

**ROSEVILLE**  
**REQUEST FOR COUNCIL ACTION**

Date: October 25, 2021  
Item No.: 7.b

Department Approval



City Manager Approval



Item Description: Consider a Professional Services Agreement for Pre-Design of the Civic Campus Master Plan

**BACKGROUND**

In 2021, the City of Roseville developed a Civic Campus Master Plan that identified a vision for the Civic Campus that included a new Maintenance Facility and a relocated License Center. The plan also identified a potential location for the VFW currently located in the area identified for the new Maintenance Facility.

The City Council expressed their interest in maintaining the momentum of the Master Plan process and outreach. In order to further define the design of the new facilities proposed under the Master Plan as well as to better establish construction phasing and project costs, staff is recommending that the City retain an extended team led by BKV Group to continue the work of the Master Plan.

This extended team will include three minority-owned businesses as sub-consultants to BKV. Those subconsultants and their primary role include:

- Eden Resources – Engagement and Cost Estimation
- Rani Engineering – Surveying
- Pierce Pini Engineering – Civil Engineering

More information about each of these businesses is available in the proposal which is included as Exhibit A of the Professional Services Agreement.

This next phase of planning and design will include the following elements:

1. Survey – a site survey will be completed to understand all existing property, utility, and contour information related to the site north of Woodhill and that portion of the existing city property for the future relocation of the VFW and License Center.
2. Civil – plans will be developed to understand property limits, utilities, grading and stormwater implications.
3. Site and floor plan development – plans will be developed for the maintenance facility north of Woodhill Drive, as well as plans for the new VFW and license center building on the south side of Woodhill.
4. Design concepts – preliminary exterior designs will be developed for the Maintenance Facility, the VFW and a new License Center building to explore materials, proportions and relationships to other city buildings and the surroundings.
5. Sustainable initiatives – BKV Group will work with the City to review and identify any potential sustainable initiatives that should be incorporated into planning and cost estimation.

- 31 6. Schedule – a schedule will be developed identifying the phased construction strategy, which  
32 will be valuable in planning out the project components and funding timelines.
- 33 7. Cost estimate – based on the items noted above, a detailed cost estimate will be developed  
34 for the three new facilities identifying all costs (hard and soft) associated with the project.

35 It is anticipated that this phase of the design process would be complete in early to mid-summer of  
36 2022. At that time, with updated information on cost and phasing for a likely partial build of the  
37 new Maintenance Facility, the City can determine if it wants to proceed to final design of the  
38 components of the overall plan or wait until funding is identified for the first phase of the project.  
39 Final design would be split up into the various phases of the overall project starting with the initial  
40 phase of the Maintenance Facility and then followed up by plans for the License Center and perhaps  
41 a new VFW facility.

42 An actual timeline for construction has still not been identified for any of these phases or facilities.  
43 A more detailed conversation will occur with completion of this phase of the design.

#### 44 **FINANCIAL IMPACTS**

45 The proposed services to be provided by BKV Group under this Professional Services Agreement is  
46 set at a not-to-exceed amount of \$120,000 with up to \$6,000 in reimbursable expenses for a total of  
47 \$126,000. Staff is recommending this be funded via the Engineering Services Fund. This was not a  
48 budgeted expense for 2021 or 2022.

49 Staff is not proposing any actual construction costs or timeframes at this time.

#### 50 **STAFF RECOMMENDATION**

51 Staff is recommending that the City Council consider approval of a Professional Services Agreement  
52 with BKV Group for Pre-Design services for the Civic Campus Master Plan.

#### 53 **REQUESTED COUNCIL ACTION**

54 Motion to approve a Professional Services Agreement with BKV Group for Pre-Design services for  
55 the Civic Campus Master Plan in the amount of \$120,000.

56 Prepared by: Marc Culver, Public Works Director  
Attachments: A: Professional Services Agreement including Services Proposal (Exhibit A)

## Agreement for Professional Services for Civic Campus Pre-Design Planning

This Agreement (“Agreement”) is made on the 25<sup>th</sup> day of October 2021, between the City of Roseville, a municipal corporation (hereinafter “City”), and BKV, Inc., a domestic corporation (hereinafter “Consultant”).

