



# **INFORMATION MEMORANDUM**

TO: Mayor and City Council

FROM: Kevin Muenchow, Fleet and Facilities Director

DATE: February 19, 2019

SUBJECT: Architectural Services for Service Center Project – Phase One

## Recommendation

City Administration has negotiated an amendment to the architectural design agreement for the Service Center Project - Phase One (“Project”) with Quorum Architects approved by Council on June 6, 2017. This amendment provides compensation for architectural services during the construction of the Project in the amount not to exceed \$140,000. City Administration recommends approving Resolution 2019-24 authorizing the City Manager to execute an agreement amendment with Quorum Architects to provide architectural services during the construction of the Project.

## Back Ground

On June 6, 2017 Council approved an agreement with Quorum Architects to design phase one of the Service Center Project which will be completed in February 2019. Quorum Architects scope of work did not include architectural services during the construction of Project due to the uncertainty of the estimated cost of the project due to rising construction costs, which would affect the construction start date.

The original plan for the Project was to design a Fleet Shop with meeting space for the Parks department at the Keenan Bridge site and a new building, fuel site and wash bay at the current Service Center site. Over five years ago, the cost estimate for this was \$10 million, but since then, construction cost has increase significantly. In August 2018 during design, Gallagher provided a preliminary estimate for over \$17 million for the Project. With the new cost information City Administration had to develop a new multiphase plan to stay within the available budget dollars as a “pay as you go” project from the Utilities Non-Bond CIP fund.

City Administration determined there will be \$7 million dollars available to start construction on the revised Project in the spring/summer of 2019. With the available funds, City Administration determined that the revised phase one of the Project will be the construction of the Fleet Shop at the Keenan Bridge site. The other phases will be completed as funding is available as a “pay as you go” project.