



AGENDA REPORT

Meeting Date: April 21, 2015
Item Number: D-22
To: Honorable Mayor & City Council
From: Noel Marquis, Assistant Director of Administrative Services - Finance
Subject: **APPROVALS RELATED TO VARIOUS CITY PURCHASING AND BUDGET TRANSACTIONS AS DESCRIBED HEREIN**
Attachments: 1. Amendments (2)

ITEM A. AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND STEGEMAN & KASTNER, INC FOR CONSULTING SERVICES RELATED TO TENANT IMPROVEMENTS AT 239 S. BEVERLY DRIVE; AND

APPROVAL TO ISSUE A CHANGE PURCHASE ORDER IN AN AMOUNT OF \$33,000 FOR A NOT TO EXCEED TOTAL OF \$79,550 FOR THE SERVICES DESCRIBED ABOVE

RECOMMENDATION

It is recommended that City Council approve Amendment No. 1 with Stegeman & Kastner, Inc. for consulting services related to tenant improvements at the 239 S. Beverly Drive Office Building and approve the change purchase order in an amount not to exceed \$79,550.

INTRODUCTION

The City currently has an agreement and purchase order with Stegeman & Kastner for consulting services related to tenant improvements at the 239 S. Beverly Drive building. This Amendment No. 1 adds \$33,000 to the total funding to allow for the continual oversight of the Panera Bakery tenant improvement project and additional building work as needed and associated with the Panera Bakery work. (Monthly collection of \$24,000 rent for this property began in July of 2015.) The original agreement in the amount of \$46,550 included consulting services for the Panera tenant and building improvements: oversight and coordination of the base building improvements related to the remediation of building hazards, relocation of the AT&T leased area.

DISCUSSION

Stegeman & Kastner will assist Staff to coordinate, oversee and manage tenant improvement and base building repairs associated with the Panera improvements. The Panera improvements have been protracted initially by an increase in scope to add an elevator and a full sprinkler system and

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further by delays associated with So Cal Edison upgrades and other unforeseen changes to the Panera's improvements and associated work. This agreement is an exception to the public bid requirement because it is a contract for professional services.

FISCAL IMPACT

Funds have been budgeted and are available for this purpose.


Noel Marquis
Approved By _____

Attachment 1

AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN THE CITY OF
BEVERLY HILLS AND STEGEMAN & KASTNER, INC FOR CONSULTING
SERVICES RELATED TO TENANT IMPROVEMENTS AT 239 S.
BEVERLY DRIVE

NAME OF CONTRACTOR: Stegeman & Kastner, Inc

RESPONSIBLE PRINCIPAL OF CONTRACTOR: Fritz Kastner, CEO

CONTRACTOR'S ADDRESS: 2601 Ocean Park Blvd
Santa Monica, CA 90405

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: Brenda Lavender
Real Estate & Property Manager

COMMENCEMENT DATE: July 1, 2014

TERMINATION DATE: June 30, 2015

CONSIDERATION: Original Agreement: Professional fees not to
exceed \$44,550
Reimbursable Expenses: Not to exceed \$2,000
Total: \$46,550

Amendment No. 1: \$33,000

Total Not to Exceed: \$79,550

AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN THE CITY OF
BEVERLY HILLS AND STEGEMAN & KASTNER, INC FOR
CONSULTING SERVICES RELATED TO TENANT IMPROVEMENTS AT
239 S. BEVERLY DRIVE

This Amendment No. 1 is to that certain Agreement between the City of Beverly Hills (hereinafter called "CITY"), and STEGEMAN & KASTNER, INC (hereinafter called "CONTRACTOR") dated December 23, 2014 and identified as Contract No. 660-14 ("Agreement").

RECITALS

A. CITY and CONTRACTOR entered into a written agreement for consulting services related to tenant improvements at 239 S. Beverly Drive.

B. CITY desires to amend the Consideration to compensate CONTRACTOR for additional hours of service needed, resulting from several delays in tenant improvements.

NOW, THEREFORE, the parties agree as follows:

Section 1. The CONSIDERATION shall be amended as set forth above to compensate CONTRACTOR for additional hours of service needed.

Section 2. Exhibit B, "Schedule of Payment and Rates," shall be amended as attached hereto and incorporated herein due to the additional volume of work required.

Section 3. Except as specifically amended by this Amendment No. 1, the remaining provisions of the Agreement shall remain in full force and effect.

EXECUTED the _____ day of _____ 2015, at Beverly Hills, California.

CITY:
CITY OF BEVERLY HILLS
a Municipal Corporation

JULIAN A. GOLD, M.D.
Mayor of the City of Beverly Hills, California

ATTEST

(SEAL)
BYRON POPE
City Clerk

CONTRACTOR:
STEGEMAN & KASTNER, INC.

FRITZ KASTNER
Chief Executive Officer

RANDALL FULTON
Treasurer

APPROVED AS TO FORM

LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT

MAHDI ALUZRI
Interim City Manager

DAVID LIGHTNER
Director of Capital Assets/Deputy City Manager

BRENDA LAVENDER
Real Estate & Property Manager

KARL KIRKMAN
Risk Manager

EXHIBIT B

SCHEDULE OF PAYMENT AND RATES

Professional Fees Not to Exceed \$77,550 based on the Hourly Rates set forth below.

Reimbursable Expenses listed below reasonably incurred by CONSULTANT in the performance of the Agreement not to exceed \$2,000.

Total not to exceed \$79,550

HOURLY RATE SCHEDULE

<u>PERSONNEL</u>	<u>Hourly:</u>
Principal	\$216.00
Project Executive	\$196.00
Senior Project Manager	\$180.00
Project Manager	\$170.00
Assistant Project Manager	\$150.00
Senior Project Engineer	\$105.00
Project Engineer	\$ 98.00

Reimbursable Expense Rates:

Photocopy/Reproduction Rate	\$.10/ per page
Mileage, adjusted to I.R.S. standard rate, currently:	\$.585 / mile
Parking	Cost
Messenger & Delivery Services	Cost + 10%
Travel: Airfare, Hotel, Cab Fares, Rental Car	Cost
Subcontracts	Cost + business tax