

City of Portland  
**BUDGET/FINANCIAL COUNCIL ACTION IMPACT STATEMENT**

INITIATOR=S SUMMARY OF COUNCIL ACTION (Deliver original to Financial Planning Division. Retain copy).

1. Name of Initiator Matt Brown, Project Manager	2. Interoffice Mail Address 106/800	3. Telephone No. 503-823-7027	4. Bureau/Office/Dept. PDOT/BTE&D/PMD
5a. To Be Filed (date) August 14, 2003	5b. Calendar (Check One ) REGULAR Consent 4/5ths <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	5. Date Submitted to OMF Budget Analyst: August 7, 2003	6. Fund Name & Number Transportation Fund

Please check appropriate box and list dollar amount.

If using electronic MS Word Version, underline appropriate category and type and list dollar amount after. (Opt.)

Category 1 No financial Impact [ ]

Category 2 Routine and Budgeted Items [ ]

- |  |   |
|--|---|
| <input type="checkbox"/> Contracts   | <input type="checkbox"/> Annual Supply Contract                   |
| <input type="checkbox"/> Grants  | <input type="checkbox"/> Claims payment under \$15,000            |
| <input type="checkbox"/> Call for bids on purchasing contracts               | <input type="checkbox"/> Creation of a Local Improvement District |
| <input type="checkbox"/> Reports to Council regarding completion of projects | <input type="checkbox"/> Other                                    |

Category 3 Non-Routine or Unbudgeted Item [ X ] \$240,432.00 (estimated)

**SUMMARY OF ACTION:** In concise terms, describe what is to take place through the enactment of this council action. Where applicable, narrative should include answers to the following questions. Add space as necessary below each question. Multiple page responses are acceptable if necessary to answer all relevant questions.

A. What action(s) is proposed?

The proposed ordinance and contract with Portland Aerial Transportation, Inc. (PATI) will fund design services for the aerial tram. This work implements actions contained within the South Waterfront Central District Project Development Agreement, approved by the Portland Development Commission on August 13, 2003, and an Intergovernmental Agreement (IGA) between PDC and PDOT approved by City Council on July 31, 2003.

B. Who will be affected by the proposed action? (List other City bureaus? Citizens? The business community?)

This action will primarily affect PDOT and PDC within the City. PDOT will ultimately own and operate the tram, and therefore is responsible for contracting for design services and constructing the tram. PDC is responsible for funding the City's share of the project (\$2,000,000 out of \$15,500,000 budget). This work will also entail a separate funding agreement between OHSU and PATI to fund OHSU's portion of the work (\$9,000,000 out of the total \$15,500,000 budget).

C. What will the action cost? In this fiscal year? Subsequent year(s)? How much revenue will it generate? In this fiscal year? In subsequent year(s)? If there are indirect costs or future commitments implied as a necessary accompaniment or result of this action, include an estimate of these costs even if the action does not formally authorize any expenditure.

The total cost of the work proposed for this effort is estimated to be \$1,302,358. The City will fund 18.18% of this cost, or approximately \$240,432. The remaining 81.82%, or approximately \$1,061,826, will be absorbed by PATI through a separate agreement between PATI and OHSU. This action implements an as yet unbudgeted commitment on the City's behalf to fund its share of the costs for the Marquam Hill Aerial Tram, which are set out in the South Waterfront Central District Project Development Agreement. The South Waterfront Central District Project Development Agreement commits and caps the city's share of funding to the tram project at \$2,000,000 total. The monies expended on this contract will be applied towards the City's total funding obligations for the aerial tram.

D. Is the cost included in the current year's budget? If so, which Fund or AU? If not, identify funding sources and amounts -i.e., interagency, contingency/unforeseen, grants, administrative transfer, etc.

This cost is not included in this year's budget, but will be included in the budget through a subsequent revision. Funding sources available to fund this work through an existing IGA between PDOT and PDC. PDC funds will be provided through this Interagency Agreement with PDOT for FY 03/04. Will be added in the fall BMP FY 03-04.

E. What alternatives to this action have been explored?

None.

APPROPRIATION UNIT HEAD (Typed name and signature)

*Brant Williams*

Brant Williams, Director, Office of Transportation

# ORDINANCE No. 177797

\*Authorize agreement with Portland Aerial Transportation, Inc. for design, project management and expert tram advisory services for the Marquam Hill Aerial Tram (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City Council, on November 13, 2002, adopted Resolution No. 36112 approving the Design Development Phase work program for the Marquam Hill Aerial Tram, including the proposed approach for selecting a design team through an international design competition.
2. Portland Aerial Transportation, Inc. (PATI) has been recognized as the project sponsor for the OHSU/South Waterfront Aerial Tram by the City Council in Resolution 36071, adopted on May 23, 2002.
3. The City Council, on January 8, 2003, approved Ordinance #177185, authorizing a contract with PATI for a design competition for the Marquam Hill Aerial Tram.
4. PATI and the City of Portland (City) successfully managed a design competition for the Aerial Tram, resulting in the selection of an architecture firm (Angélil Graham Pfenninger Scholl) to lead the tram design team.
5. The Portland Development Commission, incorporating City Council's advice, approved the South Waterfront Central District Project Development Agreement on August 13, 2003.
6. The South Waterfront Central District Project Development Agreement requires, among other items, that Schematic Design and Design Development work be completed for the aerial tram by March 31, 2003.
7. The City and PATI have negotiated an agreement for professional services, attached as Exhibit A, that details the services and funding amounts to be provided. The City funding for the project will amount to 18.18% of the total project cost, and OHSU will fund the remaining 81.82%.
8. Funding for the City's share of the services described in Exhibit A will be provided by PDC through an Intergovernmental Agreement with PDOT.

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**PORTLAND OFFICE OF TRANSPORTATION  
COUNCIL CALENDAR ITEM**

Council Calendar No. \_\_\_\_\_

Submitted for Council Consideration on: **Thursday, August 14, 2003 p.m. session Regular  
Agenda**

**DESCRIPTION:** This ordinance executes a contract with Portland Aerial Transportation, Inc. (PATI) for schematic design, design development, project management, and expert tram services for the Marquam Hill Aerial Tram project and provides for the City's share of funding for the design portion of the project.

**BACKGROUND:** A design competition for the tram was held in early 2003 as a means for selecting the design team for the aerial tram project. Angèlil/Graham/Pfenninger/Scholl (AGPS) was chosen as the winner of the competition, and a contract has been successfully negotiated between AGPS and PATI to perform design services. This contract continues the relationship between PATI and the City and establishes the City's funding and project management obligations for this phase of the project.

**ISSUES:** This is a sole source contract with PATI. Council previously waived the purchasing requirements of City Code section 5.68 to accommodate the design competition and ensure a selection process based on the quality and experience of the participating design firms.

Questions of the relationship of this design contract to ongoing neighborhood concerns surrounding the tram continue to dog the project. PDOT has established, with the assistance of the neighborhoods through the tram Citizen Advisory Committee (CAC), a funded work plan for addressing neighborhood concerns and issues. The AGPS contract includes the continued exploration of a few of these items, namely the design of the pedestrian bridge and the establishment of open space connections linking the tram to the Greenway. Other issues such as South Portland Circulation Study phasing and implementation are being pursued with the CAC separate from the PATI./AGPS contract.

**POTENTIAL PROBLEMS:** None.

**RECOMMENDATION:** Pass Ordinance

\_\_\_ Can be delayed \_\_ week(s), if necessary

Fiscal Review by TN

\_\_\_ Should be filed this week.

\_\_\_ No impact at fund level

X Must be filed this week.

X Impact on Fund

Contact Person Matt Brown, Project Manager will attend Council session.

