

PROJECT CLOSE-OUT AGREEMENT

This Project Close-Out Agreement ("Agreement") is made by and among Oliver & Company, a California corporation ("Oliver"); Housing For Independent People, a California non-profit corporation ("HIP"); Christopher Alexander, an individual, and the Center For Environmental Structure, a California corporation (collectively referred to as "CES"), as of this 15th day of July, 1990.

RECITALS

This Agreement is made with reference to and in reliance upon the following facts:

A. On or about November 19, 1987, HIP, as Owner, and Oliver, as Contractor, entered into a contract ("Construction Contract") for the construction of the Shelter For The Homeless located at 546 West Julian Street, San Jose, California ("Project"). (A genuine copy of the Construction Contract is attached hereto as Exhibit "A".)

B. On or about August 14, 1986, HIP, as Owner, and CES, as architect, entered into a contract wherein the Center for Environmental Structure agreed to provide architectural services and to serve as the Project Architect ("Design Contract"). (A genuine copy of the Design Contract is attached hereto as Exhibit "B".)

C. In addition to serving as the Project Architect under the Design Contract, CES also provided certain labor and materials to Oliver as a subcontractor and supplier to Oliver on the Project ("CES Subcontract").

D. Oliver has asserted certain claims for delay, disruption, impact, and extra work against HIP and CES arising out of and relating to Oliver's performance of the Construction Contract and the Project. A summary of Oliver's claims is attached hereto as Exhibit "C", not as an inclusive statement of claims, but as a description of the type of claims Oliver has asserted.

E. CES has asserted certain claims for delay, disruption, impact, and extra work against Oliver and HIP. A summary of CES' claims is attached hereto as Exhibit "D", not as an inclusive statement of claims, but as a description of the type of claims CES has asserted.

F. The Project was substantially completed on February 28, 1990, and HIP recorded a Notice of Completion on March 8, 1990. No further work was performed on the Project after March 8, 1990, by CES, Oliver, or any of their subconsultants, subcontractors or suppliers.

G. On or about January 10, 1990, CES, as Project Architect, issued its punchlist (the "Punchlist") of work to be corrected or completed by HIP and Oliver at the Project. A genuine copy of the Punchlist is attached hereto as Exhibit "E". HIP has now accepted the Project and the work identified on the Punchlist. HIP has agreed that Oliver has done all Punchlist

work that was Oliver's responsibility and HIP has approved Final Payment to Oliver.

H. On or about July 24, 1989, CES recorded a mechanics' lien in the amount of \$27,784, plus interest, to secure payment for certain painted tiles CES claims to have provided to the Project. A genuine copy of this CES lien is attached as Exhibit "F" to this Agreement ("CES Tile Lien").

I. On or about February 8, 1989, and February 5, 1990, CES recorded additional mechanics' liens totalling \$191,359.12, to secure payment of various CES' claims. Together with the CES Tile Lien, these liens will be collectively referred to as the "CES Liens".

J. CES has filed certain lawsuits against HIP seeking, among other things, to foreclose the CES Liens. Those actions are identified as follows:

1. Center For Environmental Structure v. Homes For Independent People, et al., Santa Clara County Superior Court Action No. 682110; and
2. Center For Environmental Structure v. Homes For Independent People, et al., Santa Clara County Superior Court Action No. 690895
3. Center For Environmental Structure v. Homes For Independent People, et al., Santa Clara County Superior Court Action No. 699669

(collectively referred to as the "Actions").

K. Oliver, CES, and HIP now desire to settle the disputes among them and close out the Project on the terms and conditions set forth herein.

TERMS OF AGREEMENT

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CES, Oliver, and HIP agree as follows:

1. Payment Of Oliver Retention.

Oliver and HIP agree that the reconciliation of the amount due Oliver under the Construction Contract and all approved additive and deductive change orders and backcharges is as follows:

Original Contract Amount	\$ 1,138,074.00
Total Change Orders Approved	\$ 73,637.00
Payments Made To Date	(\$ 1,123,983.00)
Balance Due On The Contract	\$ 87,728.00

By reason of the CES Tile Lien, Oliver and HIP further agree to a deduction from the Construction Contract balance in the amount of \$27,784. Deducting the amount for the CES Tile Lien, the revised Contract balance now due and owing to Oliver is the amount of \$59,944 ("Retention"). HIP shall pay the Retention forthwith, and Oliver shall accept payment of the Retention as Final Payment under the Construction Contract.

2. Payment Of Oliver Claims.

In addition to the Retention referred to in paragraph 1, above, HIP will pay to Oliver the total amount of Seventy-Five Thousand Dollars (\$75,000) in full and final settlement, and accord and satisfaction of all of Oliver's claims against CES and HIP relating to or arising out of the Project. This payment shall be made simultaneously with the delivery of the releases referred to in paragraph 4, below.

3. Payment Of CES Claims.

HIP shall pay to CES the total sum of Seventy Thousand Dollars (\$70,000) (which sum includes payment for the CES Tile Lien) in full and final settlement, and accord and satisfaction of all the claims CES has against HIP arising out of or relating to the Project. In addition, Oliver shall pay to CES the additional sum of \$8,500 in full and final settlement, and accord and satisfaction of all claims CES may have against Oliver arising out or relating to the Project. HIP and Oliver shall make the payments referenced in this paragraph simultaneously with the delivery of releases and dismissals referred to in paragraphs 5 and 6, below.

4. Payment Of Oliver Subcontractors And Suppliers.

Oliver will pay all of its subcontractors and suppliers and cause to be released any mechanics' liens, stop notices, or other claims by its subcontractors or suppliers (other than CES), and cause to be released any and all mechanics' liens and/or stop notices Oliver may have recorded against the Project. Lien releases shall be in a form acceptable to HIP in accordance with California Civil Code section 3262 (unconditional waiver and release upon final payment), and will be acknowledged for recording if requested by HIP.

5. Payment Of CES Subcontractors And Suppliers.

CES shall pay all of its subconsultants, subcontractors and suppliers and cause to be released any mechanics' liens, stop notices, or other claims by its subconsultants, subcontractors or suppliers, and cause to be released any and all mechanics' liens and/or stop notices CES

may have recorded against the Project, including the CES Liens. Lien releases shall be in a form acceptable to HIP in accordance with California Civil Code section 3262 (unconditional waiver and release upon final payment), and will be acknowledged for recording.

6. Dismissal Of CES Actions.

CES shall cause to be filed with the Santa Clara County Superior Court dismissals, with prejudice, and in a form acceptable to HIP, of the Actions. The dismissals shall be delivered to HIP as a condition to receipt of the payments referred to in paragraph 3, above. CES also agrees to withdraw any lis pendens it may have filed in connection with the Actions. CES warrants that the Actions enumerated in Recital No. J are the only lawsuits it has filed against HIP, and that no other lawsuits, arbitrations, or other proceedings have been commenced by CES against HIP or Oliver.

