## **Legal Memorandum**

To:

Mayor; Finance and Personnel Committee

Cc:

Art Fahey, La Crosse Center Manager, Bernie Lenz, Assistant

City Engineer

From:

Stephen F. Matty, City Attorney

Date:

April 6, 2017

Re:

Legistar 17-0149 (ISG architectural design services) and 17-

01050 (Kraus-Anderson construction manager services) for the

La Crosse Center Renovation Project

Earlier, our office was asked to review the above-referenced contracts. It is the recommendation of the Legal Department that the Finance and Personnel Committee takes no action on this legislation. The reasons for this recommendation are as follows:

With regard to the ISG architectural design services contract, the City is close to finalizing the language of this contract. Nonetheless, there is still some "fine tuning" needed with the contract language. We anticipate having the final contract ready for adoption at next week's City Council meeting.

With regard to the Kraus-Anderson construction manager services contract, there exist grave concerns. For example, Kraus-Anderson refuses to allow the City to be an additional insured under its insurance policies. Generally, this is a standard clause for such contracts. Kraus-Anderson's position forces the City to take additional unnecessary risk.

Additionally, the Legal Department is concerned about whether the cost of the construction manager service contract is commensurate with the services to be provided. This requires additional analysis. At present, the Legal Department cannot recommend approval of this contract.

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