Phone No. 503-823-7027

NOW, THEREFORE, the Council directs:

- a. The Commissioner of Public Utilities and the Auditor are hereby authorized to execute an Agreement with Portland Aerial Transportation Inc., in a form substantially similar to the form attached to the original of this Ordinance, and by reference made a part hereof. (Exhibit A)
- b. The Mayor and Auditor are hereby authorized to draw and deliver checks to Portland Aerial Transportation, Inc., chargeable to the Transportation Fund.
- c. The City's Project Manager, with concurrence from the City's Purchasing Agent, is hereby authorized to agree to and execute, on behalf of the City, any amendment, which does not increase the amount of the Agreement.

Section 2. The Council declares that an emergency exists because a delay in executing the agreement will result in significant delays to the design and construction process for the aerial tram project and result in non-compliance with the City's contractual obligations under the South Waterfront Central District Project Development Agreement; therefore, this Ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council, August 14, 2003

Commissioner Jim Francesconi  
Matt Brown:slg  
August 7, 2003  
ORD PATI-AGPS 080703.doc

**GARY BLACKMER**  
Auditor of the City of Portland  
BY /S/ Susan parsons

DEPUTY

BACKING SHEET INFORMATION

AGENDA NO. 958-2003

ORDINANCE/RESOLUTION/COUNCIL DOCUMENT NO. 177797

COMMISSIONERS VOTED AS FOLLOWS:		
	YEAS	NAYS
FRANCESCONI	X	
LEONARD	X	
SALTZMAN	===	===
STEN	X	
KATZ	X	

**AGREEMENT FOR PROFESSIONAL SERVICES**

This Agreement for Services ("Agreement") is between the City of Portland, OR Office of Transportation ("City") and Portland Aerial Transportation, Inc. ("PATI" or "Contractor").

**RECITALS:**

Whereas, on July 10, 2002, the City Council passed Resolution 36085, which accepted the Portland Office of Transportation's Marquam Hill to North Macadam Connector Study and endorsed the recommendations contained therein. Included in the recommendations is an aerial tram (the "Project"); and

Whereas, Resolution 36085 acknowledged the role of PATI as the project sponsor for the aerial tram; and

Whereas, Resolution 36085 directed the Office of Transportation and PATI to work together on the development of a design competition for the aerial tram; and

Whereas, on November 13, 2002, the City Council passed Resolution 36112 approving the Design Development Phase work program for the Project, including a proposed approach for an international design competition; and

Whereas, on March 27, 2003, the firm of Angélil Graham Pfenninger Scholl Architecture ("AGPS") was selected as the winner of the Design Competition; and

Whereas, on May 12, 2003, PATI approved Resolution No. 03-8 authorizing a contract with AGPS for pre-design services and the Portland Office of Transportation amended the Design Competition Contract with PATI to provide for this work; and

Whereas, on August 14, 2003, the Portland Development Commission approved the South Waterfront Central District Project Development Agreement, which contains provisions for the funding of the Project; and

Whereas, the South Waterfront Central District Project Development Agreement stipulates that the Project will be funded by a mix of funds, including \$2,000,000 in Tax Increment Financing through the Portland Development Commission and \$9,000,000 from OHSU (\$5,000,000 of which will be generated through a LID on Marquam Hill); and

Whereas, PATI, in collaboration with the Portland Office of Transportation, has developed a work scope for Schematic and Design Development.

## **AGREEMENT:**

### **1. SCOPE OF CONTRACTOR SERVICES**

(a) The Contractor shall, through its volunteer Board of Directors and with the assistance of consultants, complete the Scope of Work as identified in Exhibit 1 to this Agreement. Section I of the Scope of Work, Design Services will be carried out in conformance with the Assessment of Program and Possible Cost Analysis outlined in Exhibit 2 to this Agreement.

(b) The Contractor shall endeavor to carry out the services required by the Agreement substantially in conformance with the schedule attached as Exhibit 3 to this Agreement. However, the parties recognize that timely completion of some of the critical tasks set forth in the schedule are subject to the performance of others that are not a party to this Agreement or working under the direction of the Contractor.

(c) The services required by the Agreement do not include preparation of Construction Documents or actual construction of the Project. If the Project is pursued beyond the design development phase, agreements between the City and the Contractor for these activities will be the subject of future negotiations.

(d) Notwithstanding anything in this Agreement to the contrary, no provision of this Agreement shall be construed as a commitment from Contractor or a requirement to Contractor to perform any service that constitutes the practice of architecture or the practice of engineering and the City acknowledges that all such architecture or engineering work which may be included in Contractor's scope of services shall be performed by duly licensed consultants engaged by Contractor.

### **2. SCOPE OF CITY SERVICES**

The City will assist the Contractor in carrying out the requirements of this Agreement. The following sets out the general form of that assistance:

(a) Provide the services of a Project Manager and other City staff to work on a day-to-day basis with the Contractor and its consultants.

(b) The City Project Manager will provide timely direction and decision-making within the scope of his or her authority.

(c) To the extent that the City has possession of or control of the site of the Project, the City shall provide Contractor and its subcontractors with reasonable access to the site in order to perform their work. The City also agrees to provide Contractor and its subcontractors with access to all known information regarding the site and the Project within the City's possession. The City does not warrant the accuracy of the material it provides and PATI uses such material at its own risk.

3. **COMPENSATION**

The total estimated cost of performing the Design Services, Scope of Work, Section I outlined in Exhibit 1 is \$1,072,058.00 plus actual reimbursable expenses not to exceed \$75,000.00. Actual final compensation will be determined as provided in Exhibit 4.

The Total Maximum Compensation for carrying out the Expert Tram Advisory Services outlined in Exhibit 1 shall not exceed \$40,000.00 including labor and direct expenses.

The Total Maximum Compensation for carrying out the Project Management Services Scope of Work outlined in Exhibit 1 shall not exceed \$126,000.00 plus direct expenses not to exceed \$10,000.00.

The payments made by the City under this Agreement shall be full compensation for work performed, for services rendered, and for all labor materials, supplies, equipment, travel and incidentals necessary to perform the work and services required by this Agreement.

4. **BILLING AND PAYMENT PROCEDURE**

The Contractor's billing and City's payment procedures shall be as follows:

(a) No more frequently than monthly, the Contractor shall submit invoices to the City's Project Manager for Project Management and Expert Tram Advisory Services provided through this agreement and outlined in Exhibit 1. The City's share of these costs will be 18.18% of the total costs incurred by the Contractor for these services. The balance of the invoiced amounts will be invoiced to and paid by OHSU. The invoices shall include a statement of current expenditures, previous billings, total costs to date and the allocation of the costs to the appropriate Scope of Work task. All invoices shall bear the signature of a representative of the Contractor.

(b) For Design Services as described in Exhibit 1, the Contractor shall submit invoices to the City Project Manager at the following times:

1. Upon completion of the 50% Schematic Design Submittal
2. Upon completion of the 100% Schematic Design Submittal
3. Upon completion of the 50% Design Development Submittal
4. Upon completion of the 100% Design Development Submittal

The City's share of these costs will be 18.18% of the total costs incurred by the Contractor for these services. The invoices shall include a statement of current expenditures, previous billings, and total costs to date. All invoices shall bear the signature of a representative of the Contractor.



(c) City shall review and approve invoiced billing prior to payment. City shall endeavor to pay the Contractor within 30 days of receipt of the invoice.

(d) Any invoices not paid by the City within thirty (30) days of receipt shall bear interest at the rate of 0.75% per month, compounding monthly.

