact and shall not proceed except at Architect's risk until written instructions are received from the City Representative.

Section 2. Time of Performance. Architect shall commence the services described in Exhibit A upon the City's giving to Architect a written notice to proceed and shall diligently prosecute the services to completion on or before the Completion Date set forth in the Basic Contract Terms on the first page of this Agreement and in accordance with the Progress Schedule attached hereto as Exhibit A-1.

Section 3. Compensation; Terms of Payment. City agrees to pay to Architect, and Architect agrees to accept in full satisfaction for the services described in this Agreement, an amount not to exceed Three Hundred Sixty-Seven Thousand Eight Hundred Dollars (\$367,800) and more fully described in Exhibit B, Exhibit E and Exhibit E-1, attached hereto and incorporated herein. Such compensation shall constitute complete compensation for all of Architect's fees and costs for the services under this Agreement, including, without limitation, the cost of any equipment, materials, and supplies necessary to provide the services (including all labor, materials, tax, assembly, and installation, as applicable). Architect represents and warrants that Architect is a licensed California architect and shall keep and maintain such licenses in good standing and in full force and effect at all times while Architect is performing services included in this Agreement.

Section 4. City's Designated Representative and Consultants. The City's Designated Representative shall be authorized to act on the City's behalf with respect to the Project and shall be permitted to issue consents and approvals on behalf of City, but shall have no authority to issue changes or approve additional services which increase the Architect's compensation hereunder. The City, in the City's sole and absolute discretion, may furnish the services of consultants other than those designated in the Basic Contract Terms on the first page of this Agreement. Architect covenants with City to cooperate with, and to cause its consultants to cooperate with, City's Designated Representative and City's consultants in connection with the services provided by Architect hereunder.

Section 5. Independent Contractor. Architect is and shall at all times remain, a wholly independent contractor with respect to City. Neither City nor any of its agents shall have control over the conduct of Architect or any of Architect's employees or consultants. Architect shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of City. This Agreement shall not and is not intended to make Architect an agent, servant, or employee of City and shall not and is not intended to create the relationship of partnership, joint venture or association between City and Architect.

Section 6. Assignment. This Agreement covers professional services of a specific and unique nature. This Agreement may not be assigned in whole or in part by Architect, without the prior written consent of City. Architect shall not assign, transfer, or subcontract any interest in this Agreement or the performance of any of Architect's obligations hereunder. Any attempt by Architect to so assign, transfer, or subcontract any rights, duties, or obligations arising hereunder shall be null, void and of no effect.

Section 7. Personnel.

(a) The Architect's Designated Representative is authorized to act on the Architect's behalf with respect to City, and shall not be changed without prior written City approval. The members of Architect's staff set forth in Exhibit C, attached hereto and incorporated herein, shall be responsible for fulfilling Architect's obligations under this Agreement in the capacities set forth in Exhibit C. Architect represents that it has, or shall secure at its own expense, all personnel required to perform Architect's services under this Agreement, whether or not listed on Exhibit C, and Architect shall at all times shall be responsible for satisfactory performance of all personnel engaged in performing services required by this Agreement. All personnel used by Architect in the performance of the services required pursuant to this Agreement shall be qualified by training and experience to perform their assigned tasks. At the request of City, Architect shall not use any personnel hereafter deemed by City to be incompetent, careless, unqualified to perform the work assigned to him, or otherwise unsatisfactory to City.

(b) All services required under this Agreement shall be performed by Architect or under Architect's direct supervision, and all personnel shall possess the qualifications, permits, and licenses required by State and local law to perform such services. Said licenses shall be in good standing and in full force and effect at all times while Architect is performing services included in this Agreement.

(c) Architect shall be responsible for payment of all employees' and subconsultants' wages and benefits, and shall comply with all requirements pertaining to employer's liability, workers' compensation, unemployment insurance, and Social Security.

(d) Architect shall indemnify and hold harmless City and its elected officials, officers, employees, servants, attorneys, volunteers, and agents serving as independent contractors in the role of city or agency officials, from any and all liability, damages, claims, costs and expenses of any nature arising from Architect's alleged violations of personnel practices. City shall have the right to offset against the amount of any fees due to Architect under this Agreement any amount due to City from Architect as a result of Architect's failure to promptly pay to City any reimbursement or indemnification arising under this Section 7.

Section 8. Conflicts of Interests. Architect covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by Architect under this Agreement, or which would conflict in any manner with the performance of its services hereunder. Architect further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, Architect shall avoid the appearance of having any interest which would conflict in any manner with the

performance of its services pursuant to this Agreement. Architect agrees not to accept any employment or representation during the term of this Agreement which is or may likely make Architect "financially interested" (as provided in California Government Code Sections 1090 and 87100) in any decision made by City on any matter in connection with which Architect has been retained pursuant to this Agreement.

Section 9. Insurance. The following insurance shall be provided and maintained by Architect:

- (a) Commercial General Liability/Umbrella Insurance. Primary insurance shall be provided on ISO-CGL form No. CG00 01 11 85 or 88. Total limits shall be no less than two million dollars (\$2,000,000) per occurrence for all coverages and two million dollars (\$2,000,000) general aggregate. City and its employees and agents shall be added as additional insureds using ISO additional insured endorsement form CG 20 10 11 85 (in no event will City accept an endorsement form with an edition date later than 1990). Coverage shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to City or any employee or agent of City. Coverage shall not be limited to the vicarious liability or supervisory role of any additional insured. Umbrella Liability Insurance (over primary) shall apply to bodily injury/property damage, personal injury/advertising injury, at a minimum, and shall include a "drop down" provision providing primary coverage above a maximum \$25,000.00 self-insured retention for liability not covered by primary policies but covered under the umbrella policy. Coverage shall be following form to any underlying coverage. Coverage shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. There shall be no cross liability exclusion. Policies shall have concurrent starting and ending dates.
- (b) Business Auto/Umbrella Liability Insurance. Primary coverage shall be written on ISO Business Auto Coverage form CA 00 01 06 92 including symbol 1 (Any Auto). Limits shall be no less than two million dollars (\$2,000,000) per accident. Starting and ending dates shall be concurrent. If Architect owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.
- (c) Worker's Compensation/Employer's Liability Insurance. Coverage shall be written on a policy form providing worker's compensation statutory benefits as required by law. Employer's liability limits shall be no less than one million dollars per accident or disease. Employer's liability coverage shall be scheduled under any umbrella policy described above. Unless otherwise agreed, this policy shall be endorsed to waive any right of subrogation as respects the City, its employees or agents.
- (d) Professional Liability Insurance. Coverage shall be written on a policy form providing "design professional liability" or "architects and

engineers" liability insurance or equivalent coverage. The policy limit shall be no less than one million dollars (\$1,000,000) per claim and in the aggregate.

Unless otherwise approved by City in writing, Architect's insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best's Insurance Guide rating of "A:VII." Self-insurance will not be considered to comply with these insurance specifications.

The insurance provided by Architect shall be primary to any coverage available to City. The policies of insurance required by this Agreement shall include provisions for waiver of subrogation.

Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, Architect shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Architect shall procure a bond guaranteeing payment of losses and expenses.

