



AGENDA REPORT

Meeting Date: January 24, 2013

Item Number: F-9

To: Honorable Mayor & City Council

From: Donielle Kahikina, Associate Project Manager 
Alan Schneider, Director of Project Administration 

Subject: APPROVAL OF AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND MATT CONSTRUCTION CORPORATION FOR CONSTRUCTION MANAGEMENT SERVICES RELATED TO THE ROXBURY COMMUNITY CENTER PROJECT; AND
APPROVAL OF A CHANGE PURCHASE ORDER IN THE AMOUNT OF \$1,178,445 TO MATT CONSTRUCTION CORPORATION FOR THE WORK

Attachments: 1. Agreement

RECOMMENDATION

It is recommended that the City Council approve "Amendment No. 1 to the Agreement between the City of Beverly Hills and Matt Construction Corporation for Construction Management Services Related to the Roxbury Community Center", and approve a Change Purchase Order in the amount of \$1,178,445 for construction management services.

INTRODUCTION

At the October 2, 2012 Study Session, staff presented an update to the full Council on the development process for the Roxbury Community Center. Staff received direction from the City Council related to project implementation as proposed under the construction management approach. An agreement with Matt Construction Corporation (Matt) for preconstruction services, in the amount of \$49,000 was executed under the authority of the City Manager. The proposed Amendment No. 1 to the Matt agreement is to provide construction management services during the construction of the project.

DISCUSSION

Staff proposes to contract for this project using the Construction Manager Multi Prime (CMMP) delivery method to assure constructability of components, that the facility being planned is cost effective and meets the project budget, built on schedule and of the highest quality.

In this method the Construction Manager (CM) is a consultant to the City who is engaged early in the design process to review the plans and specifications as they are being developed, provide value engineering, provide detailed cost estimating, pre-qualify trade subcontractors, prepare schedules, and bid the trades.

The Construction Manager will also prepare and coordinate all bid packages required to build the project, which is similar to the Design-Bid-Build method. Rather than subcontractors bidding to and selected by the general contractor, each package of trades pursuant to Public Contracting Code is bid by the City to pre-qualified subcontractors. These prime contractor contracts are held by the City and managed by the Construction Manager.

This type of delivery method is widely used by other municipalities, and has been successful in the early construction phase of the Public Works Warehouse project and in most cases result in minimizing the need for change orders and cost escalation.

Construction Management Scope of Services

General

1. Provide construction management and related administrative services as required to coordinate work of the prime contractors with each other and with the activities and responsibilities of Construction Manager, the City's Project Manager and Architect, to complete the Project in accordance with the City objectives for cost, time, and quality.
2. Provide document quality control review, cost estimating, construction oversight, and other construction administrative support.
3. Provide Pre-Construction Services for the Construction Document Phase of design. Includes finalization of construction schedule for prime contractor bidding purposes, budget estimate at 50% construction documents, bid packaging, bidder solicitation and prequalification, and preparation of qualified bidder list.

Coordination

1. Provide orchestration of prime contractors' field activity; construction observation; arrangement, coordination, and supervision of material testing and special inspection services, and project close-out services.
2. Schedule and conduct construction progress meetings on weekly basis to discuss such matters as procedures, progress, issues, problems, and scheduling. Prepare and promptly distribute meeting agenda and minutes.
3. Provide construction oversight to monitor prime contractors' implementation of the correct Project construction means, methods, techniques, sequences, and procedures. Implement a process to achieve satisfactory performance from each of the prime contractors. Recommend courses of action to the City's Project Manager when requirements of the construction contract are not being fulfilled, and the non-performing party will not take corrective action.

4. Observe and require that all inspections and tests required by Community Development Building and Safety Division and by the consulting testing and inspection firms, be performed. In the event of non-compliance with inspections of failure of tests, provide the necessary steps and recommendation(s) to the City's Project Manager to obtain compliance.
5. Obtain the Certificate of Occupancy and establish the date of Substantial Completion in accordance with specifications.

