

RESOLUTION NO. 2021-42

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING AMENDMENT NO. 2 TO THE ON-CALL CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES AGREEMENT BETWEEN THE CITY OF MARINA AND WALLACE GROUP, AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AMENDMENT ON BEHALF OF THE CITY SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY.

WHEREAS, the closure of Fort Ord resulted in land being deeded to the City of Marina in an “as-is” condition. The land contains numerous buildings that served the former fort which have deteriorated since 1994 and need to be removed as part of the land redevelopment; and

WHEREAS, although the Fort Ord Reuse Authority (FORA) sunsetted on June 30, 2020, FORA secured bond funding for blight removal prior to closure. Included in the bond funding are FORA bond trust funds allocated to the City amounting to \$8,561,968 and escrow bonds that are projected to generate \$6.5M in blight removal funding through 2025; and

WHEREAS, On January 20, 2021, the City Council of the City of Marina adopted Resolution No. 2021-11 approving funding for removal of 46 barracks buildings on the future Dunes City Park and removal of 31 duplexes in Cypress Knolls along 3rd and Rendova; and

WHEREAS, on April 7, 2020 the City Council passed Resolution No. 2020-30, approving a professional services agreement between the City of Marina and Wallace Group for Program Management Services for projects in the Capital Improvement Program (CIP); and

WHEREAS, on May 18, 2020, the Program Management Services agreement between the City of Marina and Wallace Group was executed with a time and material compensation basis in an amount not to exceed of \$703,696.0; and

WHEREAS, approval of the additional scope of work and associated increase in fee limit of \$609,550 to the Program Management Services is the most expeditious and cost-effective way for the City to complete the blight removal and fulfill City Council goal.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Marina does hereby adopt Resolution No. 2021-42 for the following actions:

1. Approving Amendment No. 1 to the Program Management Services between the City of Marina and Wallace Group (WG), to add to the scope of work for the program management services for the hazardous material abatement and blighted building removal of Phase 1: 47 barracks buildings located at the future Dunes City Park and 31 duplex buildings located in Cypress Knoll, and future Phase 2: Six barracks buildings on CDEC Hill Eleventh Street and future Phase 3: 13 barracks buildings located on Dunes Park South.; and
2. Increasing the contract amount limit by \$609,550 for a total contract amount of \$1,313,246; and
3. Authorizing the City Manager to execute the amendment on behalf of the City subject to final review and approval by the City Attorney; and

4. Direct Wallace Group to work with arborists and biologist to protect trees and special status species to the maximum extent possible; and
5. that no trees will be removed before tree removal recommendations are reviewed by the city council and the public at cypress knolls at the Dunes City Park and CDEC Hill; and
6. That maps of trees, shrubs and special status species would be made available to council and the public prior to vegetation removals

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 4th day of May 2021, by the following vote:

AYES: COUNCIL MEMBERS: Medina Dirksen, Burnett, Berkley, Biala, Delgado

NOES: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

**AMENDMENT No. 1 TO AGREEMENT
BETWEEN CITY OF MARINA
AND WALLACE GROUP FOR
PROGRAM MANAGEMENT SERVICES**

THIS FIRST AMENDMENT (“Amendment No. 1”) to the Agreement for Program Management Services pertaining to City projects and to provide on-call support services for the City on an as-needed basis as determined by the City Engineer is made this _____ 2021, by and between the City of Marina, a California charter city (“CITY”) and Wallace Group Inc., a California Corporation (“CONTRACTOR”). CITY and CONTRACTOR are sometimes referred to herein collectively as the “Parties.”