7. Release By Oliver.

In consideration of the covenants contained herein, Oliver hereby releases and forever discharges HIP and CES and their past and present officers, shareholders, directors, employees, consultants, attorneys, agents, successors, and assigns from any and all claims, demands, and/or causes of action of any kind, whether asserted or unasserted, based on actions or omissions occurring prior to the date of this Agreement, arising out of or in any way relating to the Project, the Construction Contract, the Design Contract, the CES Subcontract, the Actions, or the Punchlist, except for obligations created by this Agreement.

8. Release By HIP.

In consideration of the covenants contained herein, HIP hereby releases and forever discharges Oliver and CES and their past and present officers, shareholders, directors, employees, consultants, attorneys, agents, subsidiaries, divisions, successors, sureties (including performance bond and labor and materials bond sureties), subcontractors, suppliers, and assigns from any and all claims, demands, and/or causes of action of any kind, whether asserted or unasserted, based on actions or omissions occurring prior to the date of this Agreement, arising out of or relating in any way to the Project, the Construction Contract, the Design Contract, the CES Subcontract, the Actions, or the Punchlist, except for obligations created by this Agreement.

9. Release By CES.

In consideration of the covenants contained herein, CES hereby releases and forever discharges Oliver and HIP and their past and present officers, shareholders, directors, employees, consultants, attorneys, agents, subsidiaries, divisions, successors, sureties (including performance bond and labor and materials bond sureties), subcontractors, suppliers, and assigns from any and all claims, demands, and/or causes of action of any kind, whether asserted or unasserted, based on actions or omissions occurring prior to the date of this Agreement, arising out of or in any way relating to the Project, the Construction Contract, the Design Contract, the CES Subcontract, the Actions, or the Punchlist, except for obligations created by this Agreement.

10. Release Of Unknown Claims.

The releases contained in this Agreement are intended to "wipe the slate clean," and HIP, Oliver, and CES agree that the releases contained herein are intended to release all claims, whether known or unknown, based on actions or omissions occurring prior to the date of this Agreement, except as specifically provided in paragraph 11 of this Agreement. The parties expressly agree to assume the risk that claims, damages, or injuries may exist that are presently unknown, and that the releases waive and release the unknown claims. To that end, the parties specifically waive the provisions of California Civil Code section 1542, and any statutory or common law provision of similar force or effect. Civil Code section 1542 provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

11. Exceptions To Releases.

Notwithstanding anything to the contrary contained in this Agreement (including paragraph 10 hereof) or the Releases, the parties do not release the following obligations:

(a) Liability to the extent provided under the Design Contract, the Construction Contract, and California law, for latent defects and latent deficiencies in or as to the construction of the Project; provided, however, it is understood and agreed by the parties that this is not intended to create any greater rights than would otherwise exist under the



Contracts or California law with respect to latent defects or deficiencies;

(c) Any designer's, contractor's, manufacturer's, and/or supplier's warranty still in effect as of the date of this Agreement is not released by this Agreement. With respect to those warranties, the parties agree that the warranty period commences to run as to the residential building which is part of the Project on June 1, 1989, and as to the kitchen/utility building which is part of the Project on October 1, 1989;

(d) Oliver agrees to provide the record document submittals, warranties, manuals, and other close-out documents as required by the Construction Contract;

(e) The parties agree to remain liable, to the extent provided by the Construction Contract, the Design Contract, and by California law, for indemnification arising out of claims for injury or death of third persons.

**12. Compromise Of Disputed Claims.**

The parties understand and agree that this is a compromise and settlement of disputed claims and shall not be deemed or construed to be an admission of liability or responsibility of any kind as to any of them.

**13. Further Assurances.**

The parties agree to execute such other documents as may be reasonably necessary to effectuate the intent of this

Agreement, including, without limitation, dismissals, lien releases, withdrawal of lis pendens, and releases of surety.

14. Successors.

This Agreement shall be binding upon and shall inure to the benefit of CES, Oliver, and HIP and each of their respective shareholders, partners, agents, consultants, employees, directors, officers, representatives, principals, trustees, parents, subsidiaries, affiliates, successors, predecessors, assigns, and each of them. All of the covenants contained in this Agreement are for the express benefit of each and all such persons described in this paragraph.

15. Counterparts.

This Agreement may be executed in any number of counterparts, each of which, when so executed, shall be considered a binding agreement.

16. Warranty of Authority.

By executing this Agreement, each signator warrants that it has full authority to enter into this Agreement on behalf of the individuals or entities for which the signator is executing the Agreement and has the authority to bind those individuals or entities to the terms of this Agreement. Each signator further warrants that none of the claims released herein have been assigned to any third person or entity.

Dated: July \_\_\_\_\_, 1990. HOUSING FOR INDEPENDENT PEOPLE

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

Dated: July \_\_\_\_\_, 1990. OLIVER & COMPANY

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

Dated: July \_\_\_\_\_, 1990. CENTER FOR ENVIRONMENTAL STRUCTURE

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

Dated: July \_\_\_\_\_, 1990. \_\_\_\_\_  
CHRISTOPHER ALEXANDER

APPROVED AS TO FORM:

Dated: July \_\_\_\_\_, 1990. PETTIT & MARTIN

By: \_\_\_\_\_  
THOMAS H. SQUERI

Attorneys for HOUSING FOR  
INDEPENDENT PEOPLE

Dated: July \_\_\_\_\_, 1990. UBHAUS & COLLINS

By: \_\_\_\_\_  
JOHN MARSHALL COLLINS

Attorneys for OLIVER & COMPANY

Dated: July 23, 1990. DOBBS, BERGER, MOLINARI,  
CASALNUOVO, VANNELLI, NADEL &  
LINKS

By:  \_\_\_\_\_  
ROBERT D. LINKS

Attorneys for HOUSING FOR  
INDEPENDENT PEOPLE

# THE AMERICAN INSTITUTE OF ARCHITECTS



AIA Document A101

## Standard Form of Agreement Between Owner and Contractor

where the basis of payment is a  
**STIPULATED SUM**

**1977 EDITION**

*THIS DOCUMENT HAS IMPORTANT LEGAL CONSEQUENCES; CONSULTATION WITH  
AN ATTORNEY IS ENCOURAGED WITH RESPECT TO ITS COMPLETION OR MODIFICATION*

*Use only with the 1976 Edition of AIA Document A201, General Conditions of the Contract for Construction.*

*This document has been approved and endorsed by The Associated General Contractors of America.*

### AGREEMENT

made as of the            19th            day of            November            in the year of Nineteen  
Hundred and    Eighty Seven

**BETWEEN the Owner:**    HOUSING FOR INDEPENDENT PEOPLE, INC.  
25 East Hedding St.  
San Jose, CA 95112

and the Contractor:    OLIVER & COMPANY, A CALIFORNIA CORPORATION  
1035 Carleton St.  
Berkeley, CA 94710

The Project:            SHELTER FOR THE HOMELESS  
San Jose  
California

The Architect:         CENTER FOR ENVIRONMENTAL STRUCTURE  
2701 Shasta Rd.  
Berkeley, CA 94708

The Owner and the Contractor agree as set forth below.

