



AGENDA REPORT


TO: Jestin D. Johnson
City Administrator

FROM: Michael Kashiwagi, P.E.
Interim Director, Oakland
Public Works

SUBJECT: Studio Perez On-Call Contract
Increase For East Oakland Art Center

DATE: November 11, 2024

City Administrator Approval


Jestin Johnson (Dec 6, 2024 05:40 PST)

Date: Dec 6, 2024

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Waiving The Competitive Request For Proposal/Qualification (RFP/Q) Requirement And Authorizing The City Administrator To Increase The On-Call Architectural Services Agreement With Studio Perez Architects By An Amount Not-To-Exceed Seventy-Five Thousand Dollars (\$75,000.00), Bringing The Total Amount From Two Hundred Fifty Thousand Dollars (\$250,000) To Three Hundred Twenty-Five Thousand Dollars (\$325,000) And Adopt Appropriate California Environmental Quality Act Findings.

EXECUTIVE SUMMARY

Approval of this proposed resolution will authorize the City Administrator to execute an amendment to increase the On-Call Architectural Services Agreement with Studio Perez Architects by an amount not-to-exceed \$75,000, bringing the total contract amount from \$250,000 to \$325,000.

Studio Perez Architects is a 25-year, Minority-owned, Small Local Business Enterprise based in San Francisco.

Studio Perez Architects has been working on the East Oakland Arts Center (EOAC), formerly the Digital Arts and Culinary Academy, since 2019. During design, the scope of the project increased due to several factors. There was additional site investigation due to lack of existing as-built records, added design for new lighting controls, electrical, heating, ventilation, and air conditioning (HVAC) upgrades to meet the City's Equitable Climate Action Plan (ECAP) goals, additional coordination with PG&E, and other miscellaneous design scope changes.

The proposed contract amendment covers additional design services during Permitting, Bidding and Construction phases. During Permitting there were numerous rounds of review and re-submittal required that exceeded the design budget. During Bidding, the project was delayed many months during the process to determine a responsive bidder. Once the construction

contract was issued, there were added costs for the design team to re-mobilize after the pause in project activity.

In addition, during Construction, numerous unforeseen conditions required additional design scope. The team also needed to add civil engineering services to address site utility coordination issues with Caltrans, EBMUD and PG&E. The project is currently in construction, and it is necessary to increase Studio Perez contract capacity to continue to provide project construction support services.

BACKGROUND / LEGISLATIVE HISTORY

The 2018 On-Call Architectural Services Contract was awarded to Studio Perez on September 20, 2019, through City Administrator approval for an amount not-to-exceed \$250,000. Under this On-Call Contract, task orders were issued to Studio Perez for work on the East Oakland Arts Center. This project is nearing completion, with construction expected to be finished in early 2025, but an increase in contract capacity is needed to finish the work.

The architect's proposal was evaluated and selected based on the completeness of their qualifications and demonstrated experience in performing the project. As a result of their preliminary design work, additional scope was deemed necessary to be added to the project, and the project schedule was extended to meet the new scope needs of the project sponsors.

- East Oakland Arts Center Task Order issued: July 3, 2020
Initial Project scope: Basic design services from Planning through Design, Permitting, and Construction.
- East Oakland Arts Center Task Order issued May 12, 2021
Added project scope: added site investigation due to lack of existing as-built records, new lighting controls, electrical, heating, ventilation, and air conditioning (HVAC) upgrades to improve energy efficiency to meet the City's Equitable Climate Action Plan (ECAP) goals, additional coordination with PG&E, and other miscellaneous design scope changes.

ANALYSIS AND POLICY ALTERNATIVES

To complete critical renovation projects underway for the East Oakland Arts Center, City staff recommends that the Council approve an amendment to increase the On-Call Architectural Services Agreement with Studio Perez by an amount not-to-exceed \$75,000, bringing the total contract amount from \$250,000 to \$325,000.