Architect agrees to provide evidence of the insurance required herein, satisfactory to City, consisting of certificate(s) of insurance evidencing all of the coverages required and an additional insured endorsement to Architect's general liability and umbrella liability policies using ISO form CG 20 10 11 85. Certificate(s) are to reflect that the insurer will provide thirty (30) days notice of any cancellation of coverage. Architect agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions. Architect agrees to provide complete copies of policies to City upon request.

Architect agrees to require all consultants and other parties hired for the Project to maintain insurance which meets all of the requirements of this Agreement. Architect agrees to obtain certificates evidencing such coverage and make reasonable efforts to ensure that such coverage is provided as required here. Architect agrees to require that no contract used by any consultant, or contracts Architect enters into, will reserve the right to charge back to City the cost of insurance required by this Agreement. Architect agrees that upon request, all agreements with consultants or others with whom Architect contracts on behalf of City, will be submitted to City for review. Failure of City to request copies of such agreement will not impose any liability on City, or its employees.

Architect shall not commence the performance of the services until the above insurance has been obtained and certificate(s) of insurance evidencing all of the coverages required and additional insured endorsement(s) have been filed with and approved by City. Procurement of insurance by Architect shall not be construed as a limitation of Architect's liability or as full performance of Architect's duties to indemnify, hold harmless, and defend under this Agreement.

Section 10. Indemnification.

(a) In connection with the professional services required by this Agreement, Architect shall defend, hold harmless and indemnify City, and its elected officials, officers, employees, designated volunteers, and agents serving as independent contractors in the role of city officials, ("Indemnitees"), from any claim, demand, damage, liability, loss, cost or expense, including but not limited to death or injury to any person and injury to any property ("claims"), arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of Architect or any of its officers, employees, subconsultants, or agents in the performance of its professional services under this Agreement. Architect shall defend Indemnitees in any actions filed in connection with any such claims with counsel of Indemnitees' choice, and shall pay all costs and expenses, including actual attorney's fees, incurred in connection with such defense.

(b) In connection with all claims not covered by Paragraph (a), Architect shall defend, hold harmless and indemnify Indemnitees from any claim, demand, damage, liability, loss, cost or expense, including but not limited to death or injury to any person and injury to any property ("claims"), arising out of, pertaining to, or relating to Architect's performance of this Agreement. Architect shall defend Indemnitees in any action or actions filed in connection with any such claims with counsel of Indemnitees' choice, and shall pay all costs and expenses, including actual attorney's fees, incurred in connection with such defense. Architect shall indemnify, hold harmless and defend City, its council members, officers, agents, employees and contractors from and against any and all losses, claims, costs, expenses, liabilities, damages, actions, causes of action and judgments, including attorneys' fees and costs, arising directly or indirectly from any activities or operations of Architect, or any person or entity employed or engaged by Architect (including, without limitation, Architect's consultants or contractors) in the performance of this Agreement including, without limitation, the negligence, willful misconduct, errors or omissions of Architect and any default by Architect under this Agreement. This covenant shall survive termination of the Agreement.

Section 11. Termination by City.

(a) City may cancel this Agreement at any time upon five (5) days written notice to Architect. Architect agrees to cease all work under this Agreement on or before the effective date of such notice.

(b) In the event of termination or cancellation of this Agreement by City, due to no fault or failure of performance by Architect, Architect shall be compensated for services satisfactorily performed to the date of termination in accordance with the terms and conditions set forth in Exhibit B.

(c) In the event that the City's termination is based on a default by Architect, City may pursue any and all rights and remedies it may have at law or in equity, and City's pursuit of any such right or remedy shall not be deemed a waiver of any other right or remedy of City.

(d) In the event of termination under this Section, City may retain another Architect for the Project.

Section 12. Ownership of Work Product.

(a) Ownership of Plans. All plans, specifications, reports, studies, tracings, maps, drawings, blueprints, or other written material prepared or obtained by Architect in the course of performing the services required by this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City, and Architect shall convey and transfer all copyrightable interests in such plans, specifications, reports, studies, tracings, maps, drawings, blueprints, documents, and in the Building to City. Basic survey notes, sketches, charts, computations and similar data prepared or obtained by Architect under this Agreement shall, upon request, be made available to City. Such material shall not be the subject of a copyright application by Architect. Any alteration or reuse by City of any such materials on any project other than the Project for which they were prepared shall be at the sole risk of City unless City compensates Architect for such use. City agrees to indemnify, defend and hold harmless Architect against any claims, losses, costs or damages as a result of City's alteration or reuse of such plans, drawings and specifications without compensation to Architect. In the event of the return of the plans, drawings or specifications to Architect or its representative, Architect shall be responsible for their safe return to City. Architect shall be entitled to retain copies of the plans, drawings and specifications for Architect's files. Under no circumstances, other than non-payment, shall Architect fail to deliver any draft or final plans, drawings or specifications to City upon written demand by City for their delivery, notwithstanding any disputes between Architect and City concerning payment, performance of the Agreement, or otherwise unless City has failed to pay Architect any undisputed amount lawfully due Architect under this Agreement. This covenant shall survive the termination of this Agreement.

(b) Title to Intellectual Property. Architect represents that it has secured all necessary licenses, consents or approvals to use the components of any intellectual property, including computer software, used in the rendering of services and the production of the materials produced under this Agreement, and that City has full legal title to and the right to reproduce such materials. Architect covenants to defend, indemnify and hold City, and its elected officials, officers, employees, servants, attorneys, volunteers, and agents serving as independent contractors in the role of city or agency officials, harmless from any loss, claim or liability in any way related to a claim that City is violating federal, state or local laws, or any contractual provisions, relating to trade names, licenses, franchises, patents or other means of protecting interests in products or inventions. Architect shall bear all costs arising from the use of patented, copyrighted, trade secret or trademarked materials, equipment, devices or processes used on or incorporated in the services and materials produced under this Agreement. In case such materials, equipment, devices or processes are held to constitute an infringement and their use is enjoined, Architect, at its expense, shall: (i) secure for City the right to continue using the materials by suspension of any injunction or by procuring a license or licenses for City; or (ii) modify the materials so that they become non-infringing. This covenant shall survive the termination of this Agreement.

Section 13. Effect of City Approvals. City's approval of any documents prepared in connection with the Project (in City's proprietary capacity under this Agreement as the owner of the Project) shall not be deemed to limit Architect's liability under this Agreement or otherwise affect Architect's duties and responsibilities under this Agreement.

Section 14. Confidentiality. Architect, in the course of its duties, may have access to financial, accounting, statistical, and personnel data of private individuals and employees of City. Architect covenants that all data, documents, discussion, or other information developed or received by Architect or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Architect without prior written authorization by City. City shall grant such authorization if disclosure is required by law. All City data shall be returned to City upon the termination of this Agreement. Architect's covenant under this Section shall survive the termination of this Agreement.

Section 15. Attorneys' Fees. In the event either party to this Agreement shall institute any action or proceeding against the other party to this Agreement, which action or proceeding concerns a controversy arising out of this Agreement, the prevailing party in such action or proceeding shall be entitled to reimbursement from the unsuccessful party for all reasonable costs and reasonable attorneys' fees arising out of such action or proceeding. In addition to the foregoing award of reasonable attorneys' fees and costs, the prevailing party shall be entitled to its reasonable attorneys' fees and costs incurred in any post-judgment or post-arbitration proceedings to enforce any judgment in connection with this Agreement. This provision is separate and several and shall survive the merger of this provision into any judgment.

