

**REPORT TO MAYOR AND COUNCIL  
SITTING AS THE LOCAL REUSE AUTHORITY**

**TO THE HONORABLE MAYOR AND COUNCIL  
SITTING AS THE LOCAL REUSE AUTHORITY:**

DATE: February 24, 2015

**SUBJECT: APPROVAL OF AN AMENDMENT TO THE MASTER SERVICES AGREEMENT WITH ALH URBAN & REGIONAL ECONOMICS (ALH ECONOMICS) FOR PROFESSIONAL SERVICES ASSOCIATED WITH DISPOSITION AND LAND TRANSFER PLANNING AT THE CONCORD NAVAL WEAPONS STATION (CNWS) IN AN AMOUNT NOT TO EXCEED \$15,000. FUNDING WILL BE PROVIDED BY A LOAN TO THE LOCAL REUSE AUTHORITY (LRA) FROM THE GENERAL FUND. TOTAL CONTRACT VALUE SINCE 2012 IS \$116,460.**

**Report in Brief**

Staff is recommending that the Local Reuse Authority (LRA) amend a Master Agreement for Professional Services with ALH Economics for preparation of specialized economic studies for transfer of the former Concord Naval Weapons Station (CNWS). The analyses will support refinement of phasing and disposition strategies for the application of Economic Development Conveyance through revisions to site-wide infrastructure concepts, financial/fiscal sustainability model updates and review of financial information submitted by Master Developer candidates. This agreement will cover a performance period of March 1, 2015 to June 30, 2015. Funding will be provided through a loan to the LRA from the General Fund that was approved and appropriated as part of the adoption of the FY 2014/2015 budget as amended on January 27, 2015. The loan will be repaid, with interest, from land sales or leases within the former Concord Naval Weapons Station (CNWS). Total contract value since 2012, including this amendment is \$116,460, of which \$55,460 has been funded by the Department of Defense, Office of Economic Adjustment (OEA).

**Background**

ALH has been providing specialized financial and fiscal studies and advice to City staff during the development and adoption of the Reuse Plan and development of the Area Plan and its amendment into the General Plan. Their work has laid the foundation of the disposition strategies for the Economic Development Conveyance (EDC) of the property to the LRA. Staff requires those services to continue in support of negotiations with the Department of the Navy (DON) and preparation of a formal EDC application and evaluation of proposals from Master Developer candidates. The principals of ALH Economics were selected for this work as part of the competitive selection for preparation of the Reuse Plan.

**APPROVAL OF AN AMENDMENT TO THE MASTER SERVICES AGREEMENT WITH ALH URBAN & REGIONAL ECONOMICS (ALH ECONOMICS) FOR PROFESSIONAL SERVICES ASSOCIATED WITH DISPOSITION AND LAND TRANSFER PLANNING AT THE CONCORD NAVAL WEAPONS STATION (CNWS) IN AN AMOUNT NOT TO EXCEED \$15,000. FUNDING WILL BE PROVIDED BY A LOAN TO THE LOCAL REUSE AUTHORITY (LRA) FROM THE GENERAL FUND. TOTAL CONTRACT VALUE SINCE 2012 IS \$116,460**

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**Discussion**

The City will continue to require specialized expertise in review of disposition and development phasing options in support of implementation of the Concord Reuse Project Area Plan. Specialized expertise will focus on the following activities:

*Task 1 – Financial and Fiscal Analysis*

*Task 2 – Update Financial Fiscal Model Costs*

*Task 3 – Economic Impact Models for Job Loss/Job Creation*

*Task 4 – Negotiations with DON*

**Fiscal Impact**

Funding will be provided through a loan to the LRA from the General Fund that was approved and appropriated as part of the adoption of the FY 2014/2015 budget as amended on January 27, 2015. The loan will be repaid, with interest, from land sales or leases within the former Concord Naval Weapons Station (CNWS). The loan was approved and appropriated by the City Council on July 23, 2013. Total funding since 2012, is \$116,460 of which the Department of Defense, Office of Economic Adjustment (OEA) has provided grants of \$55,460.