Recitals

- A. On May 18, 2020, CITY and CONTRACTOR entered into the Agreement for Program Management Services (the “Agreement”) to provide program management services pertaining to various City projects. including, but not necessarily limited to, the Capital Improvement Program and the Airport Capital Improvement Program, for the City. The term of the Agreement ends on June 30, 2023, and compensation to the CONTRACTOR under the Agreement was provided on a time and materials basis not to exceed \$703,696.
- B. The Agreement provides it may only be amended or modified by written agreement of the Parties. Both Parties now desire to amend the Agreement to increase the total annual compensation limit to provide additional compensation for program management services related to hazardous material abatement and removal of blighted buildings.
- C. Only the numbered Articles of the Agreement which are being amended are set forth in this Amendment No. 1.

Terms & Conditions Amended

Now, therefore, the Parties agree to amend the Agreement as follows:

- 1. Article 1 “Scope of Work” Section (a) is deleted and replaced to read in its entirety:

“(a) Contractor is hereby hired and retained by the City to work in a cooperative manner with the City to fully and adequately perform those services set forth in **Exhibit “A”** and **Exhibit “A-1”**” attached hereto (“Scope of Work”) and by this reference made a part hereof. The Contractor shall be available to perform services under this Agreement as needed during the term of the Agreement. With prior written notice to Contractor, City may elect to delete certain tasks of the Scope of Work at its sole discretion.”

2. Article 3 "Compensation" Section (a) is deleted and replaced to read in its entirety:

"(a) City liability for compensation to Contractor under this Agreement shall only be to the extent of the present appropriation to fund this Agreement. For services to be provided under this Agreement City shall compensate Contractor on a time and materials basis in an amount not to exceed One Million Three Hundred Thirteen Thousand Two Hundred and Forty-Six Dollars (\$1,313,246.00). in accordance with the provisions of this Section and the attached hereto as **Exhibit B** and incorporated herein by this reference."

All other terms and conditions of the Agreement shall remain in full force and effect.

This Amendment No. 1 may be executed in two (2) counterparts, each of which shall be deemed an original, but both of which together shall constitute one and the same instrument. Counterpart may be delivered by facsimile, electronic mail (including pdf. or any electronic signature complying with the U.S. ESIGN Act of 2000, California's Uniform Electronic Transactions Act (Cal. Civil Code 1633.1 et seq.) or other applicable law) or other transmission method and any counterpart so delivered shall be deemed to have been validly delivered and be valid and effective for all purposes. This Amendment No. 1 consists of two (2) pages.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 1 to the Agreement for CONTRACTOR to provide program management services pertaining to City projects and development, including hazardous material abatement and blighted building removal, and to continue to provide support services for the CITY on an as-needed basis as determined by the City Engineer on the date(s) and year written below.

CITY OF MARINA

Wallace Group, a California Corporation

By: _____
Layne Long
City Manager

By: _____
Name:
Its:

Date: _____ 2021

Date: _____ 2021

(Attestation & Approval follow)

ATTEST:

By: _____
Deputy City Clerk

APPROVED AS TO FORM:

By: _____
City Attorney

CONTRACT AMENDMENT

Project Name: Program Management Services	CA No. 1
Client Name: City of Marina	Project/Phase No. 1585-0001
Attention: Brian McMinn	Date: March 26, 2021
Address: 211 Hillcrest Avenue, Marina, California, 93933	

Wallace Group requests the Client's authorization to proceed with revisions to the contract agreement for the above referenced project as herein described. Approval below incorporates this document as a part of the original contract signed May 18, 2020. If approved, please return one signed original Contract Amendment to Wallace Group.

Description and Purpose of the Revision(s)

This amendment to the City of Marina Program Management Services is for managing the project delivery for the abatement and demolition of Phase 1: 47 wood barracks buildings and 31 duplex buildings, Phase 2: Six (6) wood barracks buildings and Phase 3: 13 barracks buildings. These buildings are at four areas in the City located at the former Fort Ord.

Also included is the preparation of plans, specifications and estimates, project bidding, engineering services during construction and closeout.