Section 16. Notices. Any notice required to be given by this Agreement shall be deemed duly and properly given upon delivery, if sent by U.S. mail, postage prepaid, return receipt requested, to the address set forth on the first page of this Agreement, or personally delivered to such address or other address specified in writing and delivered in accordance with the requirements of this Section.

Section 17. Non-Waiver of Terms, Rights and Remedies. Waiver by either party of any one or more of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement. In no event shall the making by City of any payment to Architect constitute or be construed as a waiver by City of any breach of covenant, or any default which may then exist on the part of Architect, and the making of any such payment by City shall in no way impair or prejudice any right or remedy available to City with regard to such breach or default.

Section 18. Exhibits; Precedence. All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail.

Section 19. Entire Agreement. This Agreement represents the entire integrated agreement between City and Architect, and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both City and Architect.

Section 20. Time of Essence. Time is of the essence of this Agreement. Architect acknowledges that City is entering into this Agreement based on the representation that the Architect's schedule contained in Exhibit A-1 (as updated pursuant to subsection B of Article 3 of Exhibit A) can be maintained. In the event City determines that the progress of Architect's

work and services is behind the progress anticipated in the schedule (and not due to events caused by City), City may require Architect to take such actions as City deems necessary to expedite progress of the work and services in conformance with the progress anticipated by the schedule, which actions may include, without limitation, increasing the number of personnel performing the work and services, utilizing overtime work and requiring additional work shifts. Such action by City to place Architect back on schedule shall not entitle Architect to receive any additional compensation for these activities. In addition, if the Project is delayed due to Architect's fault, negligence or breach of this Agreement, Architect shall be responsible for the reasonable additional costs and expenses incurred by City, including without limitation, any acceleration costs, impact costs and any additional compensation due to City's other consultants, as a result of such delays, to the extent permitted by California law.

Section 21. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 22. Severability. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the _____ day of _____, 200 , at Beverly Hills, California.

City:
CITY OF BEVERLY HILLS,
a municipal corporation

BARRY BRUCKER
Mayor of the City of Beverly Hills,
California

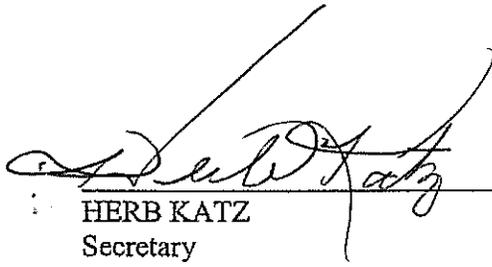
ATTEST:

BYRON POPE
City Clerk

Architect:
RTK ARCHITECTS, INC. ,
a California corporation

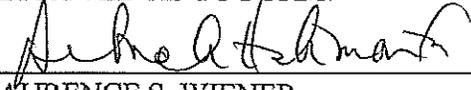
MANDANA MOTAHARI
Vice President

[Signatures continue]



HERB KATZ
Secretary

APPROVED AS TO FORM:



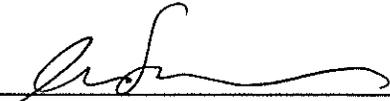
LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

RODERICK J. WOOD
City Manager



DAVID D. GUSTAFSON
Director of Public Works & Transportation



ALAN SCHNEIDER
Director of Project Administration



KARL KIRKMAN
Risk Manager

EXHIBIT A

Scope of Services

ARTICLE 1. GENERAL RESPONSIBILITIES

A schedule for the development and construction of the Project, including a schedule for the performance of Architect's services, is attached hereto as Exhibit A-1. Any adjustments to the Architect's schedule shall be of no force and effect unless such adjustments are agreed to in writing by City or are delays in the Architect's performance caused for reasons beyond the control of Architect.

ARTICLE 2. CHANGES IN ARCHITECT'S SERVICES

Changes in services of the Architect, including services required of the Architect's consultants, identified in Exhibit F, attached hereto and incorporated herein, may be accomplished after execution of this Agreement, without invalidating the Agreement. Changes in the services required of the Architect that would entitle the Architect to an adjustment in compensation requires the City's prior written authorization for an adjustment in compensation, and Architect obtains City's prior written authorization for an adjustment in compensation in each instance. Such adjustment in compensation shall be made by mutual agreement of the parties.

ARTICLE 3. PROJECT ADMINISTRATION

A. The Architect shall manage the Architect's services and administer the Project. The Architect shall consult with the City, research applicable design criteria, attend Project meetings during and through completion of the Schematic Design phase, the Design Development phase and the Construction Documents phase (or more frequently as required to coordinate the Architect's services) prior to commencement of construction, communicate with members of the Project team and issue progress reports. The Architect shall coordinate the services provided by the Architect and the Architect's consultants with those services provided by the City and the City's consultants.

B. Upon written request of City, the Architect shall prepare for City's and City's Designated Representative's review and approval, an update of the Architect's portion of the progress schedule attached hereto as Exhibit A-1 that shall identify milestone dates for decisions required of the City, design services furnished by the Architect, and completion of documents provided by the Architect. Such update schedule shall be consistent with the initial Progress Schedule attached hereto as Exhibit A-1.

C. The Architect shall consider the value of alternative materials, building systems and equipment, together with other considerations based on program, budget and aesthetics in developing the design for the Project.

D. Upon request of the City, the Architect shall make a presentation to explain the design of the Project to representatives of the City or as otherwise requested by City.

E. The Architect shall submit design documents (in quantity and sizes requested by the City) to the City at intervals appropriate to the design process for purposes of evaluation and approval by the City. The Architect shall be entitled to rely on written approvals received from the City in the further development of the design except as limited by Section 4 of the Agreement.

F. If requested by the City's Designated Representative, the Architect shall assist the City in connection with the City's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

ARTICLE 4 EVALUATION OF BUDGET AND COST OF THE WORK

A. The Architect shall have a qualified professional prepare a preliminary estimate of the cost of the work for the Project (the "Cost of Work"). This estimate may be based on current area, volume or similar conceptual estimating techniques. As the design process progresses through the end of the preparation of the Construction Documents, the Architect shall update and refine the preliminary estimate of the Cost of the Work. All estimates of the cost of Work shall be subject to City's review and approval. The Architect shall advise the City of any adjustments to previous estimates of the Cost of the Work required by changes in Project requirements or general market conditions. If at any time the Architect's estimate of the Cost of the Work exceeds the City's budget, the Architect shall make appropriate recommendations to the City to adjust the Project's size, quality or budget.

B. Evaluations of the City's budget for the Project, the preliminary estimate of the Cost of the Work and updated estimates of the Cost of the Work prepared by the Architect represent only the Architect's judgment as a design professional familiar with the construction industry. The Architect does not warrant or represent that bids or negotiated prices will not vary from the City's budget for the Project or from any estimate of the Cost of the Work or evaluation prepared or agreed to by the Architect.

C. In preparing estimates of the Cost of the Work, the Architect shall be permitted to include contingencies for design, bidding and price escalation; to reasonably assume (unless known) what materials, equipment, component systems and types of construction are to be included in the Contract Documents; to make reasonable adjustments in the scope of the Project with City's prior written approval and, with City's prior written approval in each instance, to include in the Contract Documents alternate bids as may be necessary to adjust the estimated Cost of the Work to meet the City's budget for the Cost of the Work.

