



DATE ISSUED: March 4, 2009 REPORT NO. CCDC-09-03

ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Docket of March 10, 2009

ORIGINATING DEPT.: Centre City Development Corporation

SUBJECT: North Embarcadero Visionary Plan Phase 1 – First Amendment to Agreement with Project Design Consultants for Architectural and Engineering Design Services -- Columbia Sub Area of the Centre City Redevelopment Project

COUNCIL DISTRICT: Two

REFERENCE: None

STAFF CONTACT: Gary J. Bosse, Senior Project Manager – Construction
(619) 533-7163

REQUESTED ACTION: That the Redevelopment Agency of the City of San Diego (“Agency”) authorize the Executive Director, or designee, to take such actions necessary to execute a First Amendment to the Agreement with Project Design Consultants (PDC) for architectural and engineering design services in the amount not to exceed \$476,477, for a total compensation under the Agreement not to exceed \$4,634,918 (Attachment A – First Amendment to Agreement with PDC).

STAFF RECOMMENDATION: That the Agency:

- Approve the First Amendment to the Agreement with PDC for architectural and engineering design services in the amount not to exceed \$476,477, for Phase I of the North Embarcadero Visionary Plan, for a total compensation under the Agreement not to exceed \$4,634,918;
- Authorize the Centre City Development Corporation (“Corporation”) to execute said First Amendment to the Agreement; and
- Authorize the Executive Director of the Agency, or designee, to administer the Agency’s obligations, responsibilities, and duties to be performed under the First Amendment to the Agreement.

SUMMARY: PDC was selected in June 2007 to provide architectural and engineering design services for Phase 1 of the NEVP as a result of a Request for Qualifications (RFQ) issued by the Corporation, on behalf of the NEVP Joint Powers Authority (JPA). The scope of work in the agreement required PDC and their subconsultant team to begin with revisiting the previously-approved schematic design (completed in June 2005). They were tasked with reconfirming the

design principles and decisions made, or to offer revisions to the design for the JPA's consideration. This validation task has been completed and various revisions to the schematic design have been approved by the JPA Board and the Member Agencies (the City, the Corporation on behalf of the Agency, and the San Diego Unified Port District ("Port")). These revisions, along with the surviving design elements from the schematic design, were advanced in concept and detail during the design development phase, which has also been completed and endorsed by the JPA.

The consultant team has entered the final stage of the preparation of plans, specifications, and estimates, also known as the construction documents phase. An amendment is now necessary to provide compensation to the NEVP design team for the endorsed revisions to the original schematic design, upon which the original scope and fee was based. The need for this amendment was disclosed by staff to the Corporation and the Agency in the staff reports, which recommended and gained approval of the original agreement with PDC for Phase 1 of the NEVP for a fixed fee of \$4,158,441. At that time, the amendment was estimated to be in the range of \$400,000 to \$450,000.

FISCAL CONSIDERATIONS: Agency funds in the amount of \$476,477 are available in the FY 2009 NEVP project budget. The Corporation will be the lead contracting entity, but is sharing the costs equally with the Port. Per the JPA Agreement, the Port will fund a 50% share of the cost of this agreement in incremental payments to be made monthly over the duration of the agreement. The Port will be invoiced as the Corporation receives the requisitions from the consultant for its \$238,238.50 share of the anticipated costs.

CENTRE CITY DEVELOPMENT CORPORATION RECOMMENDATION: On January 21, 2009, the Corporation Board of Directors voted 6 to 0 in favor of the proposed First Amendment to the Agreement with PDC.

OTHER RECOMMENDATIONS: On January 6, 2009, the Board of Port Commissioners adopted a resolution authorizing contribution of the Port's 50% share of the PDC agreement (\$238,238.50).

KEY STAKEHOLDERS AND PROJECT IMPACTS: The key stakeholders include the Member Agencies of the JPA. Other stakeholders include the four private development projects in the planning and approval phase of implementation within Phase 1 of the NEVP limits. They include Lane Field San Diego Developers (Lane Field), the Irvine Company (880 West Broadway), Bosa Development (yet to be named project), and Manchester Financial Group along with the United States Navy (Navy Broadway Complex). Timing for the design and construction of the NEVP public improvements and the required private development improvements is critical to the success of each of these projects and to the mitigation of construction impacts to downtown residents and waterfront businesses.