**5. EFFECTIVE AND TERMINATION DATES**

This Agreement shall be effective as of August 14, 2003, and shall terminate on July 1, 2004, unless extended by a written amendment to this Agreement.

**6. EARLY TERMINATION OF AGREEMENT**

(a) City and Contractor, by mutual written agreement, may terminate this Agreement at any time.

(b) City, on thirty (30) days written notice to the Contractor, may terminate this Agreement for any reason deemed appropriate in its sole discretion.

(c) Either the City or the Contractor may terminate this Agreement in the event of a breach of the Agreement by the other. Prior to such termination, however, the party seeking the termination shall give to the other party written notice of the breach and of the party's intent to terminate. If the party has not entirely cured the breach within fifteen (15) days of the notice, then the party giving the notice may terminate the Agreement at any time thereafter by giving a written notice of termination.

**7. PAYMENT ON EARLY TERMINATION**

(a) In the event of termination under subsection 6(a) or 6(b), EARLY TERMINATION OF AGREEMENT, hereof, City shall pay the Contractor for work performed in accordance with the Agreement prior to the termination date.

(b) In the event of termination under subsection 6(c), EARLY TERMINATION OF AGREEMENT, hereof, by the Contractor due to a breach by the City, then the City shall pay the Contractor as provided in subsection (a) of this section plus the amount of Contractor's damages on account of the City's breach.

(c) In the event of termination under subsection 6(c), EARLY TERMINATION OF AGREEMENT, hereof, by the City due to a breach by the Contractor, then the City shall pay the Contractor as provided in subsection (a) of this section.

(d) In the event of early termination all of the Contractor's work product will become and remain property of the City.

8. **REMEDIES**

(a) In the event of termination under subsection 6(c), EARLY TERMINATION OF AGREEMENT, hereof, by the City due to a breach by the Contractor, then the City may complete the work either itself, by agreement with another consultant or by a combination thereof.

(b) The remedies provided to the City under Section 6, EARLY TERMINATION OF AGREEMENT and Section 8, REMEDIES, hereof, for a breach by the Contractor shall not be exclusive. The City also shall be entitled to any other equitable and legal remedies that are available.

(c) In the event of breach of this Agreement by the City, then the Contractor's remedy shall be the termination of this Agreement and receipt of payment as provided in section 6(c), EARLY TERMINATION OF AGREEMENT, and section 7(b), PAYMENT ON EARLY TERMINATION. Contractor also shall be entitled to any other equitable and legal remedies that are available.

9. **CITY PROJECT MANAGER**

(a) The City Project Manager shall be Mathew E. Brown or such other person as shall be designated in writing by the Director of Transportation.

(b) The Project Manager is authorized to approve work and billings hereunder, to give notices referred to herein, to terminate this Agreement as provided herein and to carry out any other City actions referred to herein.

(c) Subject to the approval of the City Purchasing Agent, the Project Manager is authorized to make any changes to this Agreement which does not increase the Total Maximum Compensation.

10. **COMPLIANCE WITH LAWS**

(a) In connection with its activities under this Agreement, Contractor shall comply with all applicable federal, state and local laws and regulations.

(b) In the event the Contractor provides goods or services to City, in the aggregate in excess of \$2,500.00 per fiscal year, Contractor agrees it has certified with the City of Portland as an Equal Employment Opportunity Employer.

11. **OREGON LAW AND FORUM**

This Agreement shall be construed according to the laws of the, State of Oregon.

12. **INDEMNIFICATION**

(a) Indemnification for Public Liability and Property Damage

The Contractor shall hold harmless, defend and indemnify for public liability and property damage the City of Portland, and the City's officers, agents, and employees against all claims, demands, actions, and suits (including all attorney's fees and costs) brought against any of them arising from the Contractor's or its subcontractors' negligent acts or omissions under this Agreement.

To the extent allowed by Oregon law and to the limits of the Torts Claim Act, the City shall hold harmless, defend and indemnify for public liability and property damage the Contractor and Contractor's officers, consultants, and employees against all claims, demands, actions, and suits (including all attorney fees and costs) brought against any of them arising from the City of Portland's work.

(b) Indemnification for Professional Liability

The Contractor shall hold harmless, defend and indemnify for professional liability the City of Portland, and its officers, agents, and employees against all claims, demands, actions, and suits (including all attorney fees and costs) brought against any of them arising from the Contractor's or its subcontractors' negligent acts or omissions, under this Agreement.

The City will retain liability and responsibility for its own negligent acts or omissions for work performed under this agreement.

(c) Standard of Care and Errors

Contractor and its subconsultants shall perform design services and all work under this agreement with the degree of skill and diligence normally employed by that Contractor's profession or consultants' profession performing the same or similar services at the time such services are performed. Contractor will re-perform any services not meeting this standard without additional compensation, to the extent that additional services are required due to negligence, negligent acts, errors, omissions or lack of this standard of care by the Contractor. The Contractor shall perform such additional work as may be necessary to correct errors in the work required under this contract without undue delays and without additional cost to the City.

13. **WORKERS' COMPENSATION INSURANCE**

(a) The Contractor, its consultants, if any, and all employers working under this Agreement are subject employers under the Oregon workers' compensation law and shall comply with ORS 656.017 which requires them to provide workers' compensation coverage for all their subject workers. A certificate of insurance, or copy thereof, shall be attached to this Agreement, if applicable, and shall be incorporated herein and made a term and part of this Agreement. If the Contractor has any employees then the Contractor further agrees to maintain workers' compensation insurance coverage for the duration of this Agreement.

(b) In the event the Contractor's workers' compensation insurance coverage is due to expire during the term of this Agreement, the Contractor agrees to timely renew its

insurance, either as a carrier-insured employer or a self-insured employer, as provided by Chapter 656 of the Oregon Revised Statutes, before its expiration and the Contractor agrees to provide the City of Portland such further certification of workers' compensation insurance as renewals of said insurance occur.

(c) The Contractor agrees to accurately complete the City of Portland's Questionnaire for Workers' Compensation Insurance and for Qualification as an Independent Contractor prior to commencing work under this Agreement. The Questionnaire is attached to this Agreement as Exhibit 5 and shall remain attached to this Agreement and become a part thereof as if fully copied herein. Any misrepresentation of information on the Questionnaire by the Contractor shall constitute a breach of this Agreement. In the event of breach pursuant to this subsection, Contractor may terminate the Agreement immediately and the notice requirement contained in subsection 6(c), EARLY TERMINATION OF AGREEMENT, hereof, shall not apply.

**14. SUBCONTRACTING**

(a) The Contractor shall not subcontract its work under this Agreement, in whole or in part, without the written approval of the City. The Contractor shall require any approved consultant to agree as to the portion subcontracted, to fulfill all obligations of the Contractor as specified in this Agreement. Notwithstanding City approval of a consultant, the Contractor shall remain obligated for full performance hereunder, and City shall incur no obligation other than its obligations to the Contractor hereunder. The Contractor agrees that if consultants are employed in the performance of this Agreement, the Contractor and its consultants are subject to the requirements and sanctions of ORS Chapter 656, Workers' Compensation.

(b) The City has approved the following consultants:

Angèlil Graham Pfenninger Scholl Architecture

Gmuender Engineering, LLC

Rhodes Consulting, Inc.

**15. ASSIGNMENT**

The Contractor shall not assign this Agreement, in whole or in part, or any right or obligation hereunder, without the prior written approval of the City. At the City's request, the Contractor shall assign its rights under any of its subcontracts under this agreement.

**16. INDEPENDENT CONTRACTOR STATUS**

(a) The Contractor is engaged as an independent Contractor and will be responsible for any federal, state and local taxes and fees applicable to payments hereunder.

(b) The Contractor, its consultants and their employees are not employees of the City and are not eligible for any benefits through City including, without limitation, federal social security, health benefits, workers' compensation, unemployment compensation and retirement benefits.

17. **NOTICE**

Any notice provided for under this Agreement shall be sufficient if in writing and delivered personally to the following addressee or deposited in the United States Mail, postage prepaid, certified mail, return receipt requested, addressed as follows, or to such other address as the receiving party shall specify in writing:

If to City: Matthew E. Brown  
Portland Office of Transportation  
1120 SW 5<sup>th</sup> Avenue, Suite 800  
Portland, Oregon 97204

If to the Contractor: Patrick LaCrosse, President  
Portland Aerial Transportation, Inc.  
1325 NW Flanders Street  
Portland, OR 97204

18. **SEVERABILITY**

If any provision of this Agreement is found to be illegal or unenforceable, this Agreement nevertheless shall remain in full force and effect and the provision shall be stricken.

19. **INTEGRATION**

This Agreement contains the entire agreement between the City and the Contractor and supersedes all prior written or oral discussions or agreements.

20. **FUNDS**

City certifies that sufficient funds are available and authorized for expenditure to finance the cost of this Agreement.

21. **BUSINESS LICENSE**

The Contractor as a non-profit corporation is not required to obtain a City of Portland business license as required by PCC 7.06.010. The Contractor shall require all consultant subcontractors to obtain a City of Portland business license prior to being work under this Agreement and shall provide a business license number on all agreements between Contractor and subcontractors.

**22. COMMENCEMENT OF WORK**

The Contractor agrees that work being done pursuant to this Agreement will not be commenced until after:

(a) Workers' compensation insurance has been obtained as required by Section 13, WORKERS' COMPENSATION INSURANCE; and,

(b) This Agreement is fully executed by the parties; and

(c) The effective date of this Agreement as specified in Section 5, EFFECTIVE AND TERMINATION DATES, has occurred.

**23. MAINTENANCE OF RECORDS**

The Contractor shall maintain records on a current basis to support its billings to the City. The City or its authorized representative shall have the authority to inspect, audit and copy, on reasonable notice and from time to time, any records of the Contractor regarding its billings or its work hereunder. The Contractor shall retain these records for inspection, audit and copying for six (6) years from the date of completion or termination of this Agreement.

**24. AUDIT OF PAYMENTS**

(a) The City, either directly or through a designated representative, may audit the records of the Contractor at any time during the six (6) year period established by Section 23, MAINTENANCE OF RECORDS.

(b) If an audit discloses that payments to the Contractor under Section 3, COMPENSATION, and Section 4, BILLING AND PAYMENT PROCEDURE, were in excess of the amount to which the Contractor was entitled, then the Contractor shall repay the amount of the excess to the City and if the audit discloses that the Contractor was underpaid, then the City shall pay the contractor the deficiency.

**25. LIABILITY INSURANCE**

(a) The Contractor and all subcontractors shall maintain public liability and property damage insurance that protects the Contractor and the City and its officers, agents and employees from any and all claims, demands, actions and suits for damage to property or personal injury, including death, arising from the Contractor's work under this Agreement. The insurance shall provide coverage for not less than \$200,000 for personal injury to each person, \$500,000 for each occurrence, and \$500,000 for each occurrence involving property damage; or a single limit policy of not less than \$500,000 covering all claims per occurrence. The limits of the insurance shall be subject to statutory changes as to maximum limits of liability imposed on municipalities of the State of Oregon during the term of the Agreement. The insurance shall be without prejudice to coverage otherwise existing and shall name as additional insureds the City and its officers, agents and employees. Notwithstanding the naming of additional insureds, the insurance shall

protect each insured in the same manner as though a separate policy had been issued to each, but nothing herein shall operate to increase the insurer's liability as set forth elsewhere in the policy beyond the amount or amounts for which the insurer would have been liable if only one person or interest had been named as insured. The coverage must apply as to claims between insureds on the policy. The insurance shall provide that the insurance shall not terminate or be canceled without thirty (30) days written notice first being given to the City Auditor. If the insurance is canceled or terminated prior to completion of the Agreement, the Contractor and subcontractors shall provide a new policy with the same terms. The Contractor and subcontractor agrees to maintain continuous, uninterrupted coverage for the duration of the Agreement. The insurance shall include coverage for any damages or injuries arising out of the use of automobiles or other motor vehicles by the Contractor and subcontractors.

(b) The Contractor, or each subcontractor performing work under this agreement, shall maintain Professional Liability insurance with a combined single limit of not less than \$1,000,000 for each claim, incident, or occurrence to cover damages caused by negligent acts, errors or omissions related to the professional services and design services to be provided under this contract. The City shall be named as an additional insured to each Professional Liability policy.

(c) The Contractor and subcontractors shall maintain on file with the City Auditor a certificate of insurance certifying the coverage required under subsections (a) and (b). The adequacy of the insurance shall be subject to the approval of the City Attorney. Failure to maintain liability insurance shall be cause for immediate termination of this Agreement by City.

## **26. OWNERSHIP OF DOCUMENTS**

(a) Drawings, Specifications and other documents, including those in electronic form, prepared by the Contractor and the Contractor's consultants performed under this Agreement shall be for use solely with respect to the Project and shall be the property of the City. On completion or termination of the Agreement the Contractor shall deliver these materials to the Project Manager.

(b) The Contractor and Contractor's consultants may retain for their own use and at their own cost copies of the materials referred to in subsection (a) of this section.

(c) Any use the City makes of the materials referred to in subsection (a) of this section, except for purposes of the work contemplated by this Agreement, shall be at City's sole risk and without liability to the Contractor or the Contractor's consultants.

## **27. ARBITRATION**

(a) Any dispute arising out-of or-in connection with this Agreement, which is not settled by mutual agreement of the Contractor and the City within sixty (60) days of notification in writing by either party, shall be submitted to an arbitrator mutually agreed upon by the parties. In the event the parties cannot agree on the arbitrator, then the arbitrator shall be appointed by the Presiding Judge (Civil) of the Circuit Court of the

AGREED TO THIS 15<sup>TH</sup> <sup>SEPTEMBER</sup> ~~AUGUST~~ DAY OF ~~AUGUST~~ 2003.

J. 17.

PORTLAND AERIAL TRANSPORTATION, INC.

Approved as to form:

BY: *Patricia L. Lehu*

\_\_\_\_\_  
Legal Counsel

TITLE: PRESIDENT

Date: 9-15-03

CITY OF Portland

Approved as to form:

BY: *Jim Fran*

*Linda Mery*  
City Attorney

TITLE: COMMISSIONER

Date: 9/17/2003

ATTEST: *Sally Blackmer by DTS*  
City Auditor



## **LIST OF EXHIBITS**

- |                  |   |
|------------------|---|
| <b>EXHIBIT 1</b> | <b>Scope of Work for Professional Services</b>          |
| <b>EXHIBIT 2</b> | <b>Assessment of Program and Probable Cost Estimate</b> |
| <b>EXHIBIT 3</b> | <b>Schedule</b>   |
| <b>EXHIBIT 4</b> | <b>Basis of Fee Calculation</b>                         |

**EXHIBIT 1**  
**PORTLAND AERIAL TRANSPORTATION, INC.**  
**SCOPE OF WORK FOR PROFESSIONAL SERVICES**

August 14, 2003

**SECTION I – DESIGN SERVICES**

**PROGRAM ELEMENTS:** There are three distinct but interrelated design programs to be carried out under the contract for Professional Services. These are:

- **Tramway:** This element includes the base terminal station in South Waterfront, Gibbs Street between SW Moody and SW Bond Avenues, the intermediate support tower, the upper terminus and connection to the OHSU Patient Care Facility. This work includes design of all tram components in conjunction with the supplier who will be chosen through an alternative contracting process during schematic design.
- **Pedestrian Bridge:** This element is for the design of a pedestrian bridge crossing Interstate 5 within the extended right-of-way of SW Gibbs Street. For purposes of this work, the existing 60-foot right-of-way will be augmented by dedication of 25-foot easements on either side.
- **SW Gibbs Street Corridor:** This element includes the design of those portions of SW Gibbs Street between SW Macadam Avenue and the Willamette Greenway excepting only the section between SW Moody and Bond Avenues included in the tramway element. For purposes of this work, the existing 60-foot right-of-way will be augmented by dedication of 25-foot easements on either side.

**PHASING:** This contract for Professional Services is phased to accommodate funding uncertainties with respect to the pedestrian bridge and SW Gibbs Street Corridor. The work is divided into two categories: 1) Base Scope of Work and 2) Optional Scope of Work as outline below:

**Base Scope of Work**

- **Tramway:** Completion of Design Development
- **Pedestrian Bridge:** Completion of Schematic Design
- **SW Gibbs Street Corridor:** Completion of Schematic Design

**Optional Scope of Work**

- **Pedestrian Bridge:** Completion of Design Development
- **SW Gibbs Street Corridor:** Completion of Design Development.

A decision as to whether to proceed with optional work will be made by PATI at the completion of the work the Base Scope of Work.

## **WORK EFFORT & PRODUCTS:**

### **Project Administration Services**

The Contractor shall manage the Contractor's services and administer the Project Design Team. The Contractor shall consult with the City, research applicable design criteria, attend Project meetings and issue progress reports. The Contractor shall coordinate the services provided by the Contractor and the Contractor's consultants with those services provided by the City and its consultants.

The Contractor shall consider the value of alternative materials, building systems and equipment, together with other considerations based on program, budget, and aesthetics in development the design for the Project.

The Contractor shall submit design documents to the City at intervals appropriate to the design process for purposes of evaluation and approval by the City. The Contractor shall be entitled to rely on approvals received from the City in the further development of the design.

The Contractor shall assist the City in connection with its responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

### **Evaluation of Budget**

In conjunction with identification of the Project Program, an initial Assessment of Probable Costs is established. As the design progresses through the end of the Construction Documents, the Contractor, through its consultants, shall update and refine the estimate of the cost of the work. The Contractor shall advise the City of any adjustments to previous estimates of the cost of the work. If at any time the Contractor's estimate of the cost of the work exceeds the City's budget, the Contractor shall make appropriate recommendations to adjust the Project's size, quality, or budget.

Evaluations of the City's budget for the Project and updated estimates of the cost of the work represent the Contractor's consultants judgment as design professionals familiar with the construction industry. The Contractor nor Contractor's consultants, however, cannot warrant or represent that bids or negotiated prices will not vary from the City's budget for the project or from any estimate of the cost of the work prepared or agreed to by the Contractor.

### **Cost of the Work**

Cost of the work is the total cost, or to the extent the Project is not completed, the estimated cost to the City of all elements of the Project designed or specified by the Contractor's consultants.

The cost of the work does not include the compensation of the Contractor and the Contractor's consultants, the costs of the land, rights-of-way, and financing or other costs that are the responsibility of the City of Portland.

### **Schematic Design**

The Contractor shall provide Schematic Design Documents based on the mutually agreed upon program, schedule, and budget for the cost of the work. The documents shall establish the conceptual design of the project illustrating the scale and relationship of the project components. The Schematic Design Documents shall include a site plan and preliminary building plans, sections, and elevations, as well as study models. Preliminary selections of major building systems and construction materials shall be included. A Schematic Cost Estimate will be prepared by a Cost Estimator at the conclusion of the Schematic Design phase.

### **Design Development**

The Contractor shall provide Design Development documents based on the approved Schematic Design documents and updated budget for the cost of the work. The Design Development documents shall illustrate and describe the refinement of the design of the project, establishing the scope, relationships, forms, size and appearance of the project by means of plans, sections and elevations, typical construction details, and equipment layouts. The Design Development documents shall include specifications that identify major materials and systems and establish in general their quality levels. An updated Cost Estimate will be prepared by a Cost Estimator at the conclusion of the Design Development phase.

### **Changes in Services**

Changes in the Scope of Work under this Agreement may become necessary for unforeseen reasons or circumstances. No work related to such changes shall be performed and no expense shall be incurred by the Architect or its consultants prior to obtaining written agreement with PATI regarding adjustment, if any, to compensation or schedule.

## PROJECT DELIVERABLES

### I. Submittal Milestones

1. 50% Schematic Design- Progress Review
2. 100% Schematic Design
3. 50% Design Development - Progress Set
4. 100% Design Development

### II. Submittal Standards by Design Planning Phase

#### A. SCHEMATIC DESIGN

1. Program  
Program list with BGSF per program area
2. Architectural
  - a) All Plans in imperial scale at 1/8" or appropriate scale
  - b) Other detailed plans as needed to verify critical areas
  - c) Building sections
  - d) Building elevations
  - e) Preliminary building materials
  - f) Preliminary connection through Patient Care Facility to and including Sam Jackson Square, if approved under separate scope of work
  - g) Present study models and renderings as necessary (all of which whose Ownership will be retained by the Contractor)
  - h) Preliminary design strategy for tram car, produced in dialog with tram car supplier
3. Specifications  
Tram System Narrative
4. Landscape Design
  - a) Preliminary Landscape plan where applicable within the Gibb street right of way
  - b) Preliminary exterior lighting plan
  - c) Landscape narrative
5. Structural
  - a) Preliminary Structural Scheme
  - b) Narrative Analysis of system
6. Civil Engineering
  - a) Site plan

- b) Preliminary topographic plans and grading design
- c) Preliminary upper and lower terminus site coordinated with existing buildings, roads, utilities, etc.
- 7. Mechanical: Plumbing/Piping
  - a) Diagrams of Proposed Systems
- 8. Mechanical: HVAC
  - a) Diagrams of Proposed Systems
- 9. Electrical: Power Distribution
  - a) Diagrams of Proposed Systems, including Diagram of Normal and Emergency Power Distribution Systems
  - b) Panel(s) location
- 10. Cost Estimate
  - a) Prepare cost estimate
- 12. Project Schedule

Assist PATI in reviewing Preliminary Project Schedule coordinating all activities

**B.**

**DESIGN DEVELOPMENT**

- 1. Program Verification
  - a) BGSF per project area
- 2. Architectural
  - a) Life Safety Plan complete. Preliminary plan prepared and reviewed by local fire authorities
  - b) Floor Plans; (scales as necessary)
  - c) Building Sections
  - d) Exterior Building Elevations
  - e) Interior Elevations
  - f) Reflected Ceiling Plans
  - g) Materials for exterior and public area interiors
  - h) Connection through Patient Care Facility to and including Sam Jackson Square, if approved under separate scope of work, including all fire assemblies as necessary
  - i) Present study models and renderings as necessary (all of which whose Ownership will be retained by the Contractor)
  - j) Line diagram for sprinkler layout
  - k) Line diagram for voice / data in conjunction with manufacturer specifications
  - l) Design development for tram car, produced in dialog with tram car supplier