D. If bidding or negotiation has not commenced within ninety (90) days after the Architect submits the Construction Documents to the City, the budget for the Cost of the Work shall be adjusted to reflect changes in the general level of prices in the construction industry.

E. If the budget for the Cost of the Work is exceeded by the lowest bona fide bid or negotiated proposal, the City may:

- (i) give written approval of an increase in the budget for the Cost of the Work;
- (ii) authorize rebidding or renegotiating of the Project within a reasonable time;
- (iii) terminate in accordance with Section 11 of the Agreement;
- (iv) cooperate in revising the Project scope and quality as required to reduce the Cost of the Work.

If the City chooses to proceed under clause (iv), the Architect, without additional compensation, shall modify the documents for which the Architect is responsible under this Agreement as necessary to comply with the budget for the Cost of the Work.

ARTICLE 5. PRELIMINARY EVALUATIONS AND PLANNING SERVICES

A. The Architect shall provide a preliminary evaluation of the information furnished by the City under this Agreement, including the City's program and schedule requirements and budget for the Cost of the Work, each in terms of the other. The Architect shall review such information to ascertain that it is consistent with the requirements of the Project and shall notify the City of any other information or consultant services that may be reasonably needed for the Project.

B. The Architect shall report to the City immediately if the City's budget is deficient to design and construct the program under the conditions and requirements that the City has established.

C. The Architect shall provide a preliminary evaluation of the City's site for the Project based on the information provided by the City of site conditions, and the City's program, schedule and budget for the Cost of the Work.

D. The Architect shall review the City's proposed method of contracting for construction services and shall notify the City of anticipated impacts that such method may have on the City's program, financial and time requirements, and the scope of the Project.

ARTICLE 6. DESIGN SERVICES

A. A description of the desired Project/building elements for the Project is attached hereto as Exhibit A-2. The Architect's design services shall include design of such Project/building elements and all structural, mechanical and electrical engineering services relating thereto.

B. In addition to the foregoing, design services shall also include all interior architectural services, plumbing, engineering, HVAC engineering, fire alarm and detection systems engineering services (including fire sprinklers performance specifications and

coordination with the local Fire Department), Title 24 requirements, acoustical engineering, elevators specifications, parking structure design, landscape design, lighting design, design of conduit for customary low voltage electrical systems (e.g., telephone/security/audio-visual and similar systems), roofing/waterproofing design, and as required by code, exterior and interior signage services (including graphics), and LEED or other "green building" requirements, where appropriate in connection with the complete design of the Project.

C. Architect shall also: (1) engage with City's designated contractors, engineers, designers and consultants, in their "value engineering analysis" of structural, architectural, electrical, mechanical and related design alternatives, and shall, with the written approval of City, incorporate any economy so identified in the design of the Project; (2) conduct periodic meetings with City and City's separate consultants; and (3) cooperate and coordinate the Architect's design services with the services of the City's separate consultants. The coordination services described in clause 3 above, shall not make Architect responsible for the adequacy or timeliness of any plans and specifications prepared by City's consultants; however, if Architect knows or reasonably suspects that any such plans and specifications are not consistent with sound design or construction practices, Architect shall immediately notify City in writing.

D. In no event shall Architect: (1) utilize or replace any consultants or subcontractors in connection with the performance of the services hereunder unless City gives its prior written approval of such consultants or subcontractors (or their replacements, as applicable); (2) prepare "performance" specifications or "design-build" documents as part of Architect's services hereunder unless Architect receives City's prior written consent for such "performance" specifications or "design-build" documents (City's approval of any such "performance" specifications or "design-build" documents may result in an appropriate downward adjustment to the Architect's fee for design services); or (3) prepare design documents that call for "proprietary" equipment or material in which Architect has a financial or other interest, unless Architect receives City's prior written approval to prepare design documents that call for such "proprietary" equipment or material. Architect will not commence work on any phase of design services until Architect receives a written authorization from City directing Architect to so proceed. City and Architect acknowledge that there may be, at times, some reasonable overlapping of the services performed by Architect in the Design Development and Construction Documents phases (i.e., the City may authorize or instruct the Architect to proceed into a phase prior to completion of the preceding phase, and that the Architect may be providing services in more than one phase of the Project concurrently).

ARTICLE 7. SCHEMATIC AND DESIGN DEVELOPMENT DOCUMENTS

A. The Architect shall provide schematic and design development documents (the "Design Documents") based on the approved written program resulting from discussions and meetings with City staff. The Design Documents shall illustrate and describe the refinement of the design of the Project, establishing the scope, relationships, forms, size and appearance of the Project by means of plans, sections and elevations, typical construction details, and equipment layouts. The Design Documents shall include specifications that identify major materials and systems and establish in general their quality levels.

B. Design Documents shall include, without limitation, floor plans of each typical and unique level; site plan; building sections; preliminary building systems designs; key details; and outline specifications. Design Documents for interior design and any common areas will include, without limitation, final space plan; typical interior details; wall, floor and finish selection. It shall also include the cubicle layout, selection and hookup.

C. Architect shall reasonably cooperate in the scheduling of meetings necessary for City's review and approval of the Design Documents, which meetings shall be attended by Architect at the request of City.

D. The Architect shall provide a budget for the Cost of the Work.

ARTICLE 8. CONSTRUCTION DOCUMENTS

A. The Architect shall provide construction documents (the "Construction Documents") based on the approved Design Documents and updated budget for the Cost of the Work. The Construction Documents shall set forth in detail the requirements for construction of the Project. The Construction Documents shall include Drawings and Specifications that establish in detail the quality levels of materials and systems required for the Project.

B. During the development of the Construction Documents, the Architect shall assist the City in the development and preparation of: (1) if requested by City, bidding procurement information which describes the time, place and conditions of bidding; bidding or proposal forms; and the form of agreement between the City and the Contractor; and (2) the conditions of the contract for construction (general conditions, supplementary conditions and other conditions). The Architect also shall compile the Project Manual that includes the conditions of the contract for construction and Specifications and may include bidding requirements and sample forms.

C. Architect shall assist in connection with City's responsibility for filing documents required for approval of governmental authorities exercising jurisdiction over the Project. Architect shall prepare all the documents required pursuant to design services, which are necessary for City or City's contractors to obtain all permits and other approvals of plans, specifications, and construction documents prepared by Architect from public agencies exercising jurisdiction over the Project whose approval is required or by law or as otherwise customary and reasonable.

D. Construction Documents will include, without limitation: (i) floor plans of each typical and unique level; (ii) site plan; (iii) enlarged plans and elevations of special areas where necessary; (iv) engineering drawings of building systems included in Project scope; (v) reflected ceiling plans, showing the location of the various types of ceilings and the location of standard and special light fixtures, HVAC registers and sprinkler heads influenced by the ceiling layout; (vi) outlets plans showing the location of power, telephone and data communications outlets; (vii) finish plans showing the location and type of paint, wall coverings, wood finishes, carpeting, floor coverings, fabrics, and other special finishes; and (viii) details indicating the design intent of the above.