### Preliminary Statement

The City has adopted a policy regarding the selection and hiring of consultants to provide a variety of professional services for City projects. That policy requires that persons, firms or corporations providing such services enter into written agreements with the City. The purpose of this Agreement is to set forth the terms and conditions for the performance of professional services by the Consultant.

The City and Consultant agree as follows:

1. ***Scope of Work Proposal.*** The Consultant agrees to provide the professional services shown in Exhibit “A” attached hereto (“Work”) in consideration for the compensation set forth in Provision 3 below. The terms of this Agreement shall take precedence over and supersede any provisions and/or conditions in any proposal submitted by the Consultant.
2. ***Term.*** The term of this Agreement shall be from **October 25, 2021**, the date of signature by the parties notwithstanding.
3. ***Compensation for Services.*** The city agrees to pay the Consultant a not-to-exceed amount of **\$126,000** as compensation as described in Exhibit A attached hereto for the Work, subject to the following:
  - A. Any changes in the Work which may result in an increase to the compensation due the Consultant shall require prior written approval of the City. The City will not pay additional compensation for Work that does not have such prior written approval.
  - B. Third party independent contractors and/or subcontractors may be retained by the Consultant when required by the complex or specialized nature of the Work when authorized in writing by the City. The Consultant shall be responsible for and shall pay all costs and expenses payable to such third-party contractors unless otherwise agreed to by the parties in writing.
4. ***City Representative and Special Requirements:***
  - A. The Public Works Director shall act as the City’s representative with respect to the Work to be performed under this Agreement. Such representative shall have authority to transmit instructions, receive information and interpret and define the City’s policies and decisions with respect to the Work to be performed under this Agreement, but shall not have the right to enter into contracts or make binding agreements on behalf of the City with respect to the Work or this Agreement. The City may change the City’s representative at any time by notifying the Consultant of such change in writing.
  - B. In the event that the City requires any special conditions or requirements relating to the Work and/or this Agreement, such special conditions and requirements are stated in Exhibit C attached hereto. The parties agree that such special conditions and requirements are incorporated into and made a binding part of this Agreement and the Consultant agrees to perform the Work in accordance with, and that this Agreement shall be subject to, the conditions and requirements set forth in Exhibit C.

5. **Method of Payment.** The Consultant shall submit to the City, on a monthly basis, an itemized invoice for Work performed under this Agreement. Invoices submitted shall be paid in the same manner as other claims made to the City. Invoices shall contain the following:
- A. For Work reimbursed on an hourly basis, the Consultant shall indicate for each employee, his or her name, job title, the number of hours worked, rate of pay for each employee, a computation of amounts due for each employee, and the total amount due for each project task. For all other Work, the Consultant shall provide a description of the Work performed and the period to which the invoice applies. For reimbursable expenses, if provided for in Exhibit A, the Consultant shall provide an itemized listing and such documentation of such expenses as is reasonably required by the City. In addition to the foregoing, all invoices shall contain, if requested by the City, the City's project number, a progress summary showing the original (or amended) amount of the Agreement, the current billing, past payments, the unexpended balance due under the Agreement, and such other information as the City may from time to time reasonably require.
  - B. To receive any payment pursuant to this Agreement, the invoice must include the following statement dated and signed by the Consultant: "I declare under penalty of perjury that this account, claim, or demand is just and correct and that no part of it has been paid."
- The payment of invoices shall be subject to the following provisions:
- A. The City shall have the right to suspend the Work to be performed by the Consultant under this Agreement when it deems necessary to protect the City, residents of the City or others who are affected by the Work. If any Work to be performed by the Consultant is suspended in whole or in part by the City, the Consultant shall be paid for any services performed prior to the delivery upon the Consultant of the written notice from the City of such suspension.
  - B. The Consultant shall be reimbursed for services performed by any third-party independent contractors and/or subcontractors only if the City has authorized the retention of and has agreed to pay such persons or entities pursuant to Section 3B above.
6. **Project Manager and Staffing.** The Consultant has designated **Bruce Schwartzman** ("Project Contacts") to perform and/or supervise the Work, and as the persons for the city to contact and communicate with regarding the performance of the Work. The Project Contacts shall be assisted by other employees of the Consultant as necessary to facilitate the completion of the Work in accordance with the terms and conditions of this Agreement. The Consultant may not remove or replace the Project Contacts without the prior approval of the City.
7. **Standard of Care.** All Work performed by the Consultant under this Agreement shall be in accordance with the normal standard of care in Ramsey County, Minnesota, for professional services of like kind.
8. **Audit Disclosure.** Any reports, information, data and other written documents given to, or prepared or assembled by the Consultant under this Agreement which the City requests to be kept confidential shall not be made available by the Consultant to any individual or organization without the City's prior written approval. The books, records, documents and accounting procedures and practices of the Consultant or other parties relevant to this Agreement are subject to examination by the City and either the Legislative Auditor or the State Auditor for a period of six (6) years after the effective date of this Agreement. The Consultant shall at all times abide by Minn. Stat. § 13.01 et seq. and the Minnesota Government Data Practices Act, to the extent the Act is applicable to data, documents, and other information in the possession of the Consultant.

