



AGENDA REPORT

Meeting Date: April 22, 2010
Item Number: G-8
To: Honorable Mayor & City Council
From: Alan Schneider, Director of Project Administration
Subject: APPROVAL OF AMENDMENT NO. 4 TO THE AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND STEGEMAN AND KASTNER, INC. FOR PROJECT MANAGEMENT CONSULTANT SERVICES RELATED TO THE CITY'S CAPITAL IMPROVEMENT PROJECTS; AND
APPROVAL OF A CHANGE PURCHASE ORDER IN THE AMOUNT OF \$15,000 TO STEGEMAN AND KASTNER, INC. FOR THESE SERVICES

Attachments: 1. Agreement

RECOMMENDATION

Staff recommends that the City Council move to approve Amendment No. 4 to the agreement with Stegeman and Kastner, Inc. in the not-to-exceed amount of \$15,000 for project management consulting services related to City Capital Improvement projects, and approve a Change Purchase Order in the amount of \$15,000 for these services. The total compensation under this agreement is \$315,000.

INTRODUCTION

In 2006, the City entered into an agreement with Stegeman and Kastner to provide professional consulting services to supplement Project Administration staff in the administration of the City's Capital Improvement (CIP) projects. The proposed amendment is to provide compensation to continue their project management services related to current CIP projects.

DISCUSSION

During the past three and one half years, Stegeman and Kastner has provided services on the remodel and expansion of the Emergency Operations Center (EOC) and relocation of offices in the Police Facility, first floor remodel of City Hall, and relocation of

City staff to the modular buildings. A brief summary of the consulting services specified under the agreement are as follows:

- Program development
- Assist in Architect selection
- Review of design concept
- Review of schematic & design development design
- Review of construction documents
- Contract administration
- Project scheduling
- Project budgeting
- Value engineering
- Review general contractor procedures
- Change order control
- Review contractor pay requests
- Conduct construction meetings
- Provide field observation during construction
- Assist in project close-out

Currently, the City is in the final phase of the remodel of the third floor of City Hall under Tower General Contractor's contract. This phase of the project involves complicated phasing and logistical issues to maintain full operations of the facilities during the remodeling construction and move back of City staff into City Hall. Completion of the third floor remodel is on schedule for early-June, with move in of the Administrative Services Department staff in the third week of June.

Consequently, it is recommended that Stegeman and Kastner continue to provide services to complement staff in the management of this project to ensure timely completion and control of the construction costs. They have provided professional, timely and responsive service and demonstrated their ability as project managers.

The proposed consultant's fee under this amendment is a not-to-exceed amount of \$15,000 based on the hourly rates specified in the agreement.

FISCAL IMPACT

Funding for the agreement has been allocated from the CIP project budget for City Hall Master Projects #0851 and is within the project contingency.



Scott G. Miller
Finance Approval



David D. Gustavson
Approved By

Attachment 1

Agreement

AMENDMENT NO. 4 TO AN AGREEMENT BETWEEN THE CITY OF
BEVERLY HILLS AND STEGEMAN AND KASTNER, INC. FOR
PROJECT MANAGEMENT CONSULTANT SERVICES RELATED TO
THE CITY'S CAPITAL IMPROVEMENT PROJECTS

NAME OF CONSULTANT: Stegeman and Kastner, Inc.

RESPONSIBLE PRINCIPAL
OF CONSULTANT: Fritz W. Kastner, Chairman

CONSULTANT'S ADDRESS: 2601 Ocean Park Boulevard, Suite 300
Santa Monica, California 90405
Attention: Fritz Kastner

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: David Gustavson,
Director of Public Works & Transportation

COMMENCEMENT DATE: Upon receipt of a Notice to Proceed

TERMINATION DATE: September 30, 2010

CONSIDERATION: Original Agreement:
Not to exceed \$100,000, based on the rates and actual
cost of reimbursable expenses described in Exhibit B-1;

Amendment No. 1:
Not to exceed \$50,000, based on the rates and actual
cost of reimbursable expenses described in Exhibit B-1;

Amendment No. 2:
Not to exceed \$100,000, based on the rates and actual
costs of reimbursable expenses described in
Exhibit B-1;

Amendment No. 3:
Not to exceed \$50,000 based on the rates and actual
cost of reimbursable expenses described in Exhibit B-1