3. Interior Design of Public Areas
  - a) Built-in Casework defined as to type, quality/ finishes, as necessary
  - b) Room finish schedules
4. Specifications
  - a) Outline: All Construction Specifications Institute Sections. Preliminary specifications for basic materials, systems and special finishes
  - b) Manufacturer's Cut-Sheets on plumbing, mechanical and electrical equipment, including light fixtures
  - c) Updated System Narrative of mechanical, electrical plumbing and fire protection
5. Civil Engineering
  - a) Site improvement, utility, grading/drainage, erosion control plans
  - b) Vehicular/emergency/service access
  - c) Upper and lower terminus site coordinate with existing buildings, roads, utilities, etc.
6. Landscape Design
  - a) Planting and general layout plans
  - b) Coordinate site lighting with electrical
7. Structural
  - a) Structural Sections
  - b) All Floor Framing Plans
  - c) Preliminary Calculations, Investigation and/or regulatory requirements.
8. Mechanical
  - a) Piping Plans
  - b) Life Cycle Cost Analysis (as required)
  - c) Preliminary Calculations
  - d) One Line Duct Layout Complete
  - e) Equipment List 100% Complete
  - f) All Equipment Located
9. Mechanical: Fire Protection
  - a) Location of Risers, pressure and flow
10. Electrical: Lighting
  - a) Exterior Building Lighting Design
  - b) Interior Building Lighting Design

11. Electrical: Power Distribution
  - a) Equipment Layout sizes
  - b) Power Riser Diagram
  - c) Load Calculations/Estimates
12. Fire Detection System
  - a) Device locations
  - b) Panel locations
13. Cost Estimate / Schedule
  - a) Provide cost estimate for design completed.
  - b) Assist City in reviewing Preliminary Project Schedule coordinating all activities

## **SECTION II – EXPERT TRAM ADVISORY SERVICES**

Contractor shall provide for the services of a qualified tramway engineer to serve as an expert advisor to the City and Contractor through the Schematic and Design Development Phases of the project. The work to be performed by the expert advisor includes:

- Review of the adequacy and quality of information received from the Tramway Equipment Supplier regarding all technical aspects of the project.
- Advise the City and Contractor on regarding appropriate technical specifications for the project.
- Review cost estimates provided by the Tramway Equipment Supplier and Contractor.
- Advise the City and Contractor on issues related to equipment delivery schedules and lead-time requirements.
- Provide such other advisory services as the City Project Manager and/or PATI shall request within the limits of the compensation provided for in this Agreement.

## **SECTION III – PROJECT MANAGEMENT SERVICES**

Contractor shall provide Project Management Services as required for completion of the Schematic and Design development Phases of the Project. This work includes:

- Management and oversight of the Design Services identified in Section I.



- Management and oversight of Expert Tram Advisory Services identified in Section II.
- Development of a “Request for Proposals” (RFP) document consistent with procurement policies of the City for selection of a General Contractor/Construction Manager.
- Assist City in formation of a Contractor Selection Committee to be appointed by the Commissioner-in-Charge. Manage all communications and administrative matters related to the committee. Develop appropriate rating materials and scoring methodology for the committee.
- Assist City in securing air rights leases as required over Oregon Department of Transportation facilities.
- Determine and resolve issues related to the regulatory and permitting requirements for the Project.
- Assist City with on-going management, coordination, funding, design, operations planning, and contract preparation as directed by the City Project Manager.
- Provide on-going support for the Contractor’s volunteer Board of Directors.

**EXHIBIT 2**  
**ASSESSMENT OF PROGRAM AND PROBABLE COSTS**

**TRAM PROGRAM ANALYSIS**

SHEET 1 OF 3

**UPPER STATION**

OHSU 7TH LEVEL TO GRD	occupancy	basis	area	source	system comments	\$/sf	initial prob. cost
mechanical room (below platform)		12x40	480 sf	jewett study		\$200.00	\$96,000.00
emergency stair 1		10x30x(4 floors)	1500 sf	UBC		\$200.00	\$300,000.00
sub-total			1980 sf				\$396,000.00
circulation (covered)		5% sub-total	99 sf			\$200.00	\$19,800.00
pedestrian bridge to PCF		8x120	960 sf			\$300.00	\$288,000.00
<b>SUB-TOTAL 7TH LEVEL</b>			<b>3039 sf</b>				<b>\$703,800.00</b>
<b>OHSU 9TH LEVEL</b>							
tram platform (covered)					video security will be provided from station to dispatch		
departure	80 persons	15 sf/person	1200 sf	UBC	covered space not conditioned	\$400.00	\$480,000.00
arrival tram 1	80 persons	7 sf/person	560 sf	UBC	covered space not conditioned	\$400.00	\$224,000.00
arrival tram 2	80 persons	7 sf/person	560 sf	UBC	covered space not conditioned	\$400.00	\$224,000.00
tram docking space no. 1		11x53	580 sf	jewett stud	void area with cover	\$400.00	\$232,000.00
tram docking space no. 2		11x53	580 sf	jewett stud	void area with cover	\$400.00	\$232,000.00
ticket vending machines	1 machine	5x10	50 sf		includes ticket machine	\$600.00	\$30,000.00
beverage concession	15 persons	15 sf/person	225 sf			\$475.00	\$106,875.00
emergency stair 1		10x30	300 sf	UBC		\$400.00	\$120,000.00
emergency stair 2		10x30	300 sf	UBC		\$400.00	\$120,000.00
janitorial/storage		10x10	100 sf			\$420.00	\$42,000.00
sub-total			4455 sf				\$1,810,875.00
circulation (covered)		5% sub-total	223 sf			\$400.00	\$89,100.00
covered pedestrian bridge to PCF		14x100	1400 sf			\$400.00	\$560,000.00
<b>SUB-TOTAL 9TH LEVEL</b>			<b>6078 sf</b>				<b>\$2,459,975.00</b>
<b>UPPER STATION TOTAL</b>			<b>9117 sf</b>				<b>\$3,163,775.00</b>
<b>UPPER STATION OPTIONS</b>							
enclose/condition waiting space			1200 sf			\$120.00	\$144,000.00
vertical transportation-elevator	2500 lbs		1000 sf			\$400.00	\$400,000.00
<b>TOTAL OPTIONS</b>							<b>\$544,000.00</b>

**EXHIBIT 2**  
**ASSESSMENT OF PROGRAM AND PROBABLE COSTS**

SHEET 2 OF 3

**LOWER STATION**

<b>MECHANICAL LEVEL</b>	<b>occupancy</b>	<b>basis</b>	<b>area</b>	<b>source</b>	<b>system comments</b>	<b>\$/sf</b>	<b>initial prob. cost</b>
required tram program							
mechanical room (below platform)		43x53	2300 sf	jewett stud	emergency generator will be provided		
emergency stair 1 (covered)		10x18	180 sf	UBC			
service access ramp		12x100	1200 sf				
<b>SUB-TOTAL MECH. LEVEL</b>			<b>3680 sf</b>			<b>\$80.00</b>	<b>\$294,400.00</b>