Budget / Costs

1. Thoroughly review, analyze and investigate each prime contractor's change order request, and provide the City's Project Manager a written recommendation of the merits of the request.
2. Recommend necessary or desirable changes to the Architect and the City's Project Manager and provide advice regarding such changes, implement change order procedures, review requests for changes, assist in negotiating prime contractor proposals, submit recommendations to the Architect and the City's Project Manager, and if they are accepted, prepare change orders for the Architect's and prime contractors' signatures and Project Managers authorization.
3. Analyze claims for extension of time; prepare estimates based upon alleged cause of claim. Construction Manager shall prepare and distribute change order reports on a monthly basis throughout the construction phase.
4. Develop and implement procedures for the review and processing of applications for payment by prime contractors for progress and final payments. Make recommendations and provide advice to the Architect for certification to the City's Project Manager for payment.

Schedule

1. Provide preparation for construction sequencing and evaluation to produce the master project schedule.
2. Update the master project schedule incorporating the activities of the trade contractors, including activity sequence and duration, processing of shop drawings, product data and samples, and delivery of products requiring long lead time procurement.

Reporting

1. Observe and record the progress of the Project, and submit written progress reports to the City's Project Manager and to the Architect on a monthly basis. Include information on each prime contractor's performance working during the period, as well as the entire project.
2. Provide budget updates indicating percentages of completion and the dollar amounts of change orders.
3. Provide progress photos.
4. Use reasonable diligence to discover work performance by prime contractor(s) that is not in compliance with the contract documents.

Safety

1. Verify that safety programs are developed by each of the prime contractors as required by the contract documents.
2. Construction Manager shall take necessary precautions for the safety of its employees, all prime contractors and others on the Project site and comply with the applicable safety laws and building codes to prevent accidents or injuries to person on, about, or adjacent to the project site.

Total compensation for services under this amendment is \$1,178,445, comprised of a fee of \$323,000, preconstruction management services for bidding of \$51,000, general condition expenses for \$729,445 and an additional \$75,000 for contingencies.

The construction manager's fee is based on 3% of the project construction cost and represents the firm's profit and general office overhead. Staff feels the fee is appropriate for the project and compares to a 4% amount estimated by the City's professional cost estimator prior to the initial agreement with Matt.

The general conditions expenses are the direct costs for the project on site management services, and include a staff of three, field office and other temporary facilities, and miscellaneous costs for the full duration of the construction work. A breakdown of expenses includes the following:

- Monthly expenses at \$57,351 for 10 months \$573,510
- Temporary facilities \$124,000
- Post construction expenses..... \$ 31,935

Should the City Council approve this amendment for these consultant services, the total compensation under this agreement is not to exceed \$1,227,445.

FISCAL IMPACT

Funding for this agreement is allocated in the fiscal year 12-13 Capital Improvement Program (CIP) budget for Park Facilities Renovation – Roxbury Park.



Noel Marquis
Finance Approval



David D. Gustavson
Approved By

Attachment 1

AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND MATT CONSTRUCTION CORPORATION FOR CONSTRUCTION MANAGEMENT SERVICES RELATED TO THE ROXBURY COMMUNITY CENTER PROJECT

NAME OF CONSULTANT: Matt Construction Corporation

RESPONSIBLE PRINCIPAL OF CONSULTANT: James Muenzer, Senior Vice President

CONSULTANT'S ADDRESS: 9414 Norwalk Boulevard, Suite 100
Santa Fe Springs, CA 90670
Attention: James Muenzer
Senior Vice President

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

COMMENCEMENT DATE: Upon Written Notice to Proceed

TERMINATION DATE: June 30, 2014

CONSIDERATION: Original Agreement
Not to exceed \$49,000.00, including all reimbursable expenses and described in Exhibit B;

Total not to exceed \$49,000.00

Amendment No. 1
Fee and all reimbursable expenses shall not exceed \$1,103,445 as described in Exhibit B;

Contingency shall not exceed \$75,000 as described in Exhibit B;

Total of Amendment 1 not to exceed \$1,178,445;

Total of original Agreement and Amendment No. 1 not to exceed \$1,227,445

AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND MATT CONSTRUCTION CORPORATION FOR CONSTRUCTION MANAGEMENT SERVICES RELATED TO THE ROXBURY COMMUNITY CENTER PROJECT

THIS AMENDMENT NO. 1 is to the Agreement between the City of Beverly Hills (hereinafter called "CITY"), and Matt Construction Corporation (hereinafter called "CONSULTANT") dated November 6, 2012, and identified as Contract No. 488-12.

RECITALS

A. CITY entered into a written contract with CONSULTANT for preconstruction services related to the Roxbury Community Center Project located at 471 S. Roxbury Drive.