Copyright 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1967, 1974, © 1977 by the American Institute of Architects, 1735 New York Avenue, N.W., Washington, D. C. 20006. Reproduction of the material herein or substantial quotation of its provisions without permission of the AIA violates the copyright laws of the United States and will be subject to legal prosecution.

**ARTICLE 1**  
**THE CONTRACT DOCUMENTS**

The Contract Documents consist of this Agreement, the Conditions of the Contract (General, Supplementary and other Conditions), the Drawings, the Specifications, all Addenda issued prior to and all Modifications issued after execution of this Agreement. These form the Contract, and all are as fully a part of the Contract as if attached to this Agreement or repeated herein. An enumeration of the Contract Documents appears in Article 7.

**ARTICLE 2**  
**THE WORK**

The Contractor shall perform all the Work required by the Contract Documents for  
*(Here insert the caption descriptive of the Work as used on other Contract Documents.)*

all labor and materials necessary to construct the Shelter for The Homeless,  
W. Julian at Montgomery, San Jose, CA.

**ARTICLE 3**  
**TIME OF COMMENCEMENT AND SUBSTANTIAL COMPLETION**

The Work to be performed under this Contract shall be commenced within 10 days of receipt  
of building permit  
and, subject to authorized adjustments, Substantial Completion shall be achieved not later than 300  
days after commencement.  
*(Here insert any special provisions for liquidated damages relating to failure to complete on time.)*

ARTICLE 4  
CONTRACT SUM

The Owner shall pay the Contractor in current funds for the performance of the Work, subject to additions and deductions by Change Order as provided in the Contract Documents, the Contract Sum of \$1,138,074.00 (ONE MILLION ONE HUNDRED THIRTY EIGHT THOUSAND SEVENTY FOUR & NO/100 DOLLARS)

The Contract Sum is determined as follows:

*(State here the base bid or other lump sum amount, accepted alternates, and unit prices, as applicable.)*

This sum includes \$48,060.00 in potential deducts per items A and B, C and D, of Oliver & Company letter of 19 November 1987.

ARTICLE 5  
PROGRESS PAYMENTS

Based upon Applications for Payment submitted to the Architect by the Contractor and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum to the Contractor as provided in the Contract Documents for the period ending the \_\_\_\_\_ last \_\_\_\_\_ day of the month as follows:

Not later than \_\_\_\_\_ 15 \_\_\_\_\_ days following the end of the period covered by the Application for Payment \_\_\_\_\_ ninety percent ( 90 %) of the portion of the Contract Sum properly allocable to labor, materials and equipment incorporated in the Work and \_\_\_\_\_ ninety percent ( 90%) of the portion of the Contract Sum properly allocable to materials and equipment suitably stored at the site or at some other location agreed upon in writing, for the period covered by the Application for Payment, less the aggregate of previous payments made by the Owner; and upon Substantial Completion of the entire Work, a sum sufficient to increase the total payments to \_\_\_\_\_ ninety percent ( 90 %) of the Contract Sum, less such amounts as the Architect shall determine for all incomplete Work and unsettled claims as provided in the Contract Documents.

*(If not covered elsewhere in the Contract Documents, here insert any provision for limiting or reducing the amount retained after the Work reaches a certain stage of completion.)*

Payments due and unpaid under the Contract Documents shall bear interest from the date payment is due at the rate entered below, or in the absence thereof, at the legal rate prevailing at the place of the Project.

*(Here insert any rate of interest agreed upon.)*

*(Usury laws and requirements under the Federal Truth in Lending Act, similar state and local consumer credit laws and other regulations at the Owner's and Contractor's principal places of business, the location of the Project and elsewhere may affect the validity of this provision. Specific legal advice should be obtained with respect to deletion, modification, or other requirements such as written disclosures or waivers.)*

**ARTICLE 6**  
**FINAL PAYMENT**

Final payment, constituting the entire unpaid balance of the Contract Sum, shall be paid by the Owner to the Contractor when the Work has been completed, the Contract fully performed, and a final Certificate for Payment has been issued by the Architect.

**ARTICLE 7**  
**MISCELLANEOUS PROVISIONS**

7.1 Terms used in this Agreement which are defined in the Conditions of the Contract shall have the meanings designated in those Conditions.

7.2 The Contract Documents, which constitute the entire agreement between the Owner and the Contractor, are listed in Article 1 and, except for Modifications issued after execution of this Agreement, are enumerated as follows:

*(List below the Agreement, the Conditions of the Contract (General, Supplementary, and other Conditions), the Drawings, the Specifications, and any Addenda and accepted alternates, showing page or sheet numbers in all cases and dates where applicable.)*

Drawings: General Notes, B0 - B11, R1 - R19, D1 - D4, K1 and 2, L1 - L4, all as prepared by Center for Environmental Structure, dated "received by Oliver & Company November 2, 1987"; Specifications dated 18 November 1987.

7.3 Not included in this contract are architects', engineering, survey, permit, all testing and inspection, or utility fees.

7.4 All insurance, including workmen's compensation, public liability and property damage, or any act caused through negligence of the Contractor or his agents, shall be provided by the Contractor. Fire, extended coverage, vandalism, and malicious mischief insurance shall be purchased by the Owner, which insurance shall name Contractor as additional insured.

7.5 AIA General Conditions A201, 1976 Edition.

7.6 Letter of Contract Qualifications dated 19 November 1987 by Oliver & Company, Inc.

This Agreement entered into as of the day and year first written above.

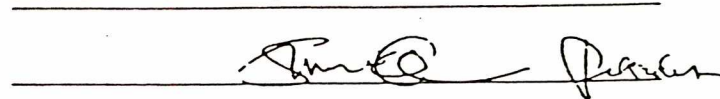
OWNER

CONTRACTOR

HOUSING FOR INDEPENDENT PEOPLE, INC.

OLIVER & COMPANY, A CALIFORNIA CORPORATION





CONTRACT

between Housing for Independent People Inc., San Jose, California, (Al di Ludovico, Representative) hereinafter called "the Client" and the Center for Environmental Structure, Berkeley, California (Christopher Alexander, Representative) hereinafter called "the Architect," for the design of a building to be known as a Shelter for Homeless People, to be built on a site at Julian and Montgomery in San Jose, California.