The Port of San Diego Broadway Cruise Ship Terminal (CST) project is also a key stakeholder because the two projects meet at the head of the Broadway Pier. Coordination with the Broadway CST project team has been ongoing.

There are numerous Port Tenants that will be affected by the project. Meetings with the tenants have been ongoing to ensure the NEVP improvements will be compatible with their current and future operations and to plan for minimizing the construction impacts.

San Diego Gas & Electric and AT&T are stakeholders in that the recommendation to lower the grade of West Broadway between Pacific Highway and Harbor Drive impacts their below-grade utilities. Relocation of these utilities is a requirement for the successful implementation of Phase 1 NEVP improvements. Coordination with the utility companies is ongoing.

The NEVP design team is also a stakeholder. See the design team participants listed in the Equal Opportunity section of this report.

BACKGROUND

This proposed project advances the Visions and Goals of the Downtown Community Plan and the Objectives of the Centre City Redevelopment Project by:

- providing public improvements as amenities to eliminate blighting conditions;
- creating green open space, contributing to the residential environment of downtown's urban environment; and
- making downtown a more attractive place to have a business by enhancing the aesthetic quality of downtown's northern waterfront.

In February 2007, a new, second generation JPA Agreement was approved and executed by the City of San Diego ("City"), the Port, and the Corporation. The primary purpose of the JPA was to facilitate the design and construction of the first phase of the NEVP. The first phase of the NEVP was agreed to by the Corporation and the Port in a joint meeting of their respective Boards in October 2005.

On behalf of the JPA, Corporation staff issued an RFQ for Architectural and Engineering Design Services for Phase 1 of the NEVP on April 23, 2007. A total of 10 firms submitted their qualifications for review by City, Port, and Corporation staff. The selection criteria included the evaluation of the consultants' specialized experience and technical competence, personnel that would be assigned to the work, completeness of the qualifications proposal and the willingness to make meaningful subcontracting opportunities available. A selection committee comprised of staff (including senior staff), from the City, Corporation, and the Port selected the design team led by PDC.

Phase 1 is defined in the JPA Agreement as Harbor Drive between West Broadway and B Street, with necessary transitions to the existing roadway to the north and south. The West Broadway section was added to Phase 1 due to the development that is about to take place on three of the four parcels along West Broadway. Phase 1 has coordinated the design of the publicly-accessible spaces located on private developments along West Broadway, including: Lane Field (Lankford Development); 880 West Broadway (The Irvine Company); Bosa Development; and the Navy Broadway Complex (Navy/Manchester Financial Group). Coordination of the design

of the NEVP with the public improvements to be constructed by these private development projects was necessary to ensure a cohesive and unified approach to the West Broadway design effort and to provide the direction necessary to the private development teams so that those projects could move forward.

As stated in the Summary above, several elements of the design, including signage, sewer facilities, and custom structure architecture were re-evaluated and revised as part of the schematic design validation process. Staff knew these were potential targets for design revisions prior to the negotiation of the original scope of work and associated fee as a result of the early start analysis conducted by JPA staff and the NEVP design team. At the time of the negotiation and authorization of the original agreement, these design elements were not well enough defined to establish a reasonable fee for preparing the construction documents. It was anticipated that authorization of the additional design work related to those elements would be recommended at a later date. The scope of services included in Amendment No. 1 includes:

- Architectural and engineering design for building program, architectural, structural engineering, lighting, mechanical, electrical, plumbing, geotechnical and engineering;
- Design of signage;
- Engineering design of gravity sewer system to replace two existing pump stations;
- Engineering design of grading, drainage, and utility work related to the lowering of West Broadway;
- Design accommodations adjacent to the Navy's Administration Building along West Broadway and Harbor Drive;
- Structural engineering for the design of wharf repairs;
- Engineering design for custom storm water conveyance and treatment systems;
- Design coordination of the transition of West Broadway paving design to Pacific Highway frontage;
- Advanced procurement of Jacarandas (assistance with procurement of trees through a contract grower); and
- Addition of a two day of value engineering session for the design team at 30% construction document milestone.