9. **Termination.** This Agreement may be terminated at any time by the City, with or without cause, by delivering to the Consultant at the address of the Consultant set forth in Provision 26 below, a written notice at least ten (10) days prior to the date of such termination. The date of termination shall be stated in the notice. Upon termination the Consultant shall be paid for services rendered (and reimbursable expenses incurred if required to be paid by the City under this Agreement) by the Consultant through and until the date of termination so long as the Consultant is not in default under this Agreement. If the City terminates this Agreement because the Consultant is in default of its obligations under this Agreement, no further payment shall be payable or due to the Consultant following the delivery of the termination notice, and the City may, in addition to any other rights or remedies it may have at law or in equity, retain another consultant to undertake or complete the Work to be performed hereunder.
10. **Subcontractor.** The Consultant shall not enter into subcontracts for services provided under this Agreement without the express written consent of the City. The Consultant shall promptly pay any subcontractor involved in the performance of this Agreement as required by the State Prompt Payment Act.
11. **Independent Consultant.** At all times and for all purposes herein, the Consultant is an independent contractor and not an employee of the City. No statement herein shall be construed so as to find the Consultant an employee of the City.
12. **Non-Discrimination.** During the performance of this Agreement, the Consultant shall not discriminate against any person, contractor, vendor, employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, sexual orientation or age. The Consultant shall post in places available to employees and applicants for employment, notices setting forth the provision of this non-discrimination clause and stating that all qualified applicants will receive consideration for employment. The Consultant shall incorporate the foregoing requirements of this Provision 12 in all of its subcontracts for Work done under this Agreement, and will require all of its subcontractors performing such Work to incorporate such requirements in all subcontracts for the performance of the Work. The Consultant further agrees to comply with all aspects of the Minnesota Human Rights Act, Minnesota Statutes 363.01, et. seq., Title VI of the Civil Rights Act of 1964, and the Americans with Disabilities Act.
13. **Assignment.** The Consultant shall not assign this Agreement, nor its rights and/or obligations hereunder, without the prior written consent of the City.
14. **Services Not Provided For.** No claim for services furnished by the Consultant not specifically provided for herein shall be paid by the City.
15. **Compliance with Laws and Regulations.** The Consultant shall abide with all federal, state and local laws, statutes, ordinances, rules and regulations in the performance of the Work. The Consultant and City, together with their respective agents and employees, agree to abide by the provisions of the Minnesota Data Practices Act, Minnesota Statutes Section 13, as amended, and Minnesota Rules promulgated pursuant to Chapter 13. Any violation by the Consultant of statutes, ordinances, rules and regulations pertaining to the Work to be performed shall constitute a material breach of this Agreement and entitle the City to immediately terminate this Agreement.
16. **Waiver.** Any waiver by either party of a breach of any provisions of this Agreement shall not affect, in any respect, the validity of the remainder of this Agreement or either parties' ability to enforce a subsequent breach.

