

City of Milpitas, California

BUDGET CHANGE FORM

Type of Change	From*		To*	
	Account	Amount	Account	Amount
Check one:	331-951340624800	\$40,000	331-9513406153999	\$40,000
<input checked="" type="checkbox"/> Budget Appropriation	330-3899	\$40,000	330-2931	\$40,000
<input type="checkbox"/> Budget Transfer				

Approve and Authorize the City Manager to execute Amendment No. 1 to the Agreement with Group 4 Architecture, Research & Design for Space Planning and Design of Office Spaces at City Hall, resulting in a decrease of the total not to exceed amount by \$40,000 from \$150,000 to \$110,000 and approve a Budget Amendment returning the contractual savings to the General Government CIP Fund balance

Background:

Milpitas City Hall was completed in 2003 and the floorplan of City Hall has remained largely unchanged over the years. As the City has grown, staffing levels have changed as well to match. The City has increased recruitment of employees to fill vacant positions, in order to improve responsiveness and service levels to the public and reorganize departments to better respond to the current duties and demands. With these changes, the need for an evaluation of existing workspaces was identified in order to bring departments together and better utilize the work areas available at City Hall.

On December 4, 2018, the City Council approved and authorized the City Manager to execute an agreement with Group 4 Architecture, Research and Design (Group 4) for space planning and design of office spaces at City Hall. The contract scope of work included improving space efficiencies, improving workflow and modernizing workspace designs to meet the needs of current and future employees utilizing City Hall. The contract with Group 4 ended on January 1, 2020.

This contract amendment would be retroactive to January 20, 2020 and would extend the term of the contract to October 31, 2020, to allow for the closeout of tasks currently in progress, while suspending work on other tasks due to the recent COVID-19 pandemic and return the funds to the General Government CIP Fund balance.

Analysis:

Following Council approval of the agreement in December 2018, staff worked with Group 4 to complete conceptual designs, facility analysis, and needs assessment for City Hall. With the completion of the needs assessments for City Hall, Group 4 provided staff with space plan options, draft conceptual designs, and recommendations for City Hall, to account for the current and future workstation needs for City staff.

With the COVID-19 pandemic, staff are looking to reexamine workspaces at City Hall to not only account for current and future workstations for staff, but to also account for future floor plan layouts in a post COVID-19 world.

Amendment No. 1 would extend the contract term of the agreement to allow for the closeout of project tasks currently in progress and suspend work on project tasks that need to be reexamined due to the COVID-19 pandemic.

Policy Alternative:

Alternative: Do not execute Amendment No. 1 with Group 4.

Pros: No changes will need to be made to the existing agreement with Group 4.

Cons: Does not provide opportunity for City re-evaluate space needs for City Hall post COVID-19.

Reason not recommended: The COVID-19 pandemic has created the need for the transformation of offices to support social distancing, provide cleaner and more efficient workspaces, and protect employees from current and future pathogens.

Fiscal Impact:

This contract and budget amendment would result in the return \$40,000 of contractual savings to the General Government CIP Fund balance for future use.

California Environmental Quality Act: N/A

By the definition provided in the CEQA Guidelines Section 15378, this action does not qualify as a "project" for the purpose of CEQA as this action has no potential to result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

Recommendations:

Approve and Authorize the City Manager to execute Amendment No. 1 to the Agreement with Group 4 Architecture, Research & Design for Space Planning and Design of Office Spaces at City Hall, resulting in a decrease of the total not to exceed amount by \$40,000 from \$150,000 to \$110,000 and approve a Budget Amendment returning the contractual savings to the General Government CIP Fund balance.

Attachments:

1. Original Agreement with Group 4 for City Hall Space Planning
2. Budget change form

☐ **Check if City Council Approval required.**

Meeting Date: September 15, 2020

Requested by:	Department Head: Tony Ndah	Date: September 15, 2020
Reviewed by:	Finance Director: Walter C. Rossmann	Date: September 15, 2020
Date approved by City Council, if required:		Confirmed by: