

## **DESIGN-BUILD CONTRACT AMENDMENT NO. 2**

THIS CONTRACT AMENDMENT NO. 2 (Amendment No. 2) is made and entered into by and between the CITY OF FRESNO, a California municipal corporation (City), and Integrated Community Development, a Limited Liability Company (Design-Builder), as follows:

### RECITALS

WHEREAS, Council approved Phase 1 of the Design-Build Contract (Agreement) on July 20, 2023, for specified Design-Build Design phase services, including all sub-consultant, subcontractor, and reimbursable costs for the Senior Activity Center at 4343 North Blackstone Avenue (Project); and

WHEREAS, Council approved the Phase 2 Construction Services portion of the Design-Build Contract on December 5, 2024, for construction of the Project (Amendment No. 1); and

WHEREAS, significant and unanticipated cost escalations, beyond the control of the Design-Builder and the City have occurred since Council approval of the Phase 2 Construction Services portion of the Design-Build Contract; and

WHEREAS, stated cost escalations proved prohibitive to successful completion of the Project; and

WHEREAS, Design-Builder and City staff have negotiated in good faith in accordance with Article 10 of the Design-Build Contract to resolve financial disputes; and

WHEREAS, the Agreement and any amendments will be administered for the City by its Capital Projects Department Director (Director) or designee.

### AGREEMENT

NOW THEREFORE, the parties agree that the Agreement be amended as follows:

1. Design-Build Fee. For the additional monetary consideration of \$514,647, bringing the total Design-Build Fee payable to the Design-Builder to \$2,573,235 as set forth in **Exhibit 1**, Design-Builder promises and agrees to perform or cause to be performed, in a good and workmanlike manner, and to the satisfaction of the City, and in strict accordance with the Specifications, all of the work as set forth in the Contract Documents.

2. Owner Contingency. A sum of \$1,068,053 is hereby allocated to "Owner Contingency" as set forth in Exhibit 1, available for use after exhaustion of the Project Contingency. Design-Builder shall submit a Contract Change Order (CCO) with all supporting documentation to the Director for unanticipated costs incurred in performing the Work of the Contract Documents. City shall have five business days to acknowledge receipt of the CCO. After receipt of the CCO, the City may request additional or supporting documentation to complete its review of the CCO. If the proposed use of the additional contingency funds is approved by the Director, a CCO will be issued for authorization. No payment of additional contingency funds shall be made without a fully executed, advance written approval from the Director in the form of a CCO. At the end of Phase 2 of the

construction of the Project, and prior to the Design-Builder Final Payment in accordance with the General Conditions of the Contract, the Design-Builder will provide a final reconciliation of the Owner Contingency account and 100% of the remaining contingency funds allocated by Amendment No. 2 will be returned to the City.

3. Project Contingency (Prior). As stated in the Agreement, at the time of completion and close-out of the Project, any cost savings up to a total project cost of \$30,536,376 will be split 50%/50% between Design-Builder and the City.

4. The DBIA Design Build Agreement (DBIA Agreement), as modified, contains additional terms and conditions related to this Agreement. In the event of a conflict between this Agreement and the DBIA Agreement, this Agreement shall take precedence. However, in the event of conflict between this Agreement and the DBIA Agreement, the Agreement shall take precedence.

IN WITNESS WHEREOF, the parties have executed this Contract on the day and year here below written, of which the date of execution by the City shall be subsequent to that of the Design-Builder's, and this Agreement shall be binding and effective upon execution by both parties.