17. **Indemnification.** To the fullest extent permitted by law, the Consultant agrees to defend, indemnify and hold the City, and its mayor, council members, officers, agents, employees and representatives harmless from and against all liability, claims, damages, costs, judgments, losses and expenses, including but not limited to reasonable attorney's fees, arising out of or resulting from any act or omission of the Consultant, its officers, agents, employees, contractors and/or subcontractors pertaining to the execution, performance or failure to adequately perform the Work and/or its obligations under this Agreement.

18. **Insurance.**

A. General Liability. Prior to starting the Work and during the full term of this Agreement, the Consultant shall procure, maintain and pay for such insurance as will protect against claims for bodily injury or death, and for damage to property, including loss of use, which may arise out of operations by the Consultant or by any subcontractor of the Consultant, or by anyone employed by any of them, or by anyone for whose acts any of them may be liable. Such insurance shall include, but not be limited to, minimum coverages and limits of liability specified in this Provision 18 or such greater coverages and amounts as are required by law. Except as otherwise stated below, the policies shall name the City as an additional insured for the Work provided under this Agreement and shall provide that the Consultant's coverage shall be primary and noncontributory in the event of a loss.

B. The Consultant shall procure and maintain the following minimum insurance coverages and limits of liability with respect to the Work:

Worker's Compensation:	Statutory Limits
Commercial General Liability:	\$1,000,000 per occurrence \$1,000,000 general aggregate \$1,000,000 products – completed operations aggregate \$5,000 medical expense
Comprehensive Automobile Liability:	\$1,000,000 combined single limit (shall include coverage for all owned, hired and non-owned vehicles.

C. The Commercial General Liability policy(ies) shall be equivalent in coverage to ISO form CG 0001, and shall include the following:

- (i) Personal injury with Employment Exclusion (if any) deleted;
- (ii) Broad Form Contractual Liability coverage; and
- (iii) Broad Form Property Damage coverage, including Completed Operations.

D. During the entire term of this Agreement, and for such period of time thereafter as is necessary to provide coverage until all relevant statutes of limitations pertaining to the Work have expired, the Consultant shall procure, maintain and pay for professional liability insurance, satisfactory to the City, which insures the payment of damages for liability arising out of the performance of professional services for the City, in the insured's capacity as the Consultant, if such liability is caused by an error, omission, or negligent act of the insured or any person or organization for whom the insured is liable. Said policy shall provide an aggregate limit of at least \$2,000,000.00.

E. The Consultant shall maintain in effect all insurance coverages required under this Provision 18 at Consultant's sole expense and with insurance companies licensed to do business in the state in Minnesota and having a current A.M. Best rating of no less than A-, unless otherwise agreed to by the City in writing. In addition to the requirements stated above, the following applies to the insurance policies required under this Provision:

- (i) All policies, except the Professional Liability Insurance Policy, shall be written on an "occurrence" form ("claims made" and "modified occurrence" forms are not acceptable);
- (ii) All policies, except the Professional Liability Insurance Policy and the Worker's Compensation Policy, shall name "the City of Roseville" as an additional insured;
- (iii) All policies, except the Professional Liability Insurance Policy and the Worker's Compensation Policy, shall insure the defense and indemnify obligations assumed by Consultant under this Agreement; and
- (iv) All policies shall contain a provision that coverages afforded thereunder shall not be canceled or non-renewed or restrictive modifications added, without thirty (30) days prior written notice to the City.