Below is the cost breakdown for this amendment:

PHASE 1:

1. Area 1 (City Park) ,47 buildings: \$292,350.00
2. Area 4 (Cypress Knoll), 31 duplex buildings: \$148,050.00
Total Phase 1: \$440,400.00

PHASE 2:

3. Area 2 (So of PBC Parcel) ,6 buildings: \$ 62,300.00

PHASE 3:

4. Area 3 (Eleventh Street), 13 buildings: \$106,850.00
Grand Total \$609,550.00

Proposal is based on the four areas to be delivered separately. If areas are bundled together cost will reduced. Cost breakdown is as shown Attachment A.

Revision(s) Represent:

() a change in previous instructions
() a change in Scope of Services
(x) other: Additional Work and Additional Funding

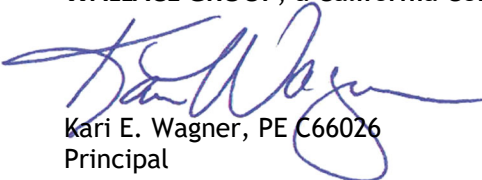
Revision(s) Fee:
(x) hourly (time & materials) \$609,550.00
() progress billing: \$
() not-to-exceed w/o authorization: \$

Revision(s) will be invoiced as:

() increase to an item within the existing contract
(x) a new item added to existing contract

Issued by,
WALLACE GROUP, a California Corporation

APPROVED BY CLIENT:


Kari E. Wagner, PE C66026
Principal

612 Clarion Court
San Luis Obispo
California 93401
T 805 544-4011
F 805 544-4294
www.wallacegroup.us

Signature

Printed Name

Title

Date



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WATER RESOURCES

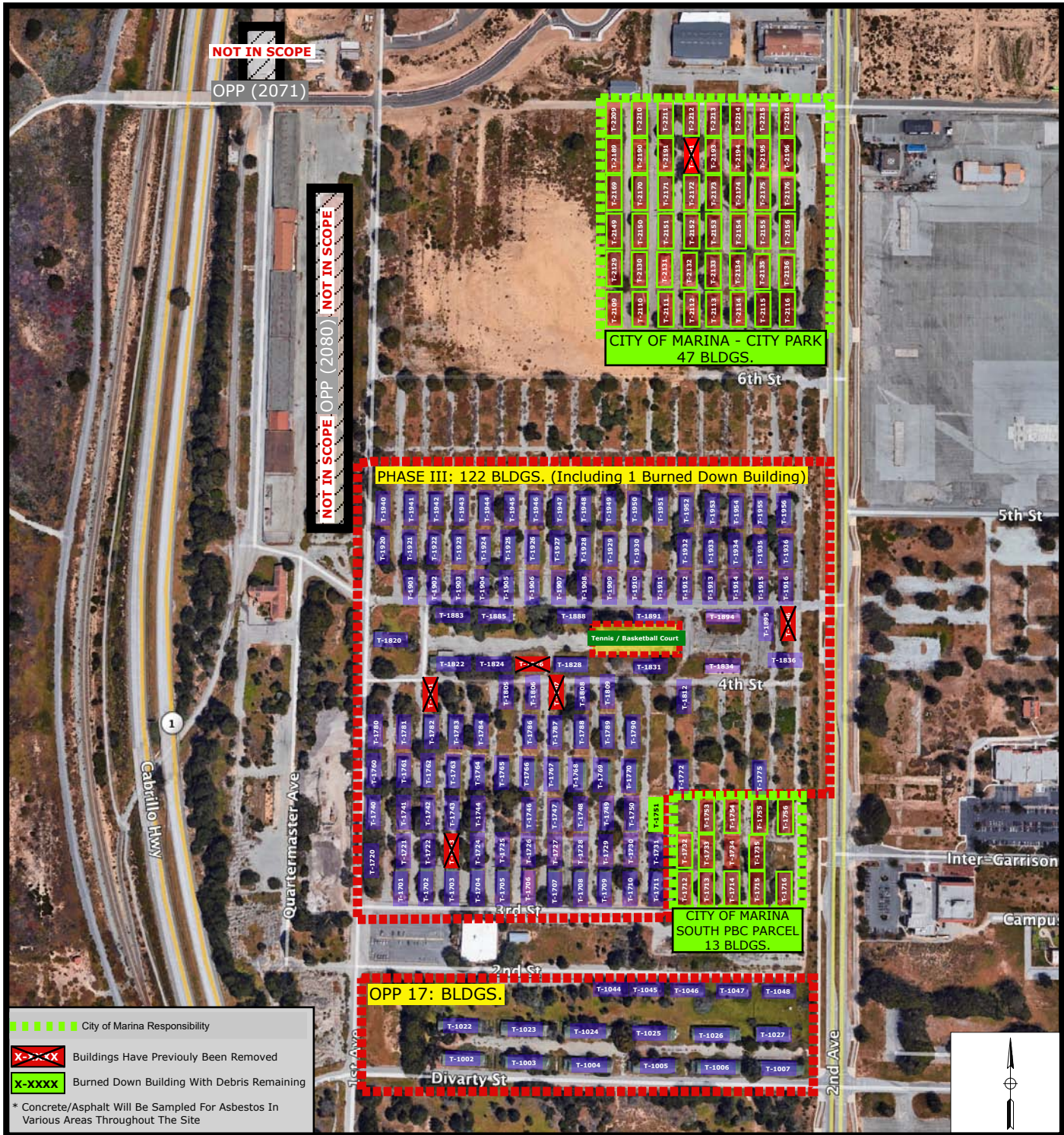
WALLACE GROUP
A California Corporation

612 CLARION CT
SAN LUIS OBISPO
CALIFORNIA 93401

T 805 544-4011
F 805 544-4294

www.wallacegroup.us

ATTACHMENT A



DATE PREPARED:
3/8/21

REVISION:

PROJECT NO:
1585-001-00 and 1585-003

SOURCE:
Google Earth

DRAWN BY:
PKM

SCALE:
NTS

City of Marina
Building (Blight) Removal



**ELEVENTH STREET BUILDINGS
6 BLDGS.**

DUNES PHASE II

T-2896
T-2897
T-2896
T-2897
T-2896
T-2897

Eleventh St

2nd Ave



DATE PREPARED:
3/8/21

REVISION:

PROJECT NO:
1585-001-00 and 1585-003

SOURCE:
Google Earth

DRAWN BY:
PKM

SCALE:
NTS

**City of Marina
Building (Blight) Removal**



DATE PREPARED:
3/23/21

REVISION:

PROJECT NO:
1585-001-00 and 1585-003

SOURCE:
Google Earth

DRAWN BY:
PKM

SCALE:
NTS

City of Marina
Building (Blight) Removal
Duplex Buildings (31)
Cypress Knoll

April 13, 2021 Item No.

11b

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of May 4, 2021

**CITY COUNCIL TO CONSIDER ADOPTING RESOLUTION NO. 2021-,
APPROVING AMENDMENT NO. 1 TO THE PROGRAM MANAGEMENT
SERVICES AGREEMENT BETWEEN THE CITY OF MARINA AND
WALLACE GROUP, AND AUTHORIZING THE CITY MANAGER TO
EXECUTE THE AMENDMENT ON BEHALF OF THE CITY SUBJECT TO
FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY.**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2021-, approving Amendment No. 1 “**Exhibit A**” to the Program Management Services between the City of Marina and Wallace Group (WG), to add to the scope of work for the program management services for the hazardous material abatement and blighted building removal of Phase 1: 47 barracks buildings located at the future Dunes City Park and 31 duplex buildings located in Cypress Knoll, and future Phase 2: Six barracks buildings on CDEC Hill Eleventh Street and future Phase 3: 13 barracks buildings located on Dunes Park South.
2. Increase the contract amount limit by \$609,550 for a total contract amount of \$1,313,246.
3. Authorizing the City Manager to execute the amendment on behalf of the City subject to final review and approval by the City Attorney.