ARTICLE 1 - PROJECT SUMMARY

The construction of a homeless shelter to be built by the Client is as follows:

- (a) Site approximately 13,000 sf, with a portion of 5000 sf to be added.
- (b) Construction of a shelter building approximately 13,000 sf, to serve 50 to 100 people.

The total budget for the new construction is outlined as follows:

- (c) Total construction budget will be about \$800,000.
- (d) Additional construction funds may be provided, either by the Client, or by other agencies, possibly increasing the construction cost up to \$1 million, or more.
- (e) Both parties recognize that the final construction cost will depend on choices made by the Client during the design process, and therefore the CES is not required to deliver plans for an addition to be built at a guaranteed price.



Construction schedule planned by the Client is as follows:

(f) Construction is intended to begin in late 1986, if weather, issuance of building and planning permits, and the dictates of the planning process allow.

(g) The shelter is to be ready for occupancy as soon as possible.

(h) Fast tracking is to be used for all planning, design and construction, so as to permit early occupancy.

(i) The architect promises to work with all deliberate speed, but is not responsible for meeting any specific deadlines or dates.

#### ARTICLE 2 - SCOPE OF ARCHITECT'S WORK

The Architect will undertake the work as follows:

Stage 1 - Site Plan                      July/August 1986

(a) Preparation of site plan, at scale of 1/16th inch to 1 foot.

(b) This work will include involvement of Client, and participation of Client in decision making, including Al diLudovico, Kerry Williams, members of the client body as defined by HIP.

(c) This work will be done concurrently with final arrangements about land purchase. There is therefore some possibility of backtracking, as provided for in Article 9.

Stage 2 - Preliminary Design              August 1986

(a) Preparation of individual building plans, sections and elevations at a scale of 1/8" to 1 foot.

(b) This work will also include involvement of Client, and participation of Client in decision making, including Al diLudovico, Kerry Williams, members of the client body as defined by HIP.

(c) The preliminary design will include detailed layout of buildings, with preliminary choice of building materials, and will be presented in a form suitable for planning review by Redevelopment and City Planning.

Stage 3 Working Drawings September/October 1986

(a) Preparation of working drawings and specifications. Main drawings at a scale of 1/8th to 1 foot, with details at appropriate larger scales.

(b) This work will be done concurrently during review of preliminary drawings by City agencies. There is some possibility of backtracking, as provided for in Article 9.

Stage 4 Bid Negotiation November/December 1986

With the approval of the Client, the Architect will prepare bid documents and help the client negotiate the construction contract.

Stage 5 - Supervision. December 1986 to May 1987

The Architect will supervise construction and make visits to the site as he considers necessary during construction.

Stage 6 - Subsequent construction. After occupancy. May 1987

In order to expedite the client's use of the new shelter, an arrangement may be made to take occupancy as early as possible. In this case the architect will arrange for very rapid completion of the main shell, and may then arrange completion of various lesser details of construction after occupancy, possibly under an construction arrangement different from that of the main construction contract. Payment for design and or/construction of these details is not covered by the main fee of article 3, and will be negotiated when the details become more clearly visible.

#### ARTICLE 3 - ARCHITECT'S FEE

(1) The design fee for the work defined in Article 2 will be 8.5% of total construction cost, or at least \$68,000, whichever is greater.

The fee will not include any of the special services defined in articles 8 and 9.

In addition, the following items are to be reimbursed upon presentation of bills to the Client:

(a) All reproductions of drawings and prints of drawings or documents, together with mail and postage charges.

(b) Telephone and mileage charges connected with the project, with mileage charged at .27.mile, from the architects office in Martinez.

(c) Materials for any models or construction mockups made by the architect to perfect the design.

#### ARTICLE 4 - SCHEDULE OF PAYMENTS

The fee as defined in Article 3 will be paid according to the following schedule.

- (1) 10% of the fee to be paid immediately, as a retainer.
- (2) 5% of the fee to be paid for completion of the site plan, as defined in stage 1.
- (3) 20% of the fee for the preliminary designs defined in stage 2, 10% on demand, and 10% when preliminary designs are completed.
- (4) 40% of the fee for the working drawings defined in stage 3, three payments of 10% each on demand during the progress of the work, and 10% when working drawings are completed.
- (5) 5% of the fee for completion of bid negotiation, as defined in stage 4.
- (6) 20% of the fee to be paid in stages, for supervision of the construction. 7% when foundations are in, 7% when the roof is on, and 8% after occupancy.

#### ARTICLE 5 - MINOR MODIFICATIONS IN SCHEDULE OF PAYMENTS

If there is a delay in the completion of any stage as a result of the the actions of the client, then the Architect may request partial payment for that stage, based on the percentage of completion, and the Client will pay it.

#### ARTICLE 6 - CHANGE IN SCOPE OF WORK, AND IN PROGRESS ADJUSTMENTS OF THE BILL FOR FEES.

The fee of 8.5% of construction is based on the assumption that the Client will build a building of the size and cost defined in article 2 of this contract, and that the client will not make any changes after completion of the preliminary designs. The following adjustments will be made in the event of any changes in these assumptions:

(a) If, during the development of the project, the amount of construction (measured by dollars of construction) should increase, it is then understood that the total fee will be increased in direct proportion to the total cost of construction and the individual payments will be prorated accordingly on the basis of 8.5% of the construction cost.

(b) If the Client wishes to make any fundamental changes in the design, after completion of the preliminary design phase, the CES shall be entitled to receive an additional payment for revised preliminary designs, and reimbursement for all work on working drawings which is rendered unusable.

(c) If the Client elects not to build the building, the CES shall be entitled to the full fee for whatever work has been completed, prorated in a fair fashion for any work partially completed.

(d) In progress adjustments of the bill. If the foreseen construction cost changes repeatedly during the design phase of the project, then the architects in-progress bills submitted will reflect all increments in expected construction cost, and will include retroactive payments for items previously billed on the basis of lower costs, so that the total fees paid up to any stage reflect the best possible current estimate of expected construction cost at the time of billing.

(e) If the project is delayed, the architect, in principle, has no right to claim any fee which exceeds the amount specified in Article 3, with the exception that in the event of a substantial delay, the parties agree to negotiate for a reasonable adjustment of the fees in light of the cause and the period of such delay.

ARTICLE 7. CLIENTS OBLIGATIONS.

