

Agenda Item 5

TO: Bay Area Headquarters Authority

DATE: April 10, 2013

FR: Executive Director

W. I. 9130

RE: Contract Amendment - Architectural and Engineering Services: Perkins + Will (\$2,950,000)

This item would authorize the Executive Director or his designee to negotiate and enter into a contract amendment with Perkins + Will (“P+W”) in an amount not to exceed \$2,950,000 to complete architecture and engineering (A/E) services for the renovation and seismic retrofit of 390 Main Street.

Background

In December 2011, the Authority awarded a contract to P+W for design services for the renovation and seismic retrofit of 390 Main Street. In June 2012, the Authority authorized an amendment for design development and construction document services. The contract was later amended under Executive Director’s authority to account for working around the existing tenant and maintaining building systems during soft demolition. The \$3 million amendment sought at this meeting includes the addition of the final three A/E services anticipated for the project through completion of construction and project close-out, for a total \$8.3 million contract, consistent with the approved budget. This amendment includes the following elements:

1. Mechanical/Electrical/Plumbing (MEP) (\$640,000):

Staff originally intended to issue the MEP work as a design-build subcontract under McCarthy Building Company, Inc. However, the complexity of the coordination around the existing tenant, requiring systems to remain in operation while they are being replaced or refurbished, requires more detailed development before it can be bid out. The Project Team (A/E, Contractor, and BAHA staff) agree the risk of incurring costly design changes is reduced by having P+W’s MEP designer continue design to completion and be the designer of record for the project.

2. Furniture Design and Administration (\$440,000):

The furniture design and overall administration of the procurement through installation process will be led by P+W’s interior design subconsultant, Tom Eliot Fisch (“TEF”). BAHA will issue competitive procurement(s) to select furniture vendor(s) to provide modular workstations, office, conference rooms and other specialized area furniture, at an estimated total cost of \$4.5 million. This fee includes design of wayfinding signage. TEF has experience with recent government furniture procurements including for the San Francisco Public Utilities Commission building.

3. Construction Administration (\$1,870,000):

Construction Administration is the term for A/E services provided during construction to ensure the design intent is followed. These services include responding to requests for information, reviewing submittals, making design revisions when necessitated by construction, and performing site observations. Staff recommends using P+W because they are the designer of

record; this will prevent obscuring the responsibility for professional liability, which could happen were another A/E firm selected.

Cost Comparison

The Authority requested that the cost for P+W be compared against typical design costs. Staff researched various agencies and universities that have made their support fee structures publicly available. Some common factors are:

1. The fee as a percentage of construction cost generally decreases as the cost of the project increases.
2. Renovations are more costly as a percentage of construction cost than new construction.
3. Specialized services, such as programming and laboratory design, are not typical and increase the cost of design.

For projects in the range of \$100 million, guidance for A/E design fees ranged from 5.5% to 7.5% of construction cost. At \$8.3 million, P+W's fee represents 7.2% of the total construction costs of \$114 million (not including contingency, FFE and consultant support fees):

Phase	Project Start-up and Concept	Programming and Schematic Design	Design Development and Construction Documents	Furniture Design	Bid and Construction Administration	Total Project Fee
Fee	\$275,106	\$824,894	\$4,840,000	\$440,000	\$1,870,000	\$8,250,000
	Complete	Complete	August 2013	December 2014	December 2014	

Note: P+W's total project fee assumes no additional changes to the project scope (i.e. redesign to include BCDC) or schedule and that Western Laboratory relocates by December 2013.

Two key reasons P+W's fee is on the higher side of average are:

1. The project has added complexity in being developed in phases to work around the existing tenant, so that all systems serving the existing tenant remain in operation during construction. Rather than gutting the building interior, the function of all pipes, conduits, phone and data lines, vents and ducts must be identified and considered. The added cost is approximately \$500,000.
2. Programming and Schematic Design lasted 10 months, 4 months longer than expected, because of the changes requested by the three agencies that were incorporated. The project started with BCDC in the plan and ABAG out of it, then added ABAG, and then subtracted BCDC. The reintroduction of BCDC would require further redesign that has not been accounted for in this memorandum. The added cost would be approximately \$360,000.

Recommendation:

Staff recommends that the Authority authorize the Executive Director or his designee to negotiate and enter into a contract amendment with P+W in an amount not to exceed \$2,950,000 for completing the design through completion of construction for the renovation and seismic retrofit of 390 Main Street; for a total contract not to exceed \$8,250,000.



 Steve Heninger

REQUEST FOR AUTHORITY APPROVAL8.

Summary of Proposed Contract Amendment

Consultant: Perkins + Will (San Francisco)

Work Project Title: 390 Main Street Renovation and Retrofit

Purpose of Project: Renovate 390 Main Street

Brief Scope of Work: Provide Architecture / Engineering services in the areas of mechanical/electrical/plumbing (MEP) design, furniture design, and construction administration for the BAHA Facility renovation and retrofit

Project Cost Not to Exceed: \$2,950,000 (this amendment)
Total Contract before this amendment: \$5,300,000
Total Authorized Contract after this amendment: \$8,250,000

Funding Source: BAHA Capital Funds

- A/E and Consultant Fees: \$1,310,000
- Furniture: \$500,000
- Contingency: \$500,000
- Shell & Core: \$640,000

Fiscal Impact: Project costs for FY 2012-13 are consistent with funds budgeted for the program.

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into a contract amendment with Perkins + Will to provide the Architecture/Engineering services described above and in the Executive Director's memorandum dated April 10, 2013 and the Treasurer and Auditor is directed to set aside funds in the amount of \$2,950,000 for such contract amendment.

BAHA Chair: _____
Amy Rein Worth

Approved: Date: April 24, 2013