B. CITY desires to amend the Agreement to change the Termination Date, increase the scope of services to include the construction and post-construction phases, and increase the Consideration for these services.

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. Section 12 of the Agreement entitled "Indemnification" shall be amended as follows:

"Section 12. Indemnification.

A. Consultant agrees to indemnify, hold harmless and defend CITY, the City Council and each member thereof, and every officer, employee and agent of CITY from any claim, liability or financial loss (including without limitation, attorneys fees and costs) arising out of the acts or omissions of CONSULTANT, its employees, agents, representatives, and/or subcontractors, whether intentional, reckless, negligent, or otherwise wrongful, in the performance of this Agreement.

B. To the fullest extent permitted by law, CITY shall require its Prime Contractor(s) to indemnify, defend and hold harmless CONSULTANT, CITY, its officers, employees and agents, Architect, and Architect's consultants against any and all claims, liability, injuries, or death of persons, and damage to property (including, without limitation, attorneys fees, costs and expenses) arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Prime Contractor(s), including Prime Contractor(s)' employees, agents, sub-contractors or suppliers, save and except claims or litigation arising through the sole active negligence or sole willful misconduct of CITY."

Section 4. Exhibit A, "Scope of Work", shall be amended as attached hereto and incorporated herein.

Section 5. Exhibit A-2, "Progress Schedule", shall be added to the Agreement as attached hereto and incorporated herein.

Section 6. Exhibit A-3, "Project Budget", shall be added to the Agreement as attached hereto and incorporated herein.

Section 7. Exhibit A-4, "Construction Manager's Key Personnel", shall be added to the Agreement as attached hereto and incorporated herein.

Section 8. Exhibit B, "Schedule of Payment and Rates", shall be amended as attached hereto and incorporated herein.

Section 9. Except as specifically amended by this Amendment No. 1, the original Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1 on the _____ day of _____, 201____ at Beverly Hills, California.

CITY:
CITY OF BEVERLY HILLS
A Municipal Corporation

WILLIAM W. BRIEN, M.D.
Mayor of the City of
Beverly Hills, California

ATTEST:

BYRON POPE
City Clerk

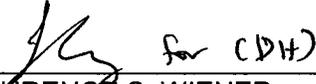
CONSULTANT:
MATT CONSTRUCTION CORPORATION

STEVEN MATT
Chief Executive Officer

KENNETH BLAKELEY
Chief Financial Officer

[Signatures continue]

APPROVED AS TO FORM:



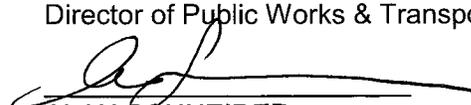
LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY C. KOLIN
City Manager



DAVID D. GUSTAVSON
Director of Public Works & Transportation



ALAN SCHNEIDER
Director of Project Administration



KARL KIRKMAN
Risk Manager

EXHIBIT A

SCOPE OF WORK

ORIGINAL AGREEMENT

CONSULTANT, under the direction of the CITY'S Project Manager, shall perform the following services utilizing its key personnel listed in Exhibit A-4, attached hereto and incorporated herein:

Scope for Pre-Construction Services

CONSULTANT shall provide preconstruction services in connection with the CITY's development project, Roxbury Community Center ("Project"), located at 471 S. Roxbury Drive, Beverly Hills, California, 90213.

Scope of Services

With regard to the above Project, CONSULTANT shall work in support of the CITY's designated project manager. The scope of CONSULTANT's services to be provided includes the following tasks:

General

1. Attend bi-weekly meetings for updates for overall project.
2. Attend Team meeting for design updates and coordination of information to be implemented into the project documents.

Schematic Design Phase

1. Provide preliminary site logistics considerations for potential phasing and access.
2. Provide constructability input that may be needed.
3. Review CITY's cost estimator budget based upon Schematic Design package.
4. Provide structural system recommendations for the design to best suit an efficient and economical construction process for the project.
5. Provide recommendations for material and methods to assist the design team in creating an economical project while maintaining quality during the design development/construction document phase.
6. Review; provide analysis and feedback for defined systems such as mechanical, electrical, roofing, and building envelope for efficient building system keeping the targeted budget in consideration.