The Client will provide the following services as needed, when appropriate said services to be performed by professionals selected by the CES, and approved by the Client:

- (a) A detailed survey of the land in the vicinity of the house, with information about positions of services, and with contours drawn at one or two foot intervals.
- (b) A rough survey of the existing building and exterior structures, if needed, drawn at 1/8" to 1 foot. In the event of a complex design, requiring unusual connections with the existing building, it is possible that before the working drawing phase, a more detailed survey of the existing structural conditions of the present building may be required.
- (c) Soils survey with foundation design.
- (d) Payment of any and all fees, including legal fees, required to obtain permits.
- (e) Visits, meetings and arrangements which pertain to the obtaining of permits, and/or coordination with any city or county agencies involved.
- (f) Organisation of meetings, information with client groups, and any actions needed to expedite the clients involvement in the design.
- (g) Obtaining free materials, or other special favors which will benefit the project in any way.

## ARTICLE 8 - SPECIAL SERVICES

The following services, if called for, will require special work by consultants, and are not included in the architects fee. These fees will be charged to the client at cost.

(a) Special landscaping consultant, if required to satisfy the city.

(b) Any design work required for modifying and/or repairing existing structures on the site. If any work of this type should arise, the scope and fee will be negotiated separately.

(c) Time taken for special presentations, press conferences, boards of appeals etc.

(d) Special structural engineering, if required by the building design.

✓(e) Heating, mechanical and solar engineering, as required.

(f) Presentation models, if required by the client.

(g) Professional estimating.

(c) Any construction management.

(c) Any purchase or preparation of actual construction items.

## ARTICLE 9 - FAST TRACKING

(a) If, as a result of fast tracking, or for any other reason, caused by the client, or by city procedures beyond the architects control, the architect is required to redo any portion of the work, then the portion which has to be redone will be paid extra, at the same rates as those defined in this contract (article x) with appropriate amounts prorated in a fair manner.

(b) In addition, in view of the complex nature and responsibilities of the client, it is possible that a decision about any stage of the plans might be taken, approved or tentatively approved by the client, but later reversed by one or another of the supervising agencies, including the Redevelopment Agency of San Jose, San Jose City planning, or Building permits and inspections, and/or City Council, and/or others not yet foreseen. To protect the architect against unfair demands placed him by the complex nature of this multiple decision making process, it is agreed that any unusual backtracking requiring the architect to perform extra services to cope with these contingencies, will be reimbursed at hourly rates, over and above the fees.

#### ARTICLE 10 - ARCHITECT'S CONSULTANT

The Architect's local consultant in San José, will be Mr. Jim Lyle.

(a) Arrangement A. For work which may be seen as an extension of the Clients obligations (article 7) or as a provision of special services not covered by the architect's fee, (article 8), Mr Lyle will be paid by the Client, from funds separate from the architect's fee. In these two cases control of the consultant's work will be in the hands of the Architect, and payments to the consultant will be made directly to the consultant, by the client, on the basis of bills submitted to the architect, approved by him, and then passed on to the client.

(b) Arrangement B. For architectural work which is included in the scope of the architects obligations according to this contract, the consultant will be paid by the Architect.



(c) In general any work requested of Mr Lyle by the architect, will be ordered by the architect, with the approval of the client, and will be assumed to be covered by the arrangement A, unless it is explicitly agreed that it falls under arrangement B.

#### ARTICLE 11 - CLIENT'S RIGHT OF REVIEW

(a) The Client always reserves the right to review the Architect's work in progress.

(b) The Client may terminate this Contract with the Architect if the Client indicates that the work is not satisfactory to the Client at the time of the completion of Stage 2 described in Article 2.

(c) If the Client wishes to terminate the contract at the end of Stage 2, he will notify the Architect in writing.

(d) If the Client desires to terminate the contract at the end of Stage 2, he will then be obliged to pay the fee up to the completion of Stage 2 as described in Article 4, together with any additional amounts owing for work begun on other stages.

#### ARTICLE 12. OWNERSHIP OF PLANS

The plans made by the architect shall belong to the architect. Neither the client, nor any other party, may cause another architect to build a building at the Julian-Montgomery site, or on any other site, according to these plans or any version of them, without the permission of the architect in writing.

## ARTICLE 13 - ADDENDA

The Client and the Architect agree that when matters not described in the contract or unexpected situations arise, they will then deliberate together in good faith each time to solve it.

All the particulars agreed upon after deliberation will be drawn up as an addendum to this contract and signed by both parties.

The addenda as one body with the contract will make a binding commitment for both Client and Architect.

## ARTICLE 14. DISSOLUTION OF THE CLIENT

If the client (Homes for Independent People) is in any way modified, or dissolved, or if its organisation or directorship are in any way altered, thus causing a failure or inability to pay the fees defined in this contract, the Redevelopment Authority of San Jose will assume all responsibilities for payment which are defined in this contract.

## ARTICLE 15. ARBITRATION.

Any controversy or claim arising out of or relating to this Agreement, or the actual or alleged breach hereof, or the rights, duties or obligations of the parties hereto, shall be settled by arbitration conducted in the City of San Francisco in accordance with, and by an arbitrator appointed pursuant to, the rules of the American Arbitration Association in effect at the time, and judgement upon the award rendered pursuant thereto may be entered in any court having jurisdiction thereof.

ARTICLE 16. ATTORNEYS FEES.

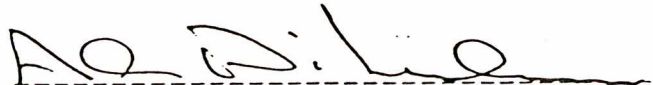
In the event of arbitration, or in the event that either party files suit to enforce the provisions of this contract, the prevailing party shall be entitled to a reasonable attorney's fee as cost of suit, to be fixed by the Court.

ARTICLE 17 - JURISDICTION

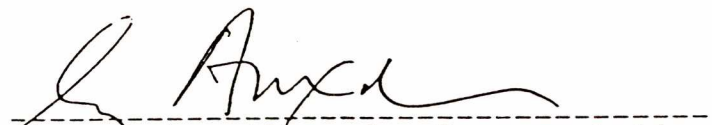
The Client and the Architect agree that the jurisdiction will be in San Francisco for all disputes arising from this contract.