The East Oakland Arts Center (EOAC), known formerly as Digital Arts and Culinary Academy, located at 5818 International Boulevard, adjacent to the Rainbow Recreation Center, has a core mission to help young participants grow and build self-confidence through afterschool and summer programs that focus on Digital Audio Production, Digital Video Production, Culinary Arts and Urban Agriculture.

Improvements include the removal of asbestos and lead present in floor and ceiling tiles and paints, structural and electrical upgrades, additional classrooms and a gender-neutral restroom, storage, new HVAC equipment and sprinkler systems, signage designating the facility with its new name, East Oakland Arts Center, and building façade renovations.

Adoption of the proposed resolution will advance the following Citywide Priorities:

- Holistic community safety: The remodeled Digital Arts Center will provide safe, comfortable space for educational opportunities, supporting the surrounding community
- Housing, economic, and cultural security: This facility focuses on supporting expressive and creative arts, supporting the cultural vitality of the community.
- Vibrant, sustainable infrastructure: Improvements to the building systems including electrical and HVAC upgrades will improve operational and energy efficiency for the facility.
- Responsive, trustworthy government: Moving forward with this resolution will allow the city to enforce its commitment to advocate for small local businesses while maintaining the approved contract amount.

Studio Perez has no contract capacity left in their current 2018 On-Call Architectural Services Contract to perform the added scope required to complete the project. Additional contract capacity would be used solely to complete the existing project currently underway, and Studio Perez would not be invited to participate in any future/new On-Call Architectural Services Contract Requests for Proposals for the remainder of the 2018 On-Call Architectural Services Contract duration. Construction for the EOAC project is scheduled to be complete by March 2025, prior to Studio Perez 2018 On-Call Architectural Services Contract expiration date in September 2025.

The design of renovation projects requires an in-depth understanding of complex existing conditions and many meetings with project stakeholders in the Client Departments and Building Facilities Maintenance Division to define and document the scope of work. Studio Perez Architects has devoted over five years to understanding these complex problems and developing construction documentation for renovation. It would be economically inefficient and delay the completion schedule for a new firm to learn and understand the project's history.

Section 2.04.051B of the Oakland Municipal Code authorizes the City Council to waive the RFP/Q selection requirement of Section 2.04.051A of the Oakland Municipal Code upon a finding and determination that it is in the best interests of the City to do so.

Architectural firms are required to meet the City's requirements for liability insurance coverage for their construction documentation. Studio Perez and its team of sub-consultant engineers of record signs and stamps the construction documents and become liable for the accuracy and completeness of the documents. It is in the City's best interest to retain Studio Perez as the architect of record to complete design and construction support.

Alternatively, the City Council could direct staff to proceed with an RFQ/RFP process. Transfer of the design and liability would require enormous time and additional money for another team to come up to speed and provide design services. It is also not guaranteed that the City could find a willing team to assume responsibility for another firm's design.

FISCAL IMPACT

Approval of this resolution will authorize the City Administrator to increase the 2018 On-call Architectural Services Agreement with Studio Perez by an amount not-to-exceed \$75,000, bringing the total contract amount from \$250,000 to \$325,000. All funding to support this task order increase against the existing On-Call Contract has already been allocated, budgeted, and funded by the City Council through the Capital Improvement Program Budget process.

Measure KK Funding was approved for the East Oakland Art Center through the Fiscal Year (FY) 2019-21 Budget. The source of funding is identified in the chart below from the existing project budget in the Capital Improvements Impact Fee Fund (2421) and does not require any additional appropriation.

Authorization from the City Council to increase the contract capacity ceiling is being requested. The remaining contract capacity will be available as a contingency to complete the existing projects if needed.