**GROUND LEVEL**

required tram program					establish disaster response operational configuration		
tram platform (covered)					video security will be provided from station to dispatch		
departure	80 persons	15 sf/person	1200 sf	UBC	covered space not conditioned	\$175.00	\$210,000.00
arrival tram 1	80 persons	7 sf/person	560 sf	UBC	covered space not conditioned	\$175.00	\$98,000.00
arrival tram 2	80 persons	7 sf/person	560 sf	UBC	covered space not conditioned	\$175.00	\$98,000.00
tram docking space no. 1		11x60	660 sf	jewett stud	covered space not conditioned	\$175.00	\$115,500.00
tram docking space no. 2		11x60	660 sf	jewett stud	covered space not conditioned	\$175.00	\$115,500.00
secure tram approach		42x100	4200 sf	ANSI 77b-1	required clearance for tram docking at lower station	\$150.00	\$630,000.00
lobby (covered)	160 persons	7 sf/person	1120 sf	UBC		\$150.00	\$168,000.00
ticket vending machines	1 machine	6x10	60 sf	ops plan	includes ticket machine	\$350.00	\$21,000.00
food concession							\$0.00
kitchen/service counter	15 persons	15 sf/person	225 sf	UBC		\$175.00	\$39,375.00
storage		10x10	100 sf			\$175.00	\$17,500.00
public restrooms							\$0.00
men	5 persons	35 sf/person	175 sf			\$175.00	\$30,625.00
women	5 persons	35 sf/person	175 sf			\$175.00	\$30,625.00
janitorial closet and storage		10x10	100 sf	ops plan		\$175.00	\$17,500.00
covered small parcel delivery	2 vehicles	12x50	1200 sf	ops plan	including emergency patient transfer & vehicle parking	\$150.00	\$180,000.00
secure small parcel container storage		20x20	400 sf	ops plan	including emergency patient care storage	\$175.00	\$70,000.00
emergency stair 1 (covered)		10x18	180 sf	UBC		\$175.00	\$31,500.00
bike parking	25 spaces	12 sf/bike	300 sf	PDOT		\$175.00	\$52,500.00
<b>sub-total</b>			<b>11875 sf</b>				<b>\$1,925,625.00</b>
circulation (covered)		5% sub-total	594 sf			\$150.00	\$89,062.50
<b>SUB-TOTAL GRD. LEVEL</b>			<b>11760 sf</b>				<b>\$2,014,687.50</b>

**MEZZANINE LEVEL**

control room/restroom/lockers		10x30	300 sf	ops plan	video security will be provided from station to dispatch	\$250.00	\$75,000.00
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<b>LOWER STATION TOTAL</b>			<b>15740 sf</b>				<b>\$2,384,087.50</b>
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**LOWER STATION OPTIONS**

enclose/condition waiting space			1200 sf			\$120.00	\$144,000.00
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**EXHIBIT 2**  
**ASSESSMENT OF PROGRAM AND PROBABLE COSTS**

**SHEET 3 OF 3**

**TRAMWAY**

**TRAM TOWER**

tower/cables/foundations	185 lf	tower and cable supports	\$1,900,000.00
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**TRAM CARRIERS**

tram carriers	80 persons	2.5 sf(80)	200 sf	ANSI 77b-1 2 tram cars	
tram manuf. recommended	80 persons	3 sf/person	240 sf	2 tram cars	\$2,000,000.00

**TRAM MECH. SYSTEM**

required reversible tram equipment	7m typical cost	jewett study	
tram fabrication engineering	15% total	jewett study	\$1,050,000.00
wire ropes	10% total	jewett study	\$700,000.00
drives	25% total	jewett study	\$1,750,000.00
terminals	20% total	jewett stud tram equipment and counter weights at each station	\$1,400,000.00
carriers	10% total	jewett stud see above	
towers	15% total	jewett stud saddles	\$1,050,000.00
shipping	5% total	jewett study	\$350,000.00
<b>SUB-TOTAL MECH. SYSTEM</b>			<b>\$6,300,000.00</b>

**TRAMWAY TOTAL**

**\$10,200,000.00**

**TRAM PROGRAM SUMMARY**

UPPER STATION	\$3,163,775
LOWER STATION	\$2,384,088
TRAMWAY	\$10,200,000
<b>TOTAL PROBABLE COST</b>	<b>\$15,747,863</b>
<b>TOTAL OPTIONS</b>	<b>\$688,000</b>
<b>MAXIMUM PROBABLE COST</b>	<b>\$16,435,863</b>

**EXHIBIT 2  
ASSESSMENT OF PROGRAM AND PROBABLE COSTS**

**TRANSPORTATION LINKAGE PROGRAM**

**SHEET 1 OF 1**

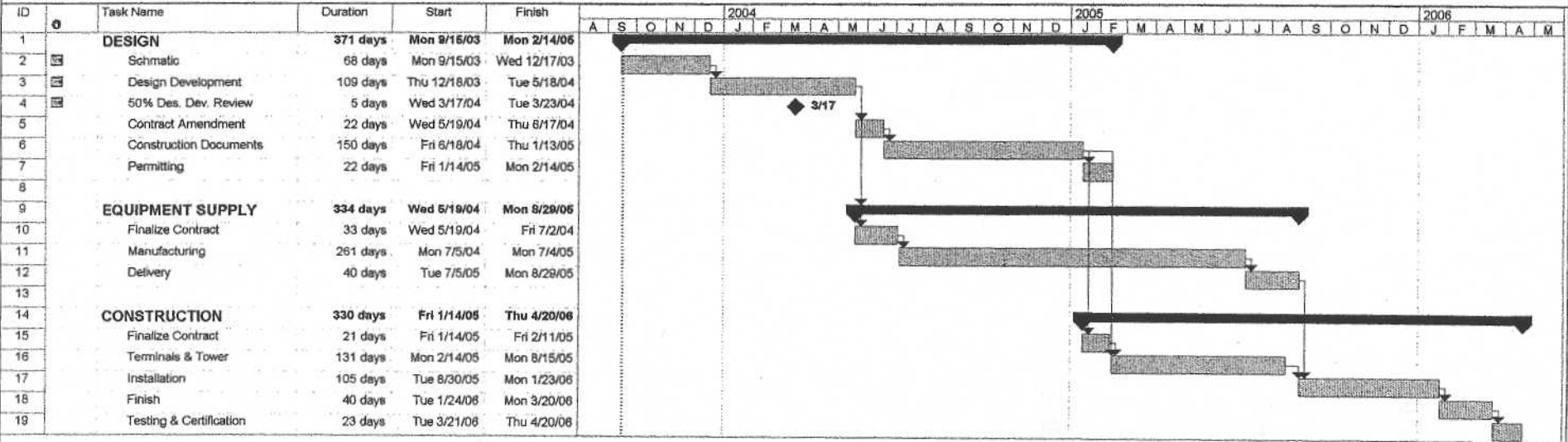
**PUBLIC PLAZA**

	occupancy basis		area	source	system comments	\$/sf	initial prob. Cost
required tram program							
covered street car stop/alignments macadam blvd. to moody ave.	50x12x(2 stops)		1200 sf	PSI	work with PSI to agree on alignment	\$25.00	\$30,000.00
transit plaza	110x200		22000 sf		landscaping, furnishings and lighting	\$25.00	\$550,000.00
bond ave. to greenway	50x200		10000 sf		furnishings and lighting	\$25.00	\$250,000.00
	110x420		46200 sf		landscaping, furnishings and lighting	\$25.00	\$1,155,000.00
<b>PUBLIC PLAZA TOTAL</b>			<b>79400 sf</b>				<b>\$1,985,000.00</b>

**PEDESTRIAN BRIDGE**

	occupancy basis		area	source	system comments	\$/sf	initial prob. Cost
bike lanes	1400 l ft	8 ft wide	11200 sf	PDOT		\$210.00	\$2,352,000.00
pedestrian path	1400 l ft	5 ft wide	7925 sf	PDOT		\$210.00	\$1,664,250.00
<b>BRIDGE TOTAL</b>			<b>19125 sf</b>				<b>\$4,016,250.00</b>

**EXHIBIT 3  
MARQUAM HILL TRAM SCHEDULE**



Project: vfr macro schedule  
Date: Tue 9/16/03

Task [Task bar] Progress [Task bar] Summary [Task bar] External Tasks [Task bar] Deadline [Task bar]

Split [Task bar] Milestone [Milestone diamond] Project Summary [Task bar] External Milestone [Milestone diamond]

**EXHIBIT 3**

**REQUIRED MEETING TRIPS TO PORTLAND**

**Trip 1:**

Duration: Three days, two nights in Portland.