Dated: August 14 1986

Signed: Homes for Independent People

  
-----  
Al diLudovico Representative

Center for Environmental Structure

  
-----  
Christopher Alexander Representative

GENERAL CONTRACTORS  
**OLIVER & COMPANY**  
 A CALIFORNIA CORPORATION  
 1035 CARLETON STREET  
 BERKELEY, CALIFORNIA 94710

HOUSING FOR INDEPENDENT PEOPLE

1 February 1990

CHANGES ORDERS/EXTRA SUPERVISION & JOB EXPENSE

NUMBER	DESCRIPTION	JOBSITE SUPERVISION	GEN. SUPERINTEND. JOB EXPENSE
1	Tile at slab edges	1/2 CFD	
2	Bldg. size & shade change	2 CFD	
3	Waterproofing detail	1/2 CFD	
4	Cost of bond	-	
5	Alum/wood windows	4 CFD	1/2 LD
6	Delete fl.fin. allow.	-	
7	Delete G.W.B. allow.	4 CFD	
8	Add to roofing allow.	1/2 CFD	
9	Change cornice detail	1/2 CFD	
10	Change masonry allow.	-	
11	Concrete/stucco 2nd storey panels	2 CFD	
12	Change arcade subcontractor	-	
13	Credit paint	-	
14	Clarifications	2 CFD	1 CFD
14A	Clarifications	2 CFD	1 LD
14B	Clarifications	2 CFD	
14C	Clarifications	3 CFD	
15	Site plumbing changes	1/2 CFD	
16	Door & window reframing	2 CFD	
16A	Misc. changes	2 CFD	1/2 LD
16B	Misc. changes	1 CFD	
16C	Misc. changes	2 CFD	
17	Electrical		
17A		6 CFD	
17B			
17C			
18	Plumbing adds	3 CFD	
18A			
19			
20	Accommodate future ceiling	1/2 CFD	
21	Manhole	1 CFD	
22	Raise walls	1 CFD	
23	Sheet metal & gutters	1/2 CFD	
23A	Misc. flashing	2 CFD	
24	Storm drain	3 CFD	1/2 LD
25	Delete Step	1/2 CFD	
26			
27			
28			
29			

GENERAL CONTRACTORS  
**OLIVER & COMPANY**  
 A CALIFORNIA CORPORATION  
 1035 CARLETON STREET  
 BERKELEY, CALIFORNIA 94710

cont. page 2

HOUSING FOR INDEPENDENT PEOPLE

1 February 1990

CHANGES ORDERS/EXTRA SUPERVISION & JOB EXPENSE

NUMBER	DESCRIPTION	JOBSITE SUPERVISION	GEN. SUPERINTEND. JOB EXPENSE
30	Fire alarm	1 CFD	
31	OLIVER & CO. fee corrections	-	
32	Fire sprinkler heads	1/2 CFD	
33	Credit (landscaping)	-	
34	Extra/trusses	4 CFD	
35	Misc. plumbing & electrical	1/2 CFD	
36	Tile/extra	5 CFD	
37	Change D.H. doors	1/2 CFD	
38	Bunk beds	-	
39	(Not taken)		
40	(Misc. not taken)	4 CFD	
41	Delete offsite parking allow.	-	
42	Misc. accepted changes	-	

FUTURE:

Kitchen work extras	1 CFD	
Misc. accepted changes	5 CFD	
	<u>69 1/2 CFD</u>	<u>2 1/2 LD</u>
	+ 1 CFD	
	(from Gen. Superinten.)	

TOTALS:

CFD:	70 1/2 x \$226.88 x 1.57 x 1.1 =	\$27,662.82
LD:	2 1/2 x \$156.48 x 1.57 x 1.1 =	675.60
	TOTAL COST:	<u>\$28,298.42</u>

GENERAL CONTRACTORS  
**OLIVER & COMPANY**  
 A CALIFORNIA CORPORATION  
 1035 CARLETON STREET  
 BERKELEY, CALIFORNIA 94710

SAN JOSE SHELTER

1 February 1990

BILLING & PAYMENT SCHEDULE

Payment terms - due 15 days after billing

BILLING #	AMOUNT INVOICED	DATE INVOICED	AMOUNT PAID	DATE PAID	DAYS PAST FIFTEEN	INTEREST DUE AT 10%
PRELIN						
#1	17,280	10/31/87	17,280	1/20/88	66	312.46
#2	100,000	11/20/87	25,000	2/23/88	95	-
#1	27,337	3/22/88	25,000	2/23/88	-	-
#2	66,134	4/25/88	39,229	5/16/88	5	53.74
#3	60,533	4/30/88	57,710	6/09/88	25	395.28
#4	44,879	6/03/88	41,987	7/08/88	21	241.57
			7,909	7/08/88	-	-
#5	49,043	7/14/88	49,043	8/15/88	15	201.55
		deposit:	5,000	9/08/88		
#6	73,450	7/29/88	71,450	9/09/88	25	489.38
#7	146,038	9/01/88	141,038	9/29/88	13	502.33
#8	108,582	10/02/88	87,282	10/31/88	14	334.78
#9	110,205	11/07/88				
#9 revised	61,032	11/30/88	65,952	12/05/88	14	252.97
#10	173,208	12/06/88	116,150	1/13/89	23	731.90
#11	304,908	11/14/89	84,964	2/07/89	9	209.50
#12	90,811	2/09/89	33,335	4/11/89	46	420.11
#13	90,822	5/04/89	50,547	6/09/89	21	290.82
#14	135,360	6/15/89				
#14 revised	139,298	7/17/89	85,120	9/01/89	60	1,399.23
#15	165,436	6/30/89				
#15	104,175	8/31/89	67,986	1/03/90	168	3,129.22
					SUBTOTAL	\$8,964.84

OTHER ITEMS BILLED BUT NOT PAID UNTIL MOST RECENT PAYMENT:

CONTINGENCY	2,845	4/30/88	2,845	1/03/90	595	300.76
remaining	17,122	11/01/88	17,122	1/03/90	410	1,923.29
DAY RM. BEANS	1,800	7/29/88	1,800	1/03/90	503	248.05
HORIZ. FRAMING	2,700	9/01/88	2,700	1/03/90	470	347.67
LOBBY CEILING	1,800	10/01/88	1,800	1/03/90	440	216.99
WALLBOARD	4,860	11/01/88	4,860	1/03/90	410	549.92
					TOTAL	\$12,551.52
(DECOR. TILE	27,000	12/01/88	-	-	410	<del>3,360.86</del>

GENERAL CONTRACTORS  
**OLIVER & COMPANY**  
 A CALIFORNIA CORPORATION  
 1035 CARLETON STREET  
 BERKELEY, CALIFORNIA 94710

February 1, 1990

SAN JOSE HOUSING

Extra General Conditions Charges

General Conditions:

Toilet	\$ 700
Phone	1,500
Cleaning	7,200
Job Expense	9,600
Job Foreman	9,600
Superintendence	9,600
Equipment	4,000
Related Fringes	<u>19,152</u>

Subtotal	\$61,352
Overhead & Fee 10%	<u>6,135</u>

\$67,487

Was prorated for 10 Months

                      
\$6,749 Per Month

Months contract was extended:

Use 18 weeks per 3/3/89 letter:  $4\frac{1}{2} \times \$6,749 = \$30,370$

Use 2/17/88 to 6/30/89 less 10 months:  $6\frac{1}{2} \times \$6,749 = \$43,869$

GENERAL CONTRACTORS  
**OLIVER & COMPANY**  
 A CALIFORNIA CORPORATION  
 1035 CARLETON STREET  
 BERKELEY, CALIFORNIA 94710

February 1, 1990

SAN JOSE SHELTER

REVISED SUMMARY OF CLAIMS:

Extras authorized but no C.O.'s	\$ 9,143
Further disputed amounts on past C.O.'s	10,361
Other misc. extras not yet billed (Included in Collins letter of 11/3/89)	19,890
Other subcontractor claims (Included 11/3/89)	22,289
Interest claim	12,552
Supervision for C.O.'s	28,298
Delay time	<u>43,869</u>
	\$146,402

CONTRACT SUMMARY:

Base contract	\$1,138,074
Change orders signed	65,449
C.O. 42	<u>8,188</u>
Current Total	\$1,211,711
Paid to date	(\$1,046,982)
To Lindberg	(4,400)
(Future) To Allied	(6,569)
(Future) To Comstock	<u>(6,088)</u>
Balance Due	\$ 147,672



**CENTER FOR ENVIRONMENTAL STRUCTURE**

ARCHITECTS • ENGINEERS • CONTRACTORS

2701 SHASTA ROAD • BERKELEY, CALIFORNIA 94708

TELEPHONE 415/841-6166

February 1, 1990

Al DiLudovico, Director,  
HIP,  
25 East Hedding,  
SAN JOSE,  
CALIFORNIA 95112.

**FINAL BILL****FOR ARCHITECTURAL SERVICES,  
PROJECT MANAGEMENT  
AND CONSTRUCTION**

At your request, I am sending you a complete statement of accounts for CES work on the Julian Street Inn.

During discussions during the past year and a half, you have repeatedly promised to pay CES's outstanding bills, and have repeatedly failed to do so. However, in return for your promises of prompt and immediate payment I have proposed a variety of discounts, and also done a variety of works done in exchange for your promise of prompt payment. Since you have up until now, broken promise after promise about payment, and have made no payment at all since November 1988 (with one tiny exception of \$1,000 in July 1989), the following bill represents a complete statement of all fees, reimbursable expenses, and interest, without discounts.

The bill falls into three broad categories, all provided for under our architectural contract dated August 14, 1986.

- A. ARCHITECTURAL SERVICES.
- B. PROJECT MANAGEMENT SERVICES.
- C. CONSTRUCTION WORK.

For your information, all the following items are keyed to article and clause of the architectural contract.

## A: ARCHITECTURAL SERVICES.

1. Billed on September 16, 1988 (this amount does not include project management)

Article 4.6, supervision.

Roof on, 7% of fee \$6,771.52

Expenses incurred from April 4, 1988 through September 16, 1988.

Prints and copies	\$1,061.66
Telephone	\$81.90
Special mail and messengers	\$119.79
Materials for mockups	\$859.84
Mileage, 34 trips (April 4 thru Sept 16)	\$1,101.60

2. Credit (payment November 1988) -\$13,000.00

3. Expenses Sept 16 to Nov 20 1988

Mailing and telephone	\$127. 5 0
Prints	\$149.83
Mileage	\$161.98

4. Expenses Nov 20 1988 to Jan 31 1990

Fed express	\$112.50
Telephone	\$186.03
Courier	\$205.00
Prints/copies	\$133.96
Mileage	\$171.00

5. Supervision, third payment, due after occupancy, (Article 4.6)

8% of 8.5% of building price of \$1,138,074 \$7,738.90

6. Increase of total architectural fee for increased value of construction by change orders \$65,449 (Article 3).

8.5% on 65,449 \$5,563.16

7. Completion of drawings on existing storage building balance due \$2,000.00

Credit (payment July 1989) -\$1,000.00

8. James Maguire reimbursable expenses November 16  
1988 to January 31, 1990 \$2,623.88

9. CA mileage, Sept 16, 1988 to Jan 31, 1990  
19 trips \$615.60

10. Engineering services provided in layout of building  
with Paul Ruedi, February 29, 1988  
Christopher Alexander, 6 hrs @ 100/hr \$600.00  
Gary Black, 6 hrs @65/hr \$390.00

11. Architectural services provided by CES to cope with  
unusual backtracking and contingencies in inter-agency  
conflicts and complications as per article 9(b). This  
includes special visits, meetings and resolutions of issues  
pertaining to fire sprinkler system, fire department and  
building department conflicts, legal problems pertaining  
to ownership conflict of the adjacent site on Montgomery  
Street, category of occupancy and potential conflicts  
pertaining to health services, planning approval of  
exterior appearance and every detail of exterior  
appearance, public works dealing with electrical service,  
lightoliers, storm drainage, street cuts, PGE to deal with  
load and service for gas meter and electrical switch gear,  
access and position of electrical panel, refuse and  
dumpster problems, discussion with water department  
pertaining to water service. During the period of 16.5  
months Sept 16, 1988 to Jan 31, 1990, extra services  
were provided in this category as follows:

CA, 35 hrs @ 100/hr	\$3,500.00
GB, 141 hrs @ 65/hr	\$9,165.00
JM, 38 hrs @ 45/hr	\$1,710.00

12. Construction estimating on various tasks August 1988  
to January 1990 (as per article 8(g)).  
James Maguire, 41 hrs @45/hr \$1,845.00

13. Architectural services for special construction  
management as per article 8(h). This includes the  
following items of work: Working with subcontractors to:  
1) solve the method of plastering 4000 sf of stucco  
between the tiles on second floor wall panels 2) prepare  
mockups of above with three different subcontractors 3)  
solve problem of using romex instead of conduit in  
electrical installations 4) solve problem of placing  
heating ducts under bed alcoves so that entire residential  
building could be heated from one supply line 5) work  
with Staton windows to produce complex arched dining

hall windows at a price approx 50% of bid made by Marvin windows who was the major window supplier on the job 6) frequent visits to supplier of finish stucco color and coordination with King Stucco 7) construction work with plastering subcontractor to make samples and obtain proper plaster finish technique on the building 8) work with block masons and forming crews and engineer of record to redesign dining hall foundation to achieve better price 9) work with door manufacturers and suppliers to obtain necessary configurations 10) working with subcontractors to prepare samples of ironwork for gates and window grilles 11) work with carpenters and framers to get proper arch layout for Julian Street arches 12) heated and bent bars and performed torsion tests on #10 steel bars for concrete trusses 13) worked with paint subs and paint suppliers to get paint colors necessary for the job 14) finding window subcontractors and coordinating window search between Oliver and Co and window suppliers 15) back steps of dining hall 16) front steps of dining hall 17) kitchen equipment problems connected with dining hall pass-thru 18) special kitchen vent problem 19) day room alcoves 20) design and construction of bed alcoves in sleeping quarters 21) design and purchase lobby light fixtures to replace those installed by HIP 22) The above list is by no means exhaustive. Many additional items not listed above were also included in this general category of work.