A copy of: (i) a certification of insurance satisfactory to the City, and (ii) if requested, the Consultant's insurance declaration page, riders and/or endorsements, as applicable, which evidences the compliance with this Paragraph 18, must be filed with the City prior to the start of Consultant's Work. Such documents evidencing insurance shall be in a form acceptable to the City and shall provide satisfactory evidence that the Consultant has complied with all insurance requirements. Renewal certificates shall be provided to the City prior to the expiration date of any of the required policies. The City will not be obligated, however, to review such declaration page, riders, endorsements or certificates or other evidence of insurance, or to advise Consultant of any deficiencies in such documents, and receipt thereof shall not relieve the Consultant from, nor be deemed a waiver of, the City's right to enforce the terms of the Consultant's obligations hereunder. The City reserves the right to examine any policy provided for under this Provision 18.

19. **Ownership of Documents.** All plans, diagrams, analysis, reports and information generated in connection with the performance of this Agreement ("Information") shall become the property of the City, but the Consultant may retain copies of such documents as records of the services provided. The City may use the Information for any reasons it deems appropriate without being liable to the Consultant for such use. The Consultant shall not use or disclose the Information for purposes other than performing the Work contemplated by this Agreement without the prior consent of the City.

20. **Annual Review.** Prior to January 1 of each year of this Agreement, the City shall have the right to conduct a review of the performance of the Work performed by the Consultant under this Agreement. The Consultant agrees to cooperate in such review and to provide such information as the City may reasonably request. Following each performance review the parties shall, if requested by the City, meet and discuss the performance of the Consultant relative to the remaining Work to be performed by the Consultant under this Agreement.

21. **Conflicts.** No salaried officer or employee of the City and no member of the City Council of the City shall have a financial interest, direct or indirect, in this Agreement. The violation of this provision shall render this Agreement void.

22. **Governing Law.** This Agreement shall be controlled by the laws of the State of Minnesota.

23. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be considered an original.
24. **Severability.** The provisions of this Agreement are severable. If any portion hereof is, for any reason, held by a court of competent jurisdiction to be contrary to law, such decision shall not affect the remaining provisions of this Agreement.
25. **Notices.** Any notice to be given by either party upon the other under this Agreement shall be properly given: a) if delivered personally to the City Manager if such notice is to be given to the City, or if delivered personally to an officer of the Consultant if such notice is to be given to the Consultant, b) if mailed to the other party by United States registered or certified mail, return receipt requested, postage prepaid, addressed in the manner set forth below, or c) if given to a nationally, recognized, reputable overnight courier for overnight delivery to the other party addressed as follows:

If to City:                      City of Roseville  
   Roseville City Hall  
   2660 Civic Center Drive  
   Roseville, MN 55113  
   Attn: City Manager

If to Consultant:              BKV Group  
   222 North Second Street, Suite 101  
   Minneapolis, MN 55401  
   Attn: Bruce Schwartzman

Notices shall be deemed effective on the date of receipt if given personally, on the date of deposit in the U.S. mails if mailed, or on the date of delivery to an overnight courier if so delivered; provided, however, if notice is given by deposit in the U.S. mails or delivery to an overnight courier, the time for response to any notice by the other party shall commence to run one business day after the date of mailing or delivery to the courier. Any party may change its address for the service of notice by giving written notice of such change to the other party, in any manner above specified, 10 days prior to the effective date of such change.

26. **Entire Agreement.** Unless stated otherwise in this Provision 27, the entire agreement of the parties is contained in this Agreement and its exhibits. This Agreement supersedes all prior oral agreements and negotiations between the parties relating to the subject matter hereof as well as any previous agreements presently in effect between the parties relating to the subject matter hereof. Any alterations, amendments, deletions, or waivers of the provisions of this Agreement shall be valid only when expressed in writing and duly signed by the parties, unless otherwise provided herein. The following agreements supplement and are a part of this Agreement: none.

IN WITNESS WHEREOF, the undersigned parties have entered into this Agreement as of the date set forth above.

CITY OF ROSEVILLE

By: \_\_\_\_\_  
Mayor

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

BKV Group, INC.

