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APPROVED  
BY THE CITY COUNCIL

APR 14 1998  
OFFICE OF THE  
CITY CLERK

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DEPARTMENT OF  
PUBLIC WORKS

CITY OF SACRAMENTO  
CALIFORNIA

TECHNICAL SERVICES  
REAL ESTATE SERVICES

March 24, 1998

City of Sacramento  
Honorable Members in Session

**SUBJECT: APPROVAL OF SUPPLEMENTAL AGREEMENT No.2 IN THE AMOUNT OF \$40,000 WITH PARAGON PARTNERS LTD. FOR THE NORTH NATOMAS COMPREHENSIVE DRAINAGE PROJECT (PN: 40AD)**

**LOCATION/COUNCIL DISTRICT:** The project lies both to the East and West of I-5; and includes properties along the East, West and Main Drain of the North Natomas Area in Council District 1.

**RECOMMENDATION:**

This report recommends that the City Council adopt the attached resolution approving Supplemental Agreement No.2.

**CONTACT PERSONS:**

Julie Cline, Real Property Agent - 264-5629  
Bruce Alej, Real Estate Services Manager - 264-5055

**FOR COUNCIL THE MEETING OF:** April 14, 1998

**SUMMARY:**

The purpose of this report is to request approval of Supplemental Agreement No.2, which is necessary to compensate the consultant for services above the scope of work contained in the original agreement. City Council approval of this supplemental agreement is needed, as this increase will bring the total fee for professional services to \$129,500.00.

City Council  
Re: No. Natomas Comprehensive Drainage Project  
March 24, 1998

**COMMITTEE ACTION:**

None.

**BACKGROUND INFORMATION:**

On April 17, 1997, the City Manager entered into a Consultant and Professional Services Agreement (97-111) with Paragon Partners, Ltd. The agreement was in the amount of \$49,500 and was for the purpose of providing property acquisition services related to the North Natomas Comprehensive Drainage project.

In the course of providing services the number of parcel acquisitions increased and unexpected engineering modifications occurred that effected the scope of the project. In response, Paragon submitted a revised scope of work and cost estimate to cover the modifications. The revised scope of work was a result of additional efforts resulting from acquisition of survey permits, rights of entry for environmental assessment, complex title clearance issues, staggered appraisal delivery dates and subsequent revisions, engineering redesign causing modifications to the acquisition documents, delays in negotiations, and complicated damage issues for several parcels. So that Paragon may continue to provide services, the City Manager approved Supplemental Agreement No.1 in the amount of \$40,000 expanding the scope of work and increasing the total fee for services to \$89,500.

In the course of executing services under the supplemental agreement, Paragon provided the City with a second revised cost estimate reflecting an expanded scope of services. The additional services are necessary to provide for revised offers caused by design changes, obtaining rights of entry by separate agreement during open escrows, tenant contacts and consents on properties to be acquired by dedication, and complex condemnation requests. The cost to provide expanded services is \$40,000 bringing the total agreement amount to \$129,500.

**FINANCIAL CONSIDERATIONS:**

Right-of-way (ROW) acquisition was addressed in the revenue and expenditure budget for the North Natomas Drainage Community Facilities District (CFD) No. 97-01. There was \$89,500 allocated for ROW agents. Completion of the tasks under agreement number 97-111 exceeded this cost by \$40,000 to a total of \$129,500. There is adequate contingency built into the CFD to fund the additional ROW costs.

City Council  
Re: No. Natomas Comprehensive Drainage Project  
March 24, 1998

**ENVIRONMENTAL CONSIDERATIONS:**

None

**POLICY CONSIDERATIONS:**

Approval of this supplemental agreement is consistent with Sacramento City Code Title 59.

**MBE/WBE EFFORTS:**

Paragon Partners, Ltd. is a City certified non-minority small women-owned business.

Respectfully submitted,



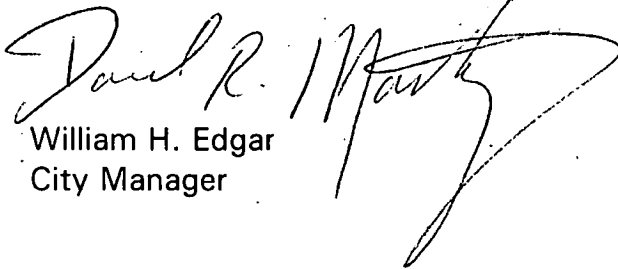
Gary Alm, Manager  
Development Services

Approved:



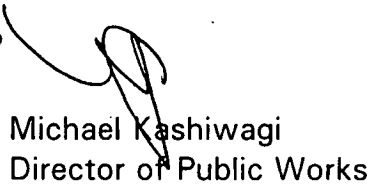
Duane Wray, Manager  
Technical Services

**RECOMMENDATION APPROVED:**



William H. Edgar  
City Manager

Approved:



Michael Kashiwagi  
Director of Public Works

RESOLUTION NO. 98-126

APPROVED  
BY THE CITY COUNCIL  
APR 14 1998  
OFFICE OF THE  
CITY CLERK

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

RESOLUTION AUTHORIZING THE CITY MANAGER AND CITY CLERK TO EXECUTE SUPPLEMENTAL AGREEMENT NO. 2 WITH PARAGON PARTNERS LTD. FOR PROJECT SERVICES FOR THE NORTH NATOMAS COMPREHENSIVE DRAINAGE PROJECT (PN: 40AD)

BE IT HEREBY RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

The City Manager and City Clerk are hereby authorized to sign and execute Supplemental Agreement No. 2 in the amount of \$40,000 with Paragon Partners Ltd., increasing the contract amount from \$89,500 to \$129,500.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
FOR CITY CLERK USE ONLY

RESOLUTION NO. \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_