E. Construction Documents for interior architecture shall include, without limitation: (i) floor plans and schedules, indicating the location and types of partitions, doors, frames, and hardware, glass partitions and mill work locations; (ii) reflected ceiling plans, showing the location of the various types and features of ceilings, including the location of standard and special light fixtures, switches, sprinkler heads and air conditioning diffusers and registers, including coordinating all information provided by other consultants; (iii) outlet plans, showing the location of power, telephone and data communications outlets, if necessary, based on information and criteria to be provided by City's other consultants; (iv) finish plans and finish schedules, showing the location and type of paint, wall coverings, wood finishes, carpeting, floor coverings, fabrics, and other special finishes; (v) details indicating the design intent of the above items; and (vi) code graphics.

F. The Construction Documents shall specify acceptable manufactures recommended product installation procedures and performance criteria for products. The Contract Documents shall also require Contractor, at the conclusion of the construction of the Project and based upon information kept current by Contractor and reviewed by Architect as an element necessary for approval of the Contractor's monthly progress payments, to prepare and furnish to City a complete record set of drawings and specifications depicting the Project as constructed.

G. The Construction Documents shall divide the Work into base work and alternatives, if directed by the City. The documents shall make provision for the base work to be constructed by itself or with any or all of the alternatives.

H. In addition to paper print copies, the Construction Documents shall be provided in electronic disk format in the latest version of AutoCad.

I. The Construction Documents shall include the requirement that the appropriate city personnel be trained in the maintenance and operation of all equipment and systems at the completion of the project.

ARTICLE 9. CONSTRUCTION PROCUREMENT SERVICES

A. The Architect shall assist the City in obtaining competitive bids and shall assist the City in awarding and preparing contracts for construction.

B. The Architect shall assist the City in establishing a list of prospective bidders or contractors.

C. The Architect shall assist the City in bid validation or proposal evaluation and determination of the successful bid or proposal, if any. If requested by the City, the Architect shall notify all prospective bidders or contractors of the bid or proposal results.

D. Bidding documents shall consist of bidding requirements, proposed contract forms, general conditions and supplementary conditions, specifications and drawings (the "Bidding Documents").

E. If requested by the City, the Architect shall arrange for procuring the reproduction of Bidding Documents for distribution to prospective bidders. The City shall pay directly for the cost of reproduction or shall reimburse the Architect for such expenses.

F. If requested by the City, the Architect shall distribute the Bidding Documents to prospective bidders and request their return upon completion of the bidding process. The Architect shall maintain a log of distribution and retrieval, and the amounts of deposits, if any, received from and returned to prospective bidders.

G. The Architect shall consider requests for substitutions, if permitted by the Bidding Documents, and shall prepare and distribute to all prospective bidders, addenda identifying approved substitutions.

H. At the request of City, the Architect shall participate in or, at the City's direction, shall organize and conduct a pre-bid conference for prospective bidders.

I. The Architect shall prepare responses to questions from prospective bidders and provide clarifications and interpretations of the Bidding Documents to all prospective bidders in the form of addenda.

J. The Architect shall participate in or, at the City's direction, shall organize and conduct the opening of the bids. The Architect shall subsequently document and distribute the bidding results, as directed by the City.

ARTICLE 10. CONSTRUCTION CONTRACT ADMINISTRATION SERVICES

A. GENERAL ADMINISTRATION

B. The Architect shall provide administration of the contract between the City and the general contractor as set forth below in coordination with City's Designated Representative.

C. The Architect's responsibility to provide construction contract administration services ("Contract Administration Services") under this Agreement commences with the award of the initial contract for construction and terminates at the issuance to the City of the final certificate for payment and the City's written acceptance of the Project.

D. The Architect shall advise and consult with the City during the provision of the Contract Administration Services, but the Architect shall not have authority to act on behalf of the City.

E. The Architect shall review requests by the general contractor for additional information about the Contract Documents. Architect shall be entitled to require that such request be in a form prepared by the Architect and include a detailed written statement that indicates the specific drawings or specifications in need of clarification and the nature of the clarification requested.

F. If deemed appropriate by the Architect or the City, the Architect shall prepare, reproduce and distribute supplemental Drawings and Specifications in response to requests for information by the Contractor. Architect shall not be entitled to any additional compensation for providing the services described in this Subparagraph F.

G. The Architect shall promptly interpret and provide recommendations on matters concerning performance of the City and Contractor under, and requirements of, the Contract Documents upon written request of the City.

H. Interpretations and recommendations of the Architect shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in writing (which may be in the form of drawings).

I. Architect shall provide As-built drawings from information provided by the Contractor.

J. If requested by City, Architect and its consultants shall provide recommendations in the utilization of any equipment or systems (such as testing or balancing) for startup and testing of said equipment.

ARTICLE 11. EVALUATIONS OF THE WORK

A. The Architect shall visit the site when requested by City in writing: (1) to become familiar with and to keep the City informed about the progress and quality of the portion of the Work completed, (2) to guard the City against defects and deficiencies in the Work, and (3) to determine if the Work is being performed in accordance with the Contract Documents; however, the Architect shall not be required to make exhaustive or continuous on site inspections to check the quality or quantity of the Work. Architect shall neither have control over or charge of, nor be responsible for, the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the work, since these are solely the general contractor's rights and responsibilities; however, Architect shall inform City and the general contractor of any of the foregoing means, methods, techniques, sequences or procedures of which Architect has knowledge and which are not consistent with sound construction practice. On the basis of such on site observation as an Architect, Architect shall submit to City a written report subsequent to each on-site visit. The Project visits/inspections required of Architect's consultants are described in Exhibit A-3 attached hereto, and the Architect shall be responsible for causing its consultants to perform such Project visits and inspections.

B. The Architect shall report to the City known or suspected deviations from the Contract Documents and from the most recent construction schedule submitted by the general contractor; however, the Architect shall not be responsible for the general contractor's failure to perform the Work in accordance with the requirements of the Contract Documents unless caused by the Architect or its consultants. Communications by and with the Architect's consultants shall be through the Architect (unless initiated, in any instance, by such consultants).

C. Whenever the Architect considers it necessary or advisable, the Architect will have authority to require inspection or testing of the work in accordance with the provisions of

the Contract Documents, whether or not such work is fabricated, installed or completed provided that any costs to City shall have been approved in writing by City; however, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to any contractor, subcontractors, material and equipment suppliers, their agents or employees or other persons or entities performing portions of the work.

ARTICLE 12. CERTIFICATION OF PAYMENTS TO CONTRACTOR

A. The Architect shall review and certify the amounts due the general contractor and any other contractors of City (including, if requested by City, any consultants of City), and coordinating with the City's Designated Representative, shall cause the issuance of certificates for payment in such amounts. The Architect's certification for payment to a contractor (a "Certificate for Payment") shall constitute a representation to the City, based on the Architect's evaluation of the work and on the data comprising the contractor's application for payment, that the work has progressed to the point indicated and that, to the best of the Architect's knowledge, information and belief, the quality of the work is in accordance with the Contract Documents. The foregoing representations are subject (1) to an evaluation of the work for conformance with the Contract Documents upon substantial completion of the work, (2) to results of subsequent tests and inspections, (3) to correction of minor deviations from the Contract Documents prior to completion, and (4) to any specific qualifications expressed by the Architect in writing.

B. The issuance of a Certificate for Payment shall not be a representation that the Architect has (1) made exhaustive or continuous on site inspections to check the quality or quantity of the work, (2) reviewed construction means, methods, techniques, sequences or procedures, (3) reviewed copies of requisitions received from subcontractors and material suppliers to substantiate the Contractor's right to payment, or (4) ascertained how or for what purpose the contractor has used money previously paid.

C. The Architect shall maintain a record of all contractors' applications for payment.

ARTICLE 13. SUBMITTALS

A. The Architect shall review and approve or take other appropriate action upon the contractors' submittals such as shop drawings, product data and samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Architect's action shall be taken with such reasonable promptness as to cause no delay in the work or in the activities of the City or contractors while allowing sufficient time in the Architect's professional judgment to permit adequate review. Review of such submittals is not conducted for the purpose of determining the accuracy and completeness of other details such as dimensions and quantities, or for substantiating instructions for installation or performance of equipment or systems, all of which remain the responsibility of the contractors as required by the Contract Documents. The Architect's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by the Architect, of any construction means, methods, techniques, sequences or procedures. The Architect's

approval of a specific item shall not indicate approval of an assembly of which the item is a component.

B. The Architect shall maintain a record of submittals and copies of submittals supplied by contractors in accordance with the requirements of the Contract Documents.

C. If professional design services or certifications by a design professional related to systems, materials or equipment are specifically required of a contractor by the Contract Documents, the Architect shall specify appropriate performance and design criteria that such services must satisfy provided, however that the Architect shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications or approvals performed by such design professionals.

ARTICLE 14. CHANGES IN THE CONSTRUCTION WORK

A. The Architect shall prepare change orders and obtain from the Contractor supporting documentation and data for the City's approval and execution thereof in accordance with the Contract Documents. Upon obtaining City's Designated Representative's written approval, the Architect may authorize minor changes in the Work not involving an adjustment in compensation or an extension of the time which are consistent with the intent of the Contract Documents. If necessary, the Architect shall prepare, reproduce and distribute drawings and specifications to describe work to be added, deleted or modified. Architect and its consultants shall meet with City and its contractors to assist in the negotiation of change orders, and review any contractor's request for change orders, advise whether such proposed changes are already included in the scope of the work described in Contract Documents and advise that the proposed adjustments to the contract and the construction schedule are consistent with industry standards.

B. The Architect shall review requests by the City or its contractors for changes in the Work, including adjustments to the compensation or time. Architect may require that request for a change in the work be accompanied by sufficient supporting data and information to permit the Architect to make a reasonable determination without extensive investigation or preparation of additional drawings or specifications. If the Architect determines that requested changes in the work are not materially different from the requirements of the Contract Documents, the Architect may recommend to the City that the requested change be approved.

C. If the Architect determines that implementation of the requested changes would result in a material change that may cause an adjustment in compensation or time, and the Architect has determined that it will or might recommend to the City that the City approve the change, then based upon information furnished by the contractor, if any, the Architect shall estimate the additional cost and time that might result from such change, including any additional costs attributable to a change in services of the Architect, and the Architect shall then recommend in writing approval or disapproval of the change explaining the reasons for the recommendation. After the City's written approval of the change has been issued, the Architect shall incorporate those estimates into a change order or other appropriate documentation for the City's execution or negotiation with the contractor.

D. The Architect shall maintain records relative to changes in the work, as required by Article 16 below.

ARTICLE 15. PROJECT COMPLETION

A. The Architect shall conduct inspections to determine the dates of the substantial completion and final completion (including reviewing the correction of all punch list items, until all punch list items have been corrected to City's satisfaction) and shall issue a "Certificate of Substantial Completion" and a "Certificate of Final Completion" (based on Architect's inspections and actual knowledge). Architect shall receive, review and forward to City, for the City's review, written warranties and related documents required by the Contract Documents and assembled by contractors. Architect shall also be responsible for receiving from Contractor all manuals of operation of mechanical, electrical and other equipment which are required by Contract Documents, and shall deliver to City copies of same as such mechanical, electrical or other system is completed. Architect shall prepare for City a list of observed items, materials or systems that require replacement or additional work by contractors. Architect's Construction Documents shall specify that, at the conclusion of the construction of the Project and based upon information kept current by the contractors, the Architect shall prepare and furnish to City a complete record set of Drawings and Specifications depicting the Project as modified during construction.

B. The Architect's inspections shall be conducted with the City's Designated Representative to check conformance of the work with the requirements of the Contract Documents and to verify the accuracy and completeness of the list submitted by the contractors of work to be completed or corrected.

C. When the work is found to be substantially complete, the Architect shall inform the City about the balance of the sums remaining to be paid the contractors, including any amounts needed to pay for final completion or correction of the work.

D. The Architect shall receive from the Contractor and forward to the City consents of surety or sureties, if any, to reduction in or partial release of funds retained by City or the making of final payment.

ARTICLE 16. RECORDS

A. Architect shall maintain records and books in a manner approved by City for the keeping of such records during the term of this Agreement and for three (3) years after the completion of this Agreement and its extensions if there shall be any.

B. Such records shall be available at Architect's office for review during normal operating hours and Architect shall permit the authorized representatives of City, the County, the State or the Federal government to audit all data and records of the Architect relating to the performance of this Agreement.

C. All information, data, reports, records, maps and surveying results which relate to the performance of this Agreement and which are available to City, shall be furnished to Architect without charge.

ARTICLE 17. ADDITIONAL SERVICES

City may require Consultant to perform additional services outside the scope of services set forth in this Exhibit A. City shall pay Consultant for such additional services as described in Exhibit E-1 of this Agreement.

EXHIBIT A-1

Progress Schedule

The Architect proposes the following work schedule which shall commence at the discretion of City:

Commencement of work:	Upon receipt of Notice to Proceed
Schematic Design Documents:	6 weeks
Design Development Documents:	6 weeks
Construction Documents:	12 weeks
Permitting:	1 month
Construction Procurement:	2 months
Construction:	10 months

Upon submission by Architect of the schematic design, design development and construction documents, the City shall have two (2) weeks to review and comment on the documents, respectively.

EXHIBIT A-2

Project/Building Elements

The objective of this project is to remodel and improve the first and second floors in City Hall for staff offices and related functions. The basis of the plan is the attached Exhibit G, Conceptual Floor Plans, labeled CITY HALL – FIRST FLOOR, dated March 31, 2008 and CITY HALL – SECOND FLOOR, dated August 21, 2007, attached hereto and incorporated herein

The scope of work includes:

1. Remodel of approximately 6,200 square feet of first floor for Community Services Department, City Attorney's offices, Communication's offices and staff lunch room; and upgrades to fire/life safety system and HVAC system at City Clerk's offices. Construction is intended to be performed in multiple phases.
2. Remodel of approximately 11,000 square feet of second floor for Administrative Services Department and training / conference facilities; and minor cosmetic upgrade of the public corridors. Construction is intended to be performed following the first floor remodel as a single phase.
3. The remodel construction requires the relocation of staff offices and functions to other locations in City Hall and/or to the temporary modular buildings located on Third Street. Space planning services for the temporary relocation of City staff offices are included in the project scope of work.
4. Upgrade of fire/life safety systems to portions of City Hall outside the areas noted above.
5. Services shall include cost estimating by a professional cost estimator at the Design Development and Construction Documents phases.
6. Bid packages shall be prepared for both floors in a fashion that permits bidding as one bid or each floor separately.