Design Development Phase

1. Refine site logistics for phasing and access.
2. Provide initial preliminary schedule for construction.
3. Provide initial estimate, with select prime contractor input, for budget and tracking of design development purposes.
4. Continue to provide constructability input that may be needed.
5. Develop initial scope documents for bid packaging.
6. Review design iterations and provide feedback to the design team and CITY on coordination and constructability issues pertaining to the drawing development.
7. Investigate cost effective methods and materials that may improve the value of the design and provide overall project savings while meeting the usage intent of the building.
8. Provide value engineering for major components as necessary to achieve the budget goal of the CITY.+

AMENDMENT NO. 1

Scope for Construction & Post Construction Phases

CONSULTANT, utilizing key personnel listed in Exhibit A-4 and under the direction of the CITY's Project Manager ("Project Manager"), shall provide construction management services in connection with CITY's Roxbury Community Center development ("Project"), located at 471 South Roxbury Drive, Beverly Hills, California, 90212.

CONSULTANT, in cooperation with the Architect, shall administer the contracts for the Project construction under the direction of the Project Manager. CONSULTANT shall also provide the following additional services:

General

1. Provide construction management and related administrative services as required to coordinate work of the Prime Contractors with each other and with the activities and responsibilities of CONSULTANT, the Project Manager and Architect, to complete the Project in accordance with CITY objectives for cost, time, and quality.
2. Provide document quality control review, cost estimating, construction oversight, and other construction administrative support.
3. Assist the Project Manager in selecting the professional services of surveyors, special consultant(s), and materials testing laboratories, and coordinate their services as necessary during construction.
4. Assist with the monitoring of prevailing wages for all applicable Prime Contractor work, and obtain written detailed reports from the Prime Contractor as requested by the Project Manager.
5. Require and receive certificates of insurance from the Prime Contractors and information regarding the sufficiency of coverage.
6. Provide Pre-Construction Services for the Construction Document Phase of design. Finalize the construction schedule for Prime Contractor bidding purposes, prepare a budget cost estimate at completion of 50% of the construction documents (plans and specifications), prepare the bid, solicit and prequalify bidders, and prepare a qualified bidder list.
7. Perform other customary and necessary duties for the construction of the project utilizing the construction management multi-prime delivery method.
8. With the Project Manager's approval, CONSULTANT shall act on CITY's behalf to provide directions to CITY's Prime Contractors for coordination of work activities, compliance with work quality, and adherence to the construction schedule. CITY will incorporate language in its contracts with its Prime Contractors requiring its Prime Contractors to adhere to directions provided by CONSULTANT, as authorized by CITY.

Coordination

1. Provide orchestration of Prime Contractor field activity; observe construction; arrange for, coordinate, and supervise material testing and special inspection services, and project close-out services.
2. Schedule and conduct construction and progress meetings on weekly basis to discuss such matters as procedures, progress of work, issues, problems that arise, and scheduling. Prepare and promptly distribute meeting agenda and minutes.
3. Provide construction oversight to monitor Prime Contractors' implementation of the correct Project construction means, methods, techniques, sequences, and procedures. Implement a process to achieve satisfactory performance from each of the Prime Contractors. Recommend courses of action to the Project Manager when requirements of the construction contract are not being fulfilled, and the non-performing party has not taken corrective action.
4. Establish and implement procedures for submittals and change orders; maintain logs, files, and other necessary documentation. Review and provide advice regarding all shop drawings, product data, samples, and other submittals. Coordinate all information and CONSULTANT'S comments and transmit to the Architect for review. In collaboration with the Architect, CONSULTANT shall establish and implement procedures for expediting the processing and the approval of shop drawings, product data, samples, and other submittals. CONSULTANT shall maintain logs, files, and other necessary records and documentation for City.
5. Consult with and advise the Architect and the Project Manager if any Prime Contractor requests interpretation of the meaning and intent of the drawings and/or specifications for the Project, and assist in the resolution of questions which may arise.
6. Observe and require that all inspections and tests required by the Department of Building and Safety and by the consulting testing and inspection firms, be performed. In the event of non-compliance with inspections or failure of tests, provide the necessary steps and recommendation(s) to the Project Manager to obtain compliance.
7. Assure that all closeout duties are performed by the Prime Contractors, including but not limited to, training, provision of technical, maintenance and operational manuals and warranties, as required by the project specifications, and determine the start of the warranty period.
8. Obtain the Certificate of Occupancy and establish the date of Substantial Completion in accordance with specifications.

