

**City of Garden Grove**

**INTER-DEPARTMENT MEMORANDUM**

To:	Matthew J. Fertal	From:	Kingsley Okereke
Dept:	Director	Dept:	Finance
Subject:	APPROVAL OF AMENDMENT NO. 1 TO THE AGREEMENT WITH AECOM TECHNICAL SERVICES, INC. TO PROVIDE ENVIRONMENTAL ANALYSIS SERVICES	Date:	November 11, 2014

**OBJECTIVE**

The purpose of this report is for the City Council to approve an amendment to the existing consultant services agreement with AECOM Technical Services, Inc. (AECOM) to provide environmental analysis services for the Site B2 Hotel Project located at the northwest corner of Harbor Boulevard and Twintree Avenue, Garden Grove, adjacent to the Sheraton Hotel.

**BACKGROUND/DISCUSSION**

On February 26, 2013, the City Council approved a consultant services agreement with AECOM to provide environmental analysis services for the Site B2 Hotel Project. The preliminary analysis has revealed that additional scope is required for the analysis to include the preparation of a National Environmental Protection Act (NEPA) Environmental Assessment analysis to be done jointly with the already approved California Environmental Quality Act (CEQA) analysis. The amendment to the agreement also includes increased costs for the traffic analysis and the inclusion of some optional tasks projected to be needed as the analysis moves forward.

The Consultant cost for the additional tasks is \$68,650, bringing the total cost of the agreement to \$248,016.

<b>Tasks</b>	<b>Cost</b>
1 – Preparation of NEPA Document	\$48,000
2 – Incorporation of Optional Tasks	\$17,650
3 – Traffic Analysis Fee Increase	\$ 3,000
<b>Total Agreement Amendment</b>	<b>\$68,650</b>

AMENDMENT TO AGREEMENT WITH AECOM TO PROVIDE ENVIRONMENTAL  
ANALYSIS SERVICES

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FINANCIAL IMPACT

The required funds will be appropriated from the proceeds of the sale of City assets. However, Kam Sang Company, the project developer, has agreed to reimburse the City for the cost of the environmental analysis. Hence, there will be no net impact on the General Fund.

RECOMMENDATION

Staff recommends that the City Council:

- Approve Amendment No. 1 to the Agreement with AECOM Technical Services, Inc. for the preparation of an environmental analysis for the Site B2 project for an additional amount not to exceed \$68,650, bringing the total cost of the Agreement to \$248,016; and
- Authorize the City Manager to execute the Agreement on behalf of the City, and to make minor modifications as appropriate thereto.

  
KINGSLEY OKEREKE  
Assistant City Manager

  
By: Jim DellaLonga  
Senior Project Manager

Attachment: Amendment No. 1 to the AECOM Agreement

Recommended for Approval

  
Matthew J. Fertal  
City Manager

## City of Garden Grove

### AMENDMENT NO. 1

**FOR: Contractor to Furnish all materials, equipment, and labor for preparation of necessary environmental analysis and documentation for the proposed hotel project at the corner of Harbor Boulevard and Twintree Avenue.**

This Amendment No. 1 to Professional Services Agreement to furnish all materials, equipment, and labor for preparation of necessary environmental analysis and documentation for the proposed hotel project at the corner of Harbor Boulevard and Twintree Avenue, hereinafter referred to as "AGREEMENT", is made and entered into this 11<sup>th</sup> day of November, 2014, by and between the City of Garden Grove, hereinafter referred to as the "CITY", and **AECOM TECHNICAL SERVICES, INC.**, hereinafter referred to as "CONTRACTOR".

WHEREAS, CONTRACTOR and CITY entered into Agreement effective February 26, 2013, and;

WHEREAS, CONTRACTOR and CITY desire to amend the Existing Agreement as provided herein.

Now, therefore, it is mutually agreed, by and between the parties as follows:

Section 2, Services to be Provided, shall be revised as follows:

The services to be performed by CONTRACTOR shall be amended to consist of additional tasks as shown in the Amended Scope of Work/Fee Schedule (Attachment 1) and CONTRACTOR's Amendment Request No. 1 incorporated herein by reference.