**Public Contact**

Agenda has been posted in accordance with legal requirements.

**Recommendation for Action**

The Executive Director is recommending the City Council, sitting as the Local Reuse Authority, authorize the Executive Director to execute an amendment to the existing Master Services Agreement with ALH for an amount not to exceed \$15,000.



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Local Reuse Authority  
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**SEVENTH AMENDMENT TO  
AGREEMENT FOR PROFESSIONAL SERVICES**

**This Seventh Amendment to Agreement** is entered into on March 1, 2015 (“EFFECTIVE DATE”) by and between the CITY OF CONCORD, a municipal corporation, (“CITY”) and ALH Urban & Regional Economics (“CONSULTANT”) and is the seventh amendment to an Administrative Agreement dated February 20, 2012 referenced as the City’s document No. AA-2315.

**WHEREAS**, the CITY and CONSULTANT entered into an agreement dated February 20, 2012 for services to support the preparation of a reuse plan for the Concord Naval Weapons Station in the amount of \$8,460; and

**WHEREAS**, the Agreement has been amended on May 1, 2012, and was approved by Council as CCA-5207, for an additional amount of \$50,000 and extending the term ending date to May 1, 2013; and on August 15, 2012, the amendment amount was reduced to \$15,000; and

**WHEREAS**, the Agreement has been amended on February 15, 2013, and was approved by Council as CCA-5207-A, for an additional amount of \$12,000 and extending the term ending date to June 30, 2013; and

**WHEREAS**, the Agreement has been amended on July 24, 2013, and was approved by Council as CCA-5207-B, for an additional amount of \$16,000 and extending the term ending date to August 31, 2014; and

**WHEREAS**, the Agreement has been amended on February 14, 2014, and was approved by Council as CCA-5207-C, for an additional amount of \$5,000; and

**WHEREAS**, the Agreement has been amended on May 14, 2014, and was approved by Council as CCA-5207-D, for an additional amount of \$15,000 and extending the term ending date to June 30, 2015; and

**WHEREAS**, the Agreement has been amended on July 1, 2014, and was approved by Council as CCA-5207-E, for an additional amount of \$30,000; and

**WHEREAS**, the parties hereto desire to amend the agreement to provide additional professional services in connection with the preparation of the reuse plan and provide for additional compensation therefore.

**NOW, THEREFORE**, in consideration of the promises and conditions set forth herein, the parties mutually agree as follows:

**Section 1.** Section 5, COMPENSATION, is hereby amended to read as follows:

**SECTION 5 - COMPENSATION**

5. COMPENSATION

With this amendment to the original agreement of February 20, 2012, the CONSULTANT shall be compensated in the additional amount of \$15,000 for a total amount not to exceed **\$116,460** for basic services rendered, as more particularly described in

Attachment A of the original agreement, in accordance with the terms and conditions included therein.

CONSULTANT may submit monthly statements for services rendered. It is intended that payments to CONSULTANT will be made by CITY within thirty (30) days of receipt of invoice.

**Section 2.** Section 6, TERM, is amended to read as follows:

**SECTION 6 - TERM**

6. TERM

The term of this Agreement, as amended, shall be from March 1, 2015 through June 30, 2015 unless earlier terminated in accordance with the terms of the Agreement.

Except as expressly amended herein all terms and conditions of the Agreement dated February 20, 2012 shall remain in full force and effect.

**IN WITNESS WHEREOF**, the parties have executed this Amendment to Agreement the day and year written above.

**CONSULTANT**

\_\_\_\_\_  
Dated

By: \_\_\_\_\_  
Amy L. Herman  
Senior Managing Director

**CITY OF CONCORD**

\_\_\_\_\_  
Dated

By: \_\_\_\_\_  
Michael W. Wright  
Executive Director  
Local Reuse Authority

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
City Clerk