Budget / Costs. Develop budget estimates as generally described in Exhibit A-3, attached hereto and incorporated herein, which include:

1. Maintain cost accounting records for authorized work performed under unit pricing costs and for additional work performed on the basis of actual cost of labor and materials, or any other work requiring accounting records.

2. Review, analyze and investigate all change order requests from Prime Contractors, and provide the Project Manager with a written analysis of the requests.
3. Recommend necessary or desirable changes to the Architect and the Project Manager and provide advice regarding such changes, implement change order procedures, review requests for changes, assist in negotiating Prime Contractor proposals, submit recommendations to the Architect and the Project Manager, and if they are accepted, prepare change orders for the Architect's and Prime Contractors' signatures and Project Manager's authorization.
4. Analyze claims for extension of time; prepare estimates based upon alleged cause of claim. Prepare and distribute change order reports on a monthly basis throughout the construction phase. Such reports will provide information pertaining to proposed and executed change orders and their effect on the Construction Costs and Master Project Schedule.
5. Develop and implement procedures for the review and processing of applications for payment by prime contractors for progress and final payments. Make recommendations and provide advice to the Architect for certification to the Project Manager for payment.
6. Recommend the release of retention for Prime Contractors, as warranted and in accordance with the contract for the Project.

Schedule

1. Provide preparation for construction sequencing and evaluation to produce the Master Project Schedule. Develop a progress schedule as generally described in Exhibit A-2, attached hereto and incorporated herein, including the following:
2. Update the Master Project Schedule incorporating the activities of the trade contractors, including activity sequence and duration, processing of shop drawings, product data and samples, and delivery of products requiring long lead time procurement.
3. Maintain the Master Schedule (actual vs baseline).

Reporting

1. Observe and record the progress of the Project, and submit written progress reports to the Project Manager and to the Architect on a monthly basis. Include information on each Prime Contractor's performance working during the period, as well as the entire project.
2. Provide budget updates indicating percentages of completion and the dollar amounts of change orders.
3. Provide progress photos.
4. Use reasonable diligence to discover work performance by Prime Contractor(s) that is not in compliance with the contract documents.

Safety

1. Verify that safety programs are developed by each of the Prime Contractors as required by the contract documents.
2. CONSULTANT shall take necessary precautions for the safety of its employees, all construction Prime Contractor employees and subcontractors and others on the Project site and comply with the applicable safety laws and building codes to prevent accidents or injuries to person on, about, or adjacent to the Project site.
3. With the Project Manager's approval, CONSULTANT shall act on CITY's behalf to direct CITY's Prime Contractors to comply with safety rules and regulations, and provide safety work as necessary to ensure a safe work site. CITY will, in its contracts with the Prime Contractors, require the Prime Contractors to comply with all safety directions given by CONSULTANT, as authorized by CITY.

EXHIBIT A-2

PROGRESS SCHEDULE

CONSULTANT shall develop a complete schedule for the Project and submit it for the approval of the CITY's Project Manager. The pre-construction schedule shall be coordinated with the Architect's schedule for the Schematic, Design Development, and Construction Document phases; through document review & value engineering, and estimates at 50% Design Development phase, and at 50% of the Construction Document phase; prequalification of subcontractors; bidding and awards; plan check and corrections, and City Council requirements.

This schedule shall be modified periodically, but no less frequently than at each estimate before construction, and during construction as required. However, all changes shall not be in force without the approval of the CITY's Project Manager.

The construction schedule shall not exceed 11 months from commencement of construction to substantial completion unless, in the opinion of the CITY's Project Manager, there are a verifiable unforeseen conditions or changes in scope which justify late completion.

EXHIBIT A-3

PROJECT BUDGET

CONSULTANT shall develop construction budget estimates no less frequently than at 50% Design Development phase and at 50% of the Construction Document phase. Each estimate shall be sufficiently detailed and appropriate to the then available plans and specifications.

At the end of the Schematic phase CONSULTANT and CITY shall jointly agree on a Project Budget, which may include appropriate allowances and construction contingencies. This budget shall include all of the CONSULTANTS fee and expenses. In the event any subsequent estimate, or if the bidding results in a total that exceeds the Project Budget by more than 5%, the CONSULTANT shall immediately provide value engineering recommendations to bring the Project costs in line with the Project Budget.

The CONSULTANT may recommend revisions to the Project Budget from time to time; however, it may not be changed without the written approval of the CITY's Project Manager.