[SIGNATURES FOLLOW ON THE NEXT PAGE]

CITY OF FRESNO,  
A California municipal corporation

By: \_\_\_\_\_  
Denix D. Anbiah, PE  
Capital Projects Director

Dated: \_\_\_\_\_

APPROVED AS TO FORM:  
ANDREW JANZ  
City Attorney

By:  7/14/25  
Brandon M. Collet  
Chief Assistant City Attorney Date

ATTEST:  
TODD STERMER, MMC  
City Clerk

By: \_\_\_\_\_  
Deputy Date

Addresses:  
CITY:  
City of Fresno  
Attention: Mike Mooneyham  
Licensed Professional Engineer  
747 R Street  
Fresno, CA 93721  
Phone: (559) 621-8623  
Email: mike.mooneyham@fresno.gov

Attachment:  
Exhibit 1 – Amended Guaranteed Maximum Price (GMP) Calculation

Integrated Community Development,  
A Limited Liability Company

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

Name: Benjamin T. Lingo

Title: Managing Member  
(If corporation or LLC., Board Chair,  
Pres. or Vice Pres.)

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

Name: Charles B. Lingo

Title: Managing Member  
(If corporation or LLC., CFO, Treasurer,  
Secretary or Assistant Secretary)

REVIEWED BY:

\_\_\_\_\_  
Sarah J. Lambeth  
Senior Management Analyst  
Capital Projects Department

DESIGN-BUILDER:  
Integrated Community Development  
Attention: Jake Lingo, Senior Vice  
President  
20750 Ventura Boulevard, Suite 155  
Woodland Hills, CA 91364  
Phone: (818) 974-2966  
Email: jakelingo@icdmail.com

# EXHIBIT 1

SENIOR CENTER GMP CALCULATION (PER AMENDMENT NO. 2)			
A	Direct Cost: Design		
A.1	Design - Architectural	\$ 277,200	
A.2	Design - Landscape Architect	\$ 27,258	
A.3	Design - Civil Engineering	\$ 68,349	
A.4	Design - Structural, MEP & Low Voltage	\$ 42,250	
<b>A</b>	<b>Subtotal Direct Cost: Design</b>	<b>\$ 415,056</b>	<b>A</b>
B	Direct Cost: Construction		
B.1	(1000) On-Site	\$ 3,885,000	
B.2	(2000) Off-Site	\$ 755,000	
B.3	(3000) Base Construction	\$ 14,346,000	
B.4	(1538) Exterior / Common Area	\$ 3,320,000	
<b>B</b>	<b>Subtotal Direct Cost: Construction</b>	<b>\$ 22,306,000</b>	<b>B</b>
C	Indirect Costs		
C.1	(6000) General Requirements	\$ 1,784,480	C.1 = 8% x B
C.2	(7000) Security	\$ 290,000	fixed
C.3	(7000) Payment and Completion Bond	\$ 481,810	C.3 = 2% x (B+C.1)
C.4	(7000) Insurance	\$ 375,000	fixed
C.5	(7000) Survey	\$ 30,000	fixed
C.6	(7000) Field Testing / Inspection	\$ 50,000	fixed
<b>C</b>	<b>Subtotal Indirect Cost</b>	<b>\$ 3,011,290</b>	<b>C</b>
<b>D</b>	<b>Subtotal Direct and Indirect Cost (Not Including Fee)</b>	<b>\$ 25,732,346</b>	<b>D=A+B+C</b>
E	Design-Build Fee (8%)	\$ 2,058,588	E=8% x D
E.1	Amended Design-Build Fee*	\$ 514,647	fixed
F	Project Contingency (8%)	\$ 2,223,275	F=8% x (D+E)
<b>G</b>	<b>Subtotal Direct and Indirect Cost (Including Fee)</b>	<b>\$ 30,528,855</b>	<b>G=D+E+F+E.1</b>
<b>H</b>	<b>Guaranteed Maximum Price (GMP)</b>	<b>\$ 30,528,855</b>	<b>H=G</b>
I	Owner's Contingency*	\$ 1,068,053	fixed
J	Total Contract Price	\$ 31,596,908	J=H+I
K	Total Prior Contract (Phase I) Invoice To-Date	\$ 522,168	K
L	Total Amended Contract Price	\$ 32,119,076	L=J+K
<b>M</b>	<b>Total Costs</b>	<b>\$ 32,119,076</b>	<b>M=L</b>

\* Additional compensation per Contract Amendment No. 2