Section 3, Compensation, shall be revised as follows:

The contract Amount is hereby increased from \$**179,366** to a new Not to Exceed Amount of \$**248,016**.

Section 4.0. INSURANCE - shall be revised as follows:

- 4.1 COMMENCEMENT OF WORK. CONTRACTOR/CONSULTANT shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the CITY. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the CITY of any material change, cancellation, or termination at least thirty (30) days in advance.
- 4.2 WORKERS COMPENSATION INSURANCE. During the duration of this Agreement, CONTRACTOR and all subcontractors shall maintain

Workers Compensation Insurance in the amount and type required by law, if applicable.

4.3 INSURANCE AMOUNTS. CONTRACTOR shall maintain the following insurance for the duration of this Agreement:

- (a) Commercial general liability in an amount of \$1,000,000.00 per occurrence (**claims made and modified occurrence policies are not acceptable**); Insurance companies must be acceptable to CITY and have a Best's Guide Rating of A-, Class VII or better, as approved by the CITY.
- (b) Automobile liability in an amount of \$1,000,000.00 combined single limit (**claims made and modified occurrence policies are not acceptable**); Insurance companies must be acceptable to CITY and have a Best's Guide Rating of A-, Class VII or better, as approved by the CITY.
- (c) Professional liability in an amount not less than \$1,000,000. Insurance companies must be admitted and licensed in California and have a Best's Guide Rating of A-, Class VII or better, as approved by the City. If the policy is written on a "claims made" basis, the policy shall be continued in full force and effect at all times during the term of the agreement, and for a period of three (3) years from the date of the completion of services provided. In the event of termination, cancellation, or material change in the policy, professional/consultant shall obtain continuing insurance coverage for the prior acts or omissions of professional/consultant during the course of performing services under the term of the agreement. The coverage shall be evidenced either by a new policy evidencing no gap in coverage, or by obtaining separate extended "tail" coverage with the present or new carrier

An **On-Going and Completed Operations Additional Insured Endorsement** for the policy under section 4.3 (a) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of work or operations performed by or on behalf of the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

An Additional Insured Endorsement for the policy under section 4.3 (b) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for automobiles, owned, leased, hired, or borrowed by the CONTRACTOR. CONTRACTOR shall provide to CITY

proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

For any claims related to this Agreement, CONTRACTOR's insurance coverage shall be primary insurance as respects CITY, it's officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the CITY, it's officers, officials, employees, agents, and volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it.

*If CONTRACTOR maintains higher insurance limits than the minimums shown above, CONTRACTOR shall provide coverage for the higher insurance limits otherwise maintained by the CONTRACTOR.*

Except as expressly amended hereby, the Existing Contract remains in full force and effect as originally executed.

IN WITNESS WHEREOF, the parties have caused this Amendment No. 1 to the Existing Contract to be executed by their respective officers duly authorized on the date first written above.

Date: \_\_\_\_\_

**"CITY"  
CITY OF GARDEN GROVE**

By: \_\_\_\_\_  
City Manager

**ATTESTED:**

\_\_\_\_\_  
City Clerk

Date: \_\_\_\_\_

**"CONTRACTOR"  
AECOM TECHNICAL SERVICES, INC.**

By: Richard M Hansen

Name: RICHARD M HANSEN

Title: V.P.

Date: 11/03/14

If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to CITY.

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Garden Grove City Attorney

\_\_\_\_\_  
Date

**ATTACHMENT 1**

**AMENDED SCOPE OF WORK/FEE SCHEDULE  
AMENDMENT NO. 1**

<b>Additional Tasks</b>	<b>Cost</b>
Preparation of NEPA Document (EA/FONSI)	\$48,000
Photo Renderings/Visual Simulations (4 different views)	\$10,000
Preparation of Mitigation Monitoring Program	\$1,500
Preparation of CEQA Findings of Fact	\$6,150
Additional Traffic Fees (Traffic Count Increase)	\$3,000
<b>Total Agreement Amendment</b>	<b>\$68,650</b>