EXHIBIT A-4

CONSULTANT'S KEY PERSONNEL

<u>Project Staff</u>	<u>Title</u>
Jim Muenzer	Project Executive
Faron Van Dissel	Senior Project Manager
Troy Griffin	Project Manager
Richard Oh	Project Superintendent

Construction Manager's key personnel listed above shall not be changed without the prior written approval of CITY.

EXHIBIT B

SCHEDULE OF PAYMENT AND RATES

ORIGINAL AGREEMENT

CITY agrees to compensate CONSULTANT for the work described in Exhibit A, at the hourly rates shown in CONSULTANT's Standard Direct Hourly Billing Rate Schedule.

	<u>Range</u>
Project Director	\$144 - \$212
Sr. Project Manager	\$117 - \$143
Project Manager	\$87 - \$116
Asst. Project Manager	\$77 - \$86
General Superintendent	\$140 - \$157
Project Superintendent	\$87 - \$141
Chief Estimator	\$162 - \$197
Sr. Estimator	\$110 - \$129
Estimator	\$98 - \$109
Safety Engineer	\$88 - \$88
Sr. Project Engineer	\$64 - \$67
Project Engineer	\$55 - \$63
Project Accountant	\$45 - \$97
Project Assistant	\$41 - \$75

The actual rates billed will be based on the staff assigned to the project.

Rates as of July 2012, subject to annual adjustments upon giving CITY thirty days prior written notice.

Total fee under this Agreement shall not exceed Forty Nine Thousand Dollars (\$49,000.00).

CONSULTANT shall submit an itemized statement to CITY on a CITY approved form for its services performed, which shall include documentation setting forth in detail a description of the services rendered, and the hours of service, if appropriate. CITY shall pay CONSULTANT the amount of such billing within thirty (30) days of receipt of same.

AMENDMENT NO. 1

CITY shall compensate CONSULTANT for the satisfactory performance of services, including expenses, described in Amendment No. 1 an amount not to exceed One Million One Hundred

Three Thousand Four Hundred Forty Five Dollars (\$1,103,445) for the Construction and Post-Construction Phases.

CITY shall pay CONSULTANT a construction manager fee in the amount of \$323,000, and \$51,000 for preconstruction management services for bidding. In addition, CITY shall compensate CONSULTANT for general conditions expenses which are the direct costs for the project's on site management services, including a staff of three, field office, other temporary facilities, and miscellaneous costs for the duration of the construction.

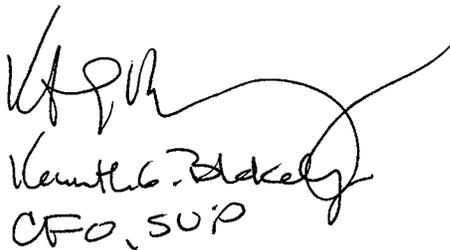
Following is a breakdown of general conditions expenses:
Monthly expense of \$57,351 for ten months.....\$573,510
Temporary Facilities.....not to exceed \$124,000
Post construction expenses (project manuals, training).....not to exceed \$31,935

CONSULTANT shall submit an itemized monthly statement to CITY on a CITY approved form for its services performed, which shall include documentation setting forth in detail a description of the services rendered, and the hours of service. Said billing shall be on a time and materials basis utilizing the hourly rates set forth above. CITY shall pay CONSULTANT the amount of such billing within thirty (30) days of receipt of same.

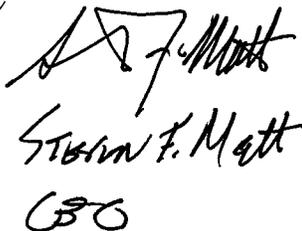
CONSULTANT shall not charge an administrative fee for Change Orders.

If CITY authorizes scope changes during construction that are not included in the scope of work described herein, CONSULTANT shall submit the total not-to-exceed cost in writing and in advance, and if approved by the CITY's Project Manager, bill CITY on a time and materials basis. Payment for these services shall be from the Contingency which shall not exceed \$75,000. No billings may be made utilizing Contingency funds without the prior written authorization of the City's Project Manager.

The total fee, general condition expenses and Contingency for services under Amendment No. 1 shall not exceed One Million One Hundred Seventy Eight Thousand Four Hundred Forty Five Dollars (\$1,178,445).



Kenneth Bradley
CFO, SUP



Steven F. Math
CBO