Amendment No. 4
Not to exceed \$15,000, based on the rates and actual
cost of reimbursable expenses described in Exhibit B-1

Total not to exceed \$315,000

AMENDMENT NO. 4 TO AN AGREEMENT BETWEEN THE CITY
OF BEVERLY HILLS AND STEGEMAN AND KASTNER, INC. FOR
PROJECT MANAGEMENT CONSULTANT SERVICES RELATED
TO THE CITY'S CAPITAL IMPROVEMENT PROJECTS

This Amendment No. 4 is to that certain Agreement between the City of Beverly Hills, a municipal corporation ("City"), and Stegeman and Kastner, Inc. ("Consultant"), dated August 1, 2006 and identified as Contract No. 283-06 as amended by Amendment No. 1 dated June 19, 2007 and identified as Contract No. 213-07; Amendment No. 2, dated January 6, 2009 and identified as Contract No. 02-09; and Amendment No. 3, dated October 22, 2009 and identified as Contract 409-09 ("Agreement") for project management consultant services related to the City's capital improvement projects.

RECITALS

A. City entered into a written agreement with Consultant for project management consultant services related to the City's capital improvement projects, dated August 1, 2006, which has been previously amended.

B. CITY desires to extend the Termination date, to increase the Consideration to compensate Consultant for the additional time needed to complete work on City Hall and Police Facility projects and to amend Exhibit B-1 regarding compensation.

NOW, THEREFORE, the parties agree as follows:

Section 1. The Termination Date shall be amended as set forth above.

Section 2. The Consideration shall be amended as set forth above.

Section 3. Exhibit B-1, Schedule of Rates, shall be amended as attached hereto and incorporated herein by this reference.

Section 4. Except as amended by Section 1 of Amendment No. 2 and specifically set forth in this Amendment No. 4, the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the _____ day of _____, 20____, at Beverly Hills, California.

CITY OF BEVERLY HILLS
A Municipal Corporation

JIMMY DELSHAD
Mayor of the City of Beverly Hills,
California

ATTEST:

BYRON POPE
City Clerk

CONSULTANT: STEGEMAN AND
KASTNER, INC.

FRIEDRICH KASTNER
Chief Executive Officer

[Signatures continue]



RANDALL FULTON
Treasurer

APPROVED AS TO FORM



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:



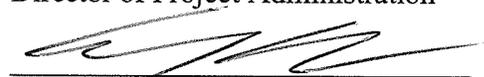
JEFFREY KOLIN
City Manager



DAVID D. GUSTAVSON
Director of Public Works & Transportation



ALAN SCHNEIDER
Director of Project Administration



KARL KIRKMAN
Risk Manager

EXHIBIT B-1

Schedule of Rates

City shall pay Consultant for the satisfactory performance of all services required by this Agreement an amount not to exceed Three Hundred Fifteen Thousand Dollars (\$315,000), and based on the hourly rates set forth in this Exhibit and reasonable reimbursement expenses as described below.

A. Fees

Hourly rates:

Principal	\$216
Project Executive	\$196
Senior Vice President	\$180
Project Manager	\$170
Assistant Project Manager	\$150
Project Engineer	\$ 98

B. Reimbursable Expenses

Reimbursable expenses reasonably incurred by Consultant in the performance of services under this Agreement shall be reimbursed by City. These expenses may include only the following: delivery, messenger services plus 10%, and parking at actual cost; photocopying at 10¢ per page and mileage, adjusted to I.R.S. standard rate, currently \$0.485 per mile. In addition, City shall reimburse Consultant for the cost of the premium to carry Professional Liability Insurance, up to a maximum amount of \$28,648. Other reasonable expenses incurred in the performance of this Agreement may be reimbursed with the prior written approval of the City Representative, City Manager or his designee.

City shall pay Consultant for its expenses incurred in the performance of authorized services in amounts equal to the rates outlined above. These rates shall be fixed until June 30, 2009 and shall be adjusted annually thereafter as follows: Beginning January 1, 2008, the rates shall be adjusted in accordance with the increase, or decrease, in the Los Angeles-Long each Consumer Price Index for All Urban Consumers, published by the U.S. Bureau of Labor Statistics ("CPI"). the change in the CPI shall be the percentage difference between the CPI for the month of January 2007 and the month of January 2008 and the first month of each subsequent year.