The Board of Port Commissioners approved a resolution authorizing the payments of their 50% share of the Amendment No. 1 at their meeting on January 6, 2009.

The following provides a summary of the financial status of the Agreement with PDC:

Interim (Early Start) Agreement	July 2007	\$ 100,000
First Amendment to the Early Start Agreement	November 2007	\$ 80,206
NEVP Phase 1 Design Agreement	February 2008	\$ 4,158,441
Paid to Date		\$ 1,874,913
Remaining Balance		\$ 2,463,734
Proposed Agreement		\$ 476,477
Amount Available Subsequent to the two Agreements		\$ 2,940,211

Firm Name: Project Design Consultants		
PRINCIPALS AND PRIMARY STAFF ASSIGNED TO CONTRACT	TITLE	PRIMARY CONTACTS
Gregory Shields, P.E. Gordon Lutes, P.E. Lisa Lewick, P.E.	CEO Senior Vice President Vice President	Gordon Lutes

EQUAL OPPORTUNITY

Firm Name: Project Design Consultants				
SUBCONSULTING FIRMS	PRINCIPALS	FIRM CERTIFICATION AND PERCENTAGE OF CONTRACT	PERCENTAGE OF CONTRACT	
			Before Amendment	After Amendment
Civitas	Mark Johnson	None	19%	17.2%
Spurlock Poirier Landscape Architecture	Martin Poirier	SBE	6.8%	6.6%
Cooper, Robertson & Partners (not participating in CD phase)	Randall Morton	None	5.5%	5.0%
Pentagram Design, Inc.	Michael Gericke	None	3.1%	4.6%
Linscott Law and Greenspan	John Keating	SBE	1.6%	1.4%
Terracosta Consulting Group	Walter Crampton	SBE	2.2%	2.4%
Joe Wong Design Associates	Joseph Wong	SMBE	2.0%	4.0%
Accessible San Diego	Paul Bishop	SBE	0.2%	0.2%
Value Management Strategies	Terry Hays	SBE	0.8%	0.7%
R.W. Beck	John Christopher	None	1.2%	1.1%
J.T. Kruer & Company	Johnathan Kruer	None	1.7%	2.0%
Utility Specialists	Daniel Koser	None	2.5%	2.3%
Moffatt & Nichol	Matthew Martinez	None	2.4%	2.3%
Flores Lund Consultants (added for Amendment scope of work)	Ray Flores		0%	1.2%
Leni Schwendinger Light Projects LTD	Leni Schwendinger	None	4.4%	4.4%
USI Potholing Services	Michael Arme	None	2.0%	1.8%
LSW Engineering	Devin Abellon, John Littrel, Neal Alagia	None	1.5%	2.0%

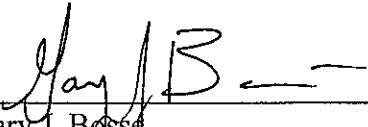
Environmental Impact – This activity is not a “project” under the definition set forth in CEQA Guidelines Section 15378. Therefore, pursuant to CEQA Guidelines Section 15060(c)(3), the activity is not subject to CEQA.

CONCLUSION

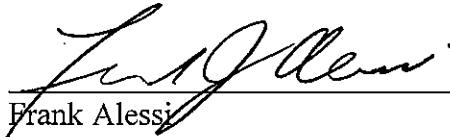
Approval of the First Amendment to the Agreement with PDC is the next necessary step in redeveloping one of the last major urban waterfronts in North America.

Respectfully submitted,

Concurred by:



Gary J. Bosse
Senior Project Manager – Construction



Frank Alessi
Senior Vice President and
Chief Financial Officer

Attachment:

A – First Amendment to Agreement with PDC