Table 1: Recommended Contract Capacity Increase

Contract Capacity Increase	Total Amount
Studio Perez	\$75,000

Table 2: Funding Sources

FUND SOURCE	AMOUNT
Capital Improvements Impact Fee Fund, (2421); East Oakland Art Center (DACA) Project (1004851); Project Management Organization (92270); Architectural and Engineering Services (54411); and Project Delivery Program (IN06).	\$75,000
TOTAL	\$75,000

PUBLIC OUTREACH / INTEREST

On October 1, 2018, OPW held a professional services outreach meeting to expand and diversify the professional services consultants working with the City. OPW reached out to various local, ethnic, minority, and disadvantaged communities in Oakland, including the Vietnamese Chamber of Commerce, the Oakland African American Chamber of Commerce, the Hispanic Chamber of Commerce of Alameda County, and the East Bay National Organization of Minority Architects. The meeting included presentations from Contract Compliance staff, OPW Contract Services staff, and Project Delivery Division staff. OPW staff described the types of projects and services that typically utilize the On-Call contracts and contracting procedures. Contract Compliance staff explained the City Local Business program requirements and objectives. Contract Services distributed outreach materials to community-based organizations and businesses and encouraged them to participate in the RFQ process. The database includes contacts for various local, ethnic, minority, and disadvantaged communities in Oakland.

The RFQ was formally advertised in a total of four (4) newspapers in various languages, including the East Bay Times, Oakland Post, El Mundo, and World Journal. The City's web-based procurement system iSupplier and CIPlist.com were utilized for the distribution of the RFQ with documents available free of charge online.

Staff provided notice to labor representatives, per the terms and conditions of the current Memorandums of Understanding with Local 21, Service Employee International (SEIU) 1021, and International Brotherhood of Electrical Workers (IBEW) prior to the formal issuance of the RFQ. A legal advertisement for the RFQ was posted on October 26, 2018. Additionally, on November 7, 2018, staff, Contract Services, and Contract Compliance staff held a pre-proposal meeting to further promote participation and answer questions related to the RFQ.

COORDINATION

This report and resolution have been reviewed by the Office of the City Attorney and the Budget Bureau.

SUSTAINABLE OPPORTUNITIES

Economic: The consultants are all verified for Local Business Enterprise and Small Local Business Enterprise (LBE/SLBE) participation by the Social Equity Division of the Department of Contracting and Purchasing. The projects will generate business tax, sales tax, and other revenues for the City by those firms who work on the project. Local businesses will be utilized on the projects and will benefit directly.

Environmental: Environmental factors and opportunities are considered and incorporated to the extent feasible with each project. Consultants are required to consider the use of recycled materials in the products specified and to integrate other sustainable, environmental, waste reduction, and energy conservation opportunities. The project incorporates the City's environmental and sustainable design requirements and guidelines to meet the City's Equitable Climate Action Plan (ECAP) goals for improved energy efficiency in City buildings. For EOAC, this included replacing all gas appliances with electric ones and upgrading lighting to improve energy efficiency.

Race & Equity: The architectural design and construction services for capital improvement projects will improve and extend the useful life of the formerly DACA facility and provide a new and improved facility for an underserved community. Studio Perez designed the East Oakland Arts Center in compliance with the physical access requirements of applicable accessibility codes and the Americans with Disabilities Act.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

The Project is exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15268 (Ministerial Projects), 15301 (existing facilities), 15183 (Projects Consistent with a Community Plan, General Plan or Zoning), 15302 (Replacement or Reconstruction), 15303 (Small Structures), and/or 15061(b)(3) (No Significant Effect on the Environment). Each of the above exemptions provides a separate and independent basis for CEQA compliance. If applicable, the City Administrator shall file a Notice of Determination/Notice of Exemption with the Clerk of the County of Alameda.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt A Resolution Waiving The Competitive Request For Proposal/Qualification (RFP/Q) Requirement And Authorizing The City Administrator To Increase The On-Call Architectural Services Agreement With Studio Perez Architects By An Amount Not-To-Exceed Seventy-Five Thousand Dollars (\$75,000.00), Bringing The Total Amount From Two Hundred Fifty Thousand Dollars (\$250,000) To Three Hundred Twenty-Five Thousand Dollars (\$325,000) And Adopt Appropriate California Environmental Quality Act Findings.

For questions regarding this report, please contact Tess Kavanagh, Capital Improvement Project Manager, at (510) 238-6542.

Respectfully submitted,



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