EXHIBIT A-3

Project Visits of Architect's Consultants

The Architect's Consultants shall make Project visits as required by City and/or Architect and are in addition to any coordination meeting between Architect and Architect's Consultants.

EXHIBIT B

Compensation/Payment Terms

A. City shall compensate Architect for the satisfactory performance of services described in the Agreement an amount not to exceed Three Hundred Twenty-Eight Thousand Dollars (\$328,000.00) for professional fees based on the rates set forth in Exhibit D, attached hereto and incorporated herein. City shall pay Architect for reimbursable expenses reasonably incurred in the performance of this Agreement as described in Exhibit E, attached hereto and incorporated herein, in an amount not to exceed Nineteen Thousand Eight Hundred Dollars (\$19,800). If additional design services are required by City, City shall pay Architect in accordance with the terms set forth in Exhibit E-1, attached hereto and incorporated herein.

B. Architect shall provide City with monthly invoices in a form acceptable to City for services performed. Such invoices shall describe in detail the work performed during the previous month and the hours spent performing the work. Invoices shall request that payment be made in proportion to the portion of total services performed, and also indicate the percent complete of that phase of the Work. City shall pay satisfactory invoices within forty-five (45) days. However, in no event shall Architect be paid more than the following:

1. Fifteen percent (15%) of the total Agreement price upon the satisfactory completion of the Schematic Design documents;
2. Thirty-Five percent (35%) of the total Agreement price upon the satisfactory completion of the Design Development documents;
3. Seventy-Five percent (75%) of the total Agreement price upon the satisfactory completion of the Construction Documents.
4. Eighty percent (80%) of the total Agreement price upon completion of the bidding.
5. One hundred percent (100%) of the total Agreement price upon the completion of construction of the Project.

C. If City exercises its right to terminate the Agreement other than for cause pursuant to Section 11 of the Agreement, compensation to Architect shall be based on the actual work completed at the time of termination, but in no case exceed the percentage shown above for the phase which was in progress when the services were terminated.

EXHIBIT C

Responsible Personnel

The following key personnel will be dedicated for the duration of the Project:

Mandana Motahari Design Principal

EXHIBIT D

Schedule of Hourly Rates

Principals:

Herb Katz	\$211.25
Mandana Motahari	195.00
Sami El Bayer	178.75
Tom Takahashi	162.50
William So	112.13
Alfredo Cabrera	74.75

Technical Staff

Don Wheeler	\$146.25
Yvonne Schenk	113.75
Anne Tait	97.50
Philip Trigas	97.50
Peter Merlin	95.88
Stephen Bacchetti	91.00
Ronald Sison	84.50
Soheyla Khalili	76.38
Ji Kim	60.13
Shin Sung Kim	56.88

EXHIBIT E

Reimbursable Costs

Reimbursable expenses for printing and plotting, and computer rendering of the interior design, reasonably incurred by the Architect and the Architect's employees in connection with the Project shall be billed at direct cost. City shall be responsible for reproductions of bid sets. A budget not to exceed Nineteen Thousand Eight Hundred Dollars (\$19,800) shall cover such reimbursable expenses.

EXHIBIT E-1

Contingency

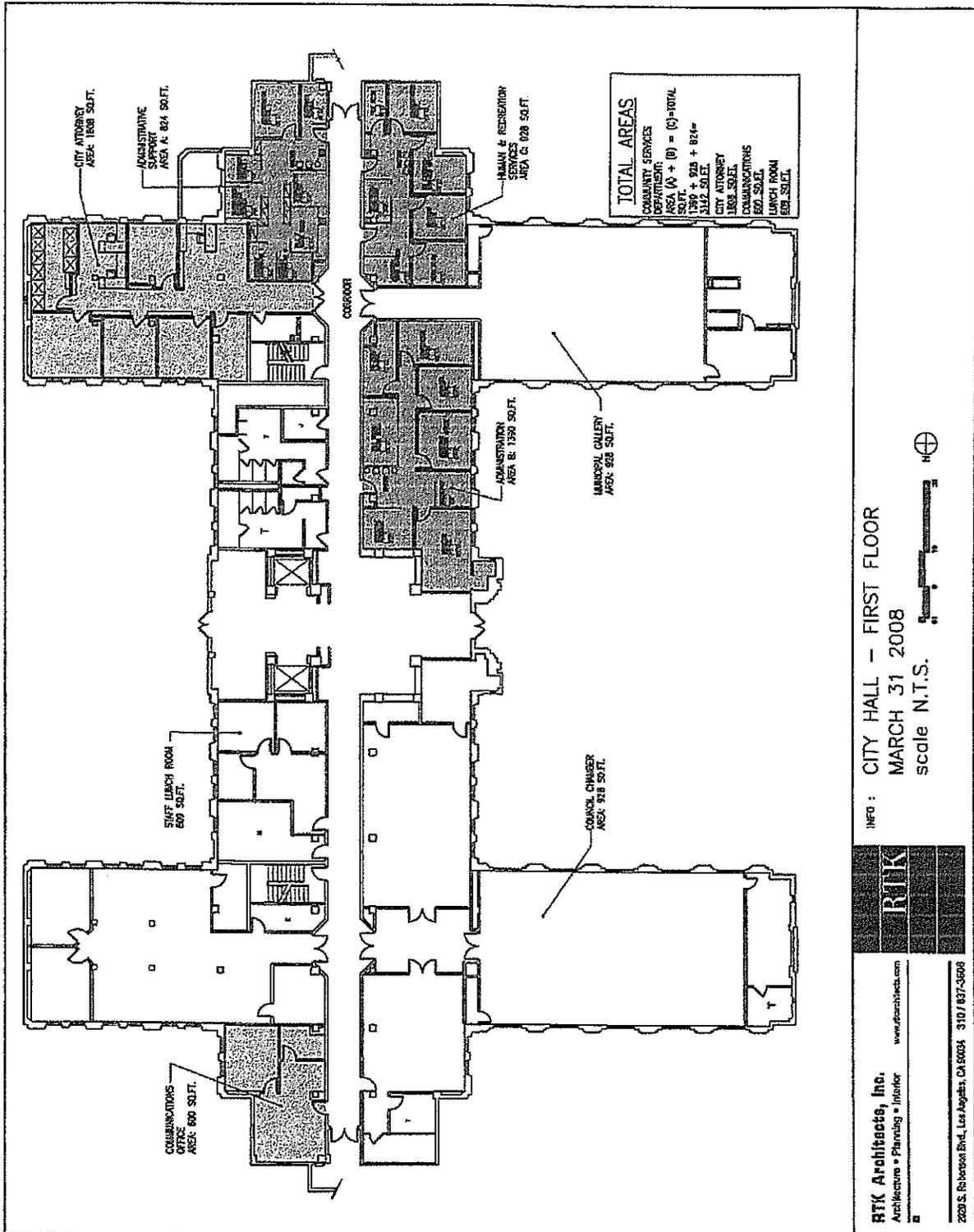
In addition to the fee the City hereby establishes a contingency amount of Twenty Thousand Dollars (\$20,000) for services in connection to the Project for the extended design period required by City or for unforeseen conditions yet to be defined. Said sum, or a portion thereof, shall not be expended until the City defines the scope and specifically authorizes the services and the cost in writing.