BACKGROUND:

The closure of Fort Ord resulted in land being deeded to the City of Marina in an “as-is” condition. The land contains numerous buildings that served the former fort which have deteriorated since 1994 and need to be removed as part of the land redevelopment.

Some of the buildings are on property that the City will retain and must be removed for future development. These include 65 barracks buildings and 260 duplex housing units on what was planned to be the Cypress Knolls development.

Although the Fort Ord Reuse Authority (FORA) sunsetted on June 30, 2020, FORA secured bond funding for blight removal prior to closure. Included in the bond funding are FORA bond trust funds allocated to the City amounting to \$8,561,968 and escrow bonds that are projected to generate \$6.5M in blight removal funding through 2025.

On January 20, 2021, the City Council of the City of Marina adopted Resolution No. 2021-11 approving funding for removal of 47 barracks buildings on the future Dunes City Park and removal of 31 duplexes in Cypress Knolls along 3rd and Rendova.

On April 7, 2020, the City Council passed Resolution No. 2020-30, approving a professional services agreement between the City of Marina and Wallace Group for Program Management Services for projects in the Capital Improvement Program (CIP).

On May 18, 2020, the Program Management Services agreement between the City of Marina and Wallace Group was executed with a time and material compensation basis in an amount not to exceed of \$703,696.00.

City received a cost proposal for Program Management Services for management of hazardous material abatement and blighted building removal as follows and attached hereto as “**Exhibit A-1**”.

PHASE 1:

1. Area 1 (Dunes City Park) ,47 buildings:	\$292,350.00
2. Area 4 (Cypress Knoll), 31 duplex buildings:	\$292,350.00
Total Phase 1:	\$440,400.00

PHASE 2:

3. Area 2 (CDEC Hill Eleventh Street) ,6 buildings:	\$ 105,320.60
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PHASE 3:

4. Area 3 (Dunes Park South), 13 buildings:	\$106,850.00
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Grand Total \$609,550.00

ANALYSIS:

Wallace Group has the experience to provide program management services including bid document preparation, permitting, project bidding and engineering services during construction. Wallace Group is performing well in managing the demolition of the Stockade Complex Hazardous Material Abatement and Building Removal project and the project is projected to be completed the end of May 2021.

Approval of the additional scope of work and associated increase in fee limit of \$609,550 to the Program Management Services is the most expeditious and cost-effective way for the City to complete the blight removal. This is an example of the reason that the City enters the program Management Services.

Although the 19 buildings from future phases of blight removal have not been funded at this time, the contract amendment includes Program Management services for their removal in anticipation of future need. The Program Management contract provides for compensation of Wallace Group on a time and materials expended basis. No work will commence on the removal of the additional 19 buildings prior to City Council approval.

FISCAL IMPACT:

Authorization of the work scope change to the Program Management Services contract between the City of Marina and Wallace Group is estimated to cost the City \$609,550. These costs are anticipated in the removal of blighted buildings. Sufficient funding is available in blight removal bond proceeds.

CONCLUSION:

The City staff recommends City Councils’ considerations and adoption of Resolution No. 2021- for the following actions:

1. Approving Amendment No. 1 to the On-call Program Management Services between the City of Marina and Wallace Group (WG), to add to the scope of work for the program management services of the blight hazardous material abatement and building removal of Phase 1: 47 barracks buildings located at the future Dunes City Park and 31 duplex buildings located in Cypress Knoll, Phase 2: Six barracks buildings on CDEC Hill Eleventh Street and Phase 3: 13 barracks buildings located on Dunes Park South; and

2. Increase the contract amount limit by \$609,550 for a total contract amount of \$1,313,246; and
3. Authorizing the City Manager to execute the amendment on behalf of the City subject to final review and approval by the City Attorney.

Brian McMinn, P.E., P.L.S.
Public Works Director/City
Engineer City of Marina

REVIEWED/CONCUR:

Layne P. Long
City Manager
City of Marina