By: \_\_\_\_\_

Its: Bruce Schwartzman, AIA  
Partner / Managing Architect

By: \_\_\_\_\_

Its: Michael Krych, AIA  
Partner / President

**EXHIBIT A**  
**PROPOSAL**



September 30, 2021

City of Roseville  
2660 Civic Center Drive  
Roseville, MN 55113

Attention: Marc Culver, Public Works Director

E-mail: [Marc.Culver@cityofroseville.com](mailto:Marc.Culver@cityofroseville.com)

**RE: Roseville City Planning – Pre-Design Proposal**

Dear Marc,

Our team is excited to have the opportunity to continue to assist you and the city in the planning efforts to help further define the direction of the city campus. We are proposing to maintain the experienced team that prepared and is familiar with the master planning study; BKV, Oertel and Kraus Anderson. To add expertise and diversity to the team we are planning on including the following additional consultants as we developed a pre-design:

- Eden Recourses – Engagement and Cost Estimation
- Rani Engineering – Surveying
- Peirce Pini Engineering – Civil Engineering

Eden Recourses is a certified small, woman-owned, 100% minority owned professional technical services firm delivering construction management services to commercial and governmental clients. Eden's office is close to Roseville and Mariaha Dean, the lead principal is very familiar with the area as she has been long-time Roseville school district parents for many years. Given previous collaboration history with Kraus Anderson, Eden Resources will be providing a peer review of the team's proposed pre-design phased implementation strategy. They will also assist in leading the community engagement process in reaching out to the neighborhood. Eden will also be responsible for the cost estimate for the VFW / License Center component of the study.

Rani Engineering is a highly recognized and award-winning Minnesota firm established in 1993 as one of the first woman and minority-owned engineering design companies in Minnesota. Located in Minneapolis, Rani has become one of the largest and broadest TGB/DBE/SBE/MBE & Vet-Owned consulting firms, providing professional and technical services to public and private sector clients nationwide. Rani Engineering will be providing a land survey for the pre-design report.

Peirce Pini and Associate was established as a woman owned business in 2003 to provide professional civil engineering services. They are certified as a disadvantaged business enterprise (DBE) by the Minnesota Unified Certification program as a small, woman owned business (S/WBE) by the CERT program as a woman owned business (WBE) by the Minnesota Department of Transportation. With a collaborative history with BKV Group and Kraus Anderson, Peirce Pini will be providing civil engineering insight in the development of the pre-design approach.

Our proposed pre-design approach will start with a team kick off meeting between our design team and your core project team to review all aspects of the Pre-Design process, including planning steps, schedule, collaboration and deliverables. This will give you a chance to engage with the team, provide insight into current issues, scheduling, and budgetary goals, as well as any specific requirements that should be considered.

Our pre-design process would culminate in a pre-design report that would add a higher level of detail to what was developed in the master plan report regarding scope, phasing, and strategic implementation of the first part of Maintenance, relocation of the VFW, and relocation of the License Center components. As an overview, the pre-design effort will be similar to a 25% schematic design phase in terms of process and level of development. The pre-design will allow us to confirm the program, develop more detailed plans, phasing of those plans, along with a newly-informed phased schedule for implementation and corresponding cost estimation (both construction and project budgets).

Pre-design will include the following elements of scope:

1. Survey – we will have a site survey completed to understand all existing property, utility, and contour information related to the site north of Woodhill and that portion of the existing city property for the future relocation of the VFW and License Center.
2. Civil – plans will be developed to understand property limits, utilities, grading and stormwater implications.
3. Site and floor plan development – plans will be developed for the maintenance facility north of Woodhill Drive, as well as plans for the new VFW and license center building on the south side of Woodhill.
4. Design concepts – preliminary exterior designs will be developed for the maintenance and the VFW and license center building to explore materials, proportions and relationships to other city buildings and the surroundings.
5. Sustainable initiatives – the team will work with you to review and identify any potential sustainable initiatives that should be incorporated into planning and cost estimation.
6. Schedule – a schedule will be developed identifying the phased construction strategy, which will be valuable in planning out the project components and funding timelines.
7. Cost estimate – based on the items noted above, a detailed cost estimate will be developed for maintenance and the VFW/ licensing center identifying all cost (hard and soft) associated with the project

For the engagement component, we expect this will center on connecting with the VFW to discuss their goals, confirm their involvement in the project, and offer them an opportunity to review and proposed relocation plans. We also plan to work with you and the city to develop and implement a focused engagement process with the neighborhood, perhaps specifically related to the proposed changes to the north of Woodhill and to development of the playground area. The touchpoints with the community may utilize hybrid methods, both digital and in-person, to ensure appropriate points of connection.