EXHIBIT F

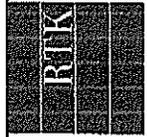
Architect's Consultants

Mechanical Engineer: Project Engineer:	S.Y. Lee & Associates Sang Lee, P.E. 143 S. Glendale Ave, Suite 205 Glendale, CA 91205 (818) 242-2800
Structural Engineer: Project Engineer:	Maged Saad & Associates Maged Saad, SE 13773 Ventura Bl Encino, CA 91316 (818) 783-8600
Electrical Engineer: Project Engineer:	N.A. Cohen Group Dick Rittner, P.E. 15720 Ventura Bl, Suite 500 Encino, CA 91436 (818) 461-1420
Cost Estimator:	Ciaran P. O'Halloran 2659 Townsgate Road, Suite 213 Westlake Village, CA 91361 (805) 494-3703

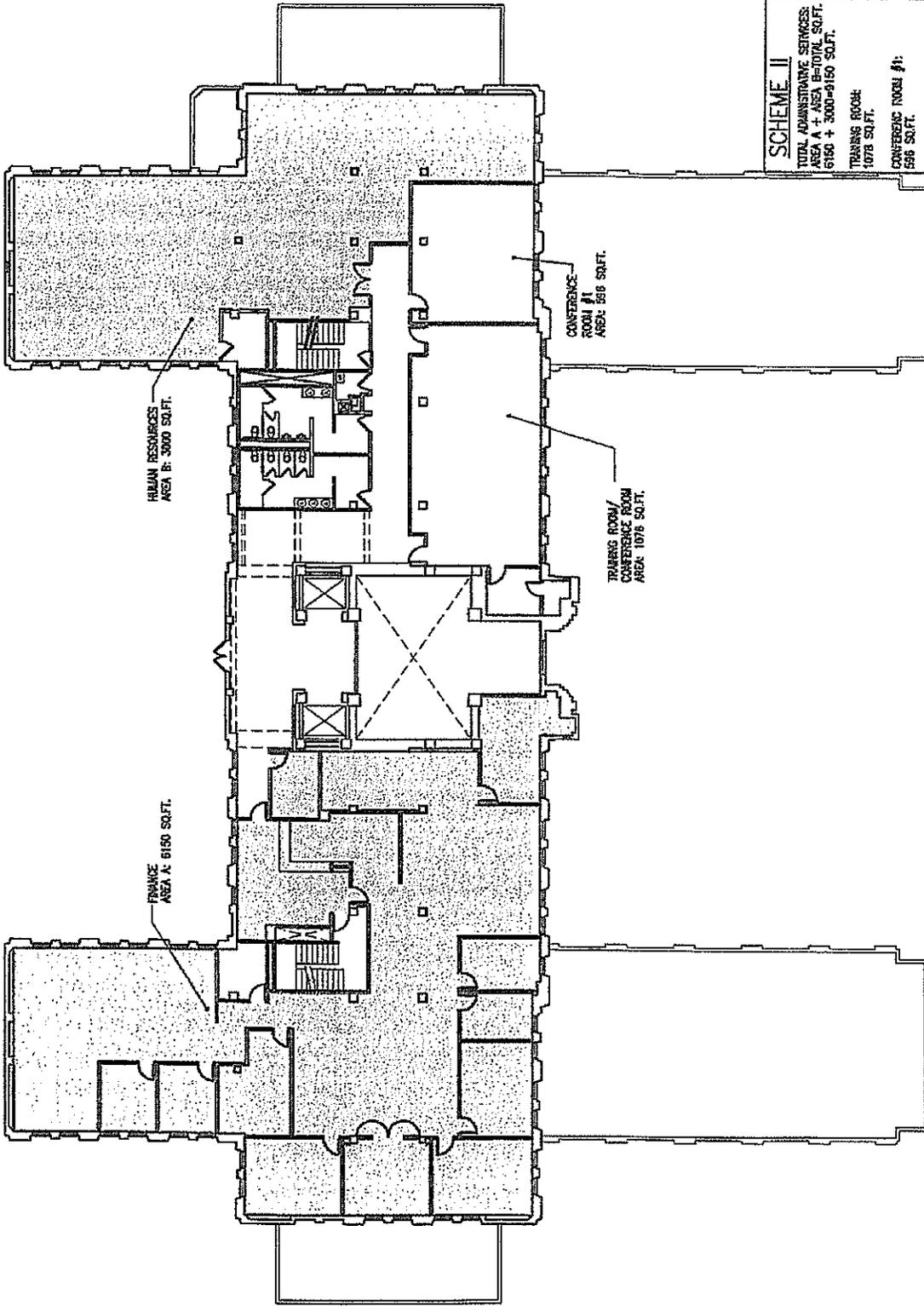
EXHIBIT G



INFO : CITY HALL - FIRST FLOOR
 MARCH 31 2008
 scale N.T.S.



RTK Architects, Inc.
 Architecture • Planning • Interiors
 www.rtkarchitects.com
 220 S. Robertson Blvd., Los Angeles, CA 90024 310 / 837-3596



SCHEME II
 TOTAL ADMINISTRATIVE SERVICES:
 AREA A + AREA B=TOTAL SQ.FT.
 6150 + 3000=9150 SQ.FT.
 TRAINING ROOM:
 1078 SQ.FT.
 CONFERENCE ROOM #1:
 596 SQ.FT.

INFO : CITY HALL- SECOND FLOOR
 AUGUST 21, 2007
 scale N.I.S.



RTK Architects, Inc.
 Architecture • Planning • Interior
www.rtkarchitects.com

2020 S. Robertson Blvd., Los Angeles, CA 90034 310 / 837-3858



COMMUNITY DEVELOPMENT DEPARTMENT

455 N. Rexford Drive
Beverly Hills, CA 90210-4817
(310) 285-1123
FAX: (310) 858-5966

www.beverlyhills.org

CITY OF BEVERLY HILLS

Categorical Exemption

NAME OF PROJECT CITY HALL FIRST & SECOND FLOORS REMODEL AND IMPROVEMENTS

LOCATION 455 N. Rexford Drive, Beverly Hills, California

TYPE OF BUSINESS (IF COMMERCIAL) City Hall

PROJECT DESCRIPTION Interior remodel of portions of the facility - 6,200 square feet of first floor offices; and 11,000 square feet of second floor offices.

APPLICANT'S NAME City of Beverly Hills PHONE 310-285-1188

APPLICANT'S ADDRESS Public Works & Transportation Project Administration, 345 Foothill Road

CITY Beverly Hills, CA ZIP 90210

IF DIFFERENT, PROVIDE:

AGENT'S NAME PHONE

AGENT'S ADDRESS

CITY ZIP

The undersigned, having received this project for processing, has reviewed it for environmental impact and concluded that the project qualifies for a categorical exemption under the procedures adopted by the City of Beverly Hills and no further environmental assessment is necessary.

Applicable Exemption Class 1

COMMENTS REMODEL OF EXISTING PUBLIC FACILITY, NO EXPANSION IN CAPACITY

REVIEWED BY [Signature] Date 5/8/08

FEE \$ (See current Planning Department Fee Schedule)