Meetings to be attended:

Public Workshop  
Citizen Advisory Committee  
Design Commission Briefing  
Historical Landmarks Commission Briefing  
PATI Board Meeting

**Trip 2:**

Duration: Two days, one night in Portland.

Meetings to be attended:

Citizen Advisory Committee  
PATI Board Meeting

**Trip 3:**

Duration: Two days, one night in Portland.

Meetings to be attended:

Citizen Advisory Committee  
Design Commission Briefing  
Historical Landmarks Commission Briefing  
PATI Board Meeting

**Trip 4**

Duration: Two days, one night in Portland.

Meetings to be attended:

Citizen Advisory Committee  
PATI Board Meeting

**EXHIBIT 4**  
**BASIS OF FEE CALCULATION**

**FEE BASIS:**

Probable cost estimates for each of the three Program Elements (tramway, public plaza, & pedestrian bridge) are contained in Exhibit 2, Assessment of Program and Probable Construction Costs ("assessment"). The assessment was developed under a preceding contract for Pre-Design Services and is intended to establish the basis for Contractor's fees under this contract.

The Maximum Total Compensation (MTC) due Contractor's direct consultants under this contract shall not exceed 9% of the total estimated construction cost pro-rated to the project phases of as follows:

Schematic Design	15% of MTC
Design Development	20% of MTC
Construction Documents*	40% of MTC
Bidding/Negotiation*	3% of MTC
<u>Construction Administration*</u>	<u>22% of MTC</u>
Total	100%

\*These phases are not covered by this contract and are subject to further negotiation at the completion of Design Development.

The Maximum Total Compensation (MTC) due Contractors consultant subconsultants under this contract shall not exceed 8% of the total estimated construction cost pro-rated to the phases of the project as shown above. Fees for each phase and program element shall not exceed those shown on the attached fee schedule. Compensation for Optional Scope of Work elements will be made only if such work is directed by PATI.

**FEE ADJUSTMENT:**

The fees to be paid for work under this contract will be adjusted at the completion of Schematic Design and Design Development using the above methodology and updated Probable Cost Estimates required in the Scope of Work. Final compensation for Schematic Design will be based on the Probable Cost Estimate for the tramway option selected by PATI for advancement into Design Development.

**CHANGE IN SCOPE FEE ADJUSTMENT**

Contractor's consultant fees are to be based on 9% of total construction cost (pro-rated as above to project phases) which will reflect changes in the scope of work. Contractor's consultant subconsultant's fees will be adjusted appropriately for agreed upon modification in the scope of work with total subconsultant fees not to exceed 8% of total construction cost (pro-rated as above to design phases)



## REIMBURSABLE EXPENSES:

Consultant and subconsultant reimbursable expenses for travel, printing, renderings, models, postage and shipping will be compensated at Contractor's cost.

## SCHEDULE OF ESTIMATED FEES

Based upon the assessment contained in Exhibit 2, the following initial estimated schedule of fees has been prepared. These fees are subject to adjustment as provided for above.

	SCHEMATIC DESIGN	DESIGN DEVELOPMENT	TOTALS
<b>AGPS ARCHITECTURE</b>			
tram	\$212,596	\$283,462	\$496,058
bridge	\$54,250	\$72,300	\$126,550
public space	\$26,600	\$35,750	\$62,350
subtotal AGPS	\$293,446	\$391,512	\$684,958
<b>SUBCONTRACTORS</b>			
<b>AGPS landscape architecture</b>			
tram	\$12,200	\$26,500	\$38,700
public space	\$9,500	\$15,000	\$24,500
<b>Arup structural engineering</b>			
tram	\$80,000	\$95,000	\$175,000
bridge	\$50,000	\$51,000	\$101,000
<b>Arup mech, elec, plumb engineering</b>			
tram	\$22,500	\$27,500	\$50,000
public space	\$0	\$15,000	\$15,000
<b>GeoDesign geotechnical engineering</b>			
tram	\$18,050	\$45,150	\$63,200
bridge	\$13,050	\$0	\$13,050
<b>Arup acoustic engineering</b>			
tram		\$10,000	\$10,000
<b>W&amp;H Pacific civil engineering</b>			
tram	\$34,000	\$28,000	\$62,000
bridge	\$5,000	\$8,000	\$13,000
public space	\$6,000	\$15,000	\$21,000
<b>Davis Langdon Adamson cost estimating</b>			
tram	\$10,000	\$15,000	\$25,000
bridge	\$2,500	\$2,500	\$5,000
subtotal subcontractors	\$257,600	\$353,650	\$611,250
<b>TOTALS</b>	<b>\$551,446</b>	<b>\$745,162</b>	<b>\$1,296,608</b>
<b>SUMMARY BY PHASE</b>			
Denotes Base Scope of Work	\$1,072,058		
Optional Scope of Work	\$224,550		
<b>TOTAL</b>	<b>\$1,296,608</b>		

## ORDINANCE No. 177797

\*Authorize agreement with Portland Aerial Transportation, Inc. for design, project management and expert tram advisory services for the Marquam Hill Aerial Tram (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City Council, on November 13, 2002, adopted Resolution No. 36112 approving the Design Development Phase work program for the Marquam Hill Aerial Tram, including the proposed approach for selecting a design team through an international design competition.
2. Portland Aerial Transportation, Inc. (PATI) has been recognized as the project sponsor for the OHSU/South Waterfront Aerial Tram by the City Council in Resolution 36071, adopted on May 23, 2002.
3. The City Council, on January 8, 2003, approved Ordinance #177185, authorizing a contract with PATI for a design competition for the Marquam Hill Aerial Tram.
4. PATI and the City of Portland (City) successfully managed a design competition for the Aerial Tram, resulting in the selection of an architecture firm (Angélil Graham Pfenninger Scholl) to lead the tram design team.
5. The Portland Development Commission, incorporating City Council's advice, approved the South Waterfront Central District Project Development Agreement on August 13, 2003.
6. The South Waterfront Central District Project Development Agreement requires, among other items, that Schematic Design and Design Development work be completed for the aerial tram by March 31, 2003.
7. The City and PATI have negotiated an agreement for professional services, attached as Exhibit A, that details the services and funding amounts to be provided. The City funding for the project will amount to 18.18% of the total project cost, and OHSU will fund the remaining 81.82%.
8. Funding for the City's share of the services described in Exhibit A will be provided by PDC through an Intergovernmental Agreement with PDOT.

NOW, THEREFORE, the Council directs:

- a. The Commissioner of Public Utilities and the Auditor are hereby authorized to execute an Agreement with Portland Aerial Transportation Inc., in a form substantially similar to the form attached to the original of this Ordinance, and by reference made a part hereof. (Exhibit A)
- b. The Mayor and Auditor are hereby authorized to draw and deliver checks to Portland Aerial Transportation, Inc., chargeable to the Transportation Fund.
- c. The City's Project Manager, with concurrence from the City's Purchasing Agent, is hereby authorized to agree to and execute, on behalf of the City, any amendment, which does not increase the amount of the Agreement.

Section 2. The Council declares that an emergency exists because a delay in executing the agreement will result in significant delays to the design and construction process for the aerial tram project and result in non-compliance with the City's contractual obligations under the South Waterfront Central District Project Development Agreement; therefore, this Ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council, **AUG 14 2003**

Commissioner Jim Francesconi  
Matt Brown:slg  
August 7, 2003  
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**GARY BLACKMER**  
Auditor of the City of Portland  
BY

*Susan Parsons*

DEPUTY