The pre-design study will be using option A-1 from the masterplan report as the direction to proceed. Per this option, there will be initial phases for site development and the start of maintenance that allow the VFW and licensing center to stay in place until a new building (or buildings) is built to relocate their operations. This phasing approach may include the following, subject to dialogue with you and development of our pre-design strategy:

- Phase 1 – Prepare and develop the northwest portion of the site, maintaining the VFW and License Center in operation. This may impact current parking and site access.
- Phase 2 – Demolish the old maintenance building south of Woodhill and build the new VFW & License Center building(s). This phase is intended to allow the remainder of

maintenance to function as-is including building and yards, with some accommodations to workflow.

- *Phase 3 – Future Implementation.* Demolish the old VFW and license center buildings and build the remainder of the maintenance complex. We understand this phase of implementation will likely be distinct from Phase 1 and 2, and be considered as part of the broader civic campus implementation.

The BKV team will provide extensive documentation of the design process, the options, and the decision process used to arrive at the recommended solution at completion of the pre-design phase. The design definition, understanding, budget reviews with the City approvals at this phase are a critical milestone in maintaining the schedule and budget. To best illustrate the design in the review process for the City's reviews we will provide the following at the completion of this phase.

#### **Proposed Approach:**

We propose to utilize BKV's methodology for pre-design, including project management that utilizes a critical path schedule and meeting agendas and minutes, a quality assurance process that includes peer-review of proposed recommendations, and production of deliverables that are consistent with industry standards for quality and content, and can be used for continued planning and implementation by the city.

#### **Proposed Schedule:**

From the time the city authorizes BKV to process we would anticipate 5 to 6 months to complete the pre-design report. As we start the process, we will work with you and your schedules to map out dates for all the meetings required in this phase. At the very minimum, we would plan to present the final design and cost estimate to the City Council at the completion of the phase, however if desired we can provide interim updates to the City Council.

#### **Proposed Fee:**

The BKV Group team's compensation goals are to establish fees that fairly compensate us for the required services and resources to achieve our client's project goals, while assuring that both our client and our firm are treated fairly for the services and expertise required. To meet this goal, we strive to establish a well-defined project understanding and scope of services to be provided so that an appropriate fee structure can be determined. Our proposed fee is based on our experience in planning and construction of similar fire station projects, and the time and task required to do a quality job on the project.

Based on the master plan study the estimated construction cost for option A-1 is between \$30 million and \$32 million. The A/E industry in many cases uses a percentage-based formula for determining project fees. The range we have been seeing for that formula is between 5.57% and 6.5% of the estimated construction values. The pre-design phase typically will be 0.5% of the construction cost, which in this case would be in the \$150,000 range. Our team's proposed fee for the services outlined in this proposal is \$120,000.

In addition to the fees for the work we would have industry standard fees for reimbursable expenses such as internal and city provided printing and travel. For these costs we would estimate at 5.0% of the total A/E fee, which is \$6,000 based on the proposed fee. This amount is a maximum, not-to-exceed amount and we will invoice for only the amount spent with no overhead or profit markups applied.

If this is acceptable, we will begin immediately based on your notification. As we start, we will work with you to draft and initiate a contract for these services.

We have enjoyed working with you and the city on the masterplan study and we are excited to help the city in the next phase of project understanding. If I can answer any questions or you would like to discuss the proposal, please do not hesitate to contact me.

Sincerely,  
BKV Group, Inc.

A handwritten signature in blue ink, appearing to read 'Bruce Schwartzman', with a stylized flourish at the end.

Bruce Schwartzman, AIA  
Partner – Managing Architect

**Exhibit C**

Exhibit C: Not applicable to this contract.