CA, 25 hrs @ 100/hr	\$2,500.00
GB, 52 hrs @ 65/hr	\$3,380.00
JM, 210 hrs @ 45/hr	\$9,450.00

14. Weekly meetings on-site with Al DiLudovico, Henry Sterngold, Maxim Schrogin and others, to keep project coordinated. This work, which continued after discontinuation of project management contract, on September 16, 1988, was partially paid for by supervision phase of architectural base fee. However, the amount of time spent on these meetings and on preparation of clarifications requested by HIP or Oliver and arising out of these meetings was as follows: Regular on-site meetings after Sept 16, 1988. Total hours spent by James Maguire on meetings themselves, travel time, and special work which arose from discussion at these meetings and special requests made during meetings: JM 440 hours, @ 45/hr, \$19,800.00.

To avoid any dispute, we are crediting HIP with all funds from the base fee after August 1988 and subtracting from Mr Maguire's hours. Credit for work

paid for by supervision phase of base fee in contract -  
\$14,510.42

Balance due of excess hours spent \$5,289.58

15. Full scale mockup of dining hall truss, done at Al DiLudovico's personal request.

Materials for truss mockup	\$837.10
JM, 24 hrs @45/hr	\$1,080.00
Misc labor 48 hrs @21/hr	\$1,008.00

16. Benches along Julian street. Form-work, management and supervision of labor. This item was originally done as a goodwill, good faith gesture, with the understanding that outstanding bills would be promptly paid. (See letter dated November 22, 1988). In view of the drastic non-payment of outstanding bills which CES has experienced, CES now has no option but to charge for this item at hourly rates (provided for by article 8(i) of architectural contract).

Xypex	\$134.00
Plywood	\$360.92
James Maguire, 45 hours @ 45/hr	\$2,025.00
Concrete and remaining labor provided by HIP	

17. Fountain. Formwork, concrete work, plumbing, pump, and crude lion's head. It was originally agreed that the fountain was a gift given by CES to HIP in exchange for prompt payment of work. (See letter dated November 22, 1988). In view of the complete failure to pay, this gift has unfortunately become impossible, since CES personnel had to be paid and materials had to be paid for (provided by article 8(i) of architectural contract).

Plywood, steel, concrete, plumbing	\$1,202.00
177 hours, Kleoniki Tsotropoulou, @ 21/hr	\$3,717.00
55 hours, Richard Tichnor (volunteer - charge for CES overhead and management only) @ 10/hr	\$550.00

18. Architectural model. The \$6,000 model was originally provided to HIP for \$4,000, with the agreement that model would be returned to CES after use to make up the deficit (article 8f of contract).

Model has not been returned \$2,000.00

19. Landscape work. Architect's time coordinating with landscape architect Alrie Middlebrook

CA (3 visits) 5 hours @ 100/hr	\$500.00
Reviewing drawings and specs, 2 hours @ 100/h	\$200.00

## 20. Tile-hanging work.

CES know-how and assistance for tile-hanging, provided at specific request of Alex Sanchez, in meeting of February 1989.

CA, 4 hrs @ 100/hr	\$400.00
RS, 8 hrs @ 35/hr	\$280.00
BA, 8 hrs @ 21/hr	\$168.00

## 21. Interest cost caused by HIP failure to make timely payments on items 3,4,6,8,10,11,13,14,15,16.

10% per annum averaged from April 30, 1989 to January 31, 1990. \$3,223.05

## ARCHITECTURAL SERVICES

SUBTOTAL \$71,300.30

## B. PROJECT MANAGEMENT

These are services not included in architectural supervision, but including project management work specifically undertaken at HIP's request. The work was begun at HIP's request on March 20, 1988, and terminated after receipt of a termination letter from HIP, on September 16, 1988. The project management services are provided for by article 8h of architectural contract. It should be noted that Mr. DiLudovico explicitly acknowledged the performance of these services and HIP's indebtedness for them, in the presence of both Christopher Alexander and Gary Black on three separate occasions during 1988 and 1989.

### 1. Project management services undertaken at HIP request, May 20 to September 16, 1988.

GB, 171 hrs @ 65/hr	\$11,115.00
CA, 94 hrs @ 100/hr	\$9,400.00
RA, 58 hrs @35/hr	\$2,030.00
JM, 34 hrs @ 45/hr	\$1,530.00

Note on personnel. CA, GB and JM are full time CES personnel. RA is a licensed engineer seconded from Belgium to CES, and charged out at cost of overhead only. CA time was originally provided at \$65 (65% discount on normal rate of \$100) with the understanding of prompt payment. Prompt payment has not been made, and CA time is being charged at full rate. We have no longer included the courtesy discount of approximately

\$4,000 requested by Al DiLudovico in February 1989, and at that time accepted by CES. The discount was only acceptable to CES if the bill were to be paid in full on or before March 10, 1989, which was not done.

2. Interest on unpaid amount for project management,  
10%/annum,  
Sept 16, 1988 to January 31, 1990 \$3,310.31

PROJECT MANAGEMENT SUBTOTAL \$27,385.31

### C. CONSTRUCTION ITEMS.

This includes the following items all specified as CES work in the general contract dated November 17, 1989. Ornamental columns (12,000), column form inserts (4,750), lobby ceiling (5,000), deco headers (1,250), tile inserts (2,000), second story exterior wall hand-painted tiles (27,783.90).

We draw your attention to the fact that these construction works are specifically provided for in article 8(i) of the architectural contract. Since Oliver and Company never issued the necessary subcontracts for these works, they are the responsibility of HIP, under the provisions of the architectural agreement.

1. Precast ornamental columns 100% complete	\$12,000.00
2. Form inserts 100% complete	\$4,700.00
3. Lobby ceiling 100% complete	\$5,000.00
4. Deco headers 100% complete	\$1,250.00
5. 4600 tiles hand made for 2nd story exterior 100% complete	\$27,783.90
6. Terracotta inserts 50% complete	\$1,000.00
7. Wooden arcade. Use of CES subcontractor under CES supervision, 8% on \$17,000 of work.	

100% complete	\$1,360.00
8. Guniting trusses, CES construction testing and construction planning and coordination 100% complete	\$2,800.00
9. Tile hanging, CES equipment rental 100% complete	\$900.00
Interest on construction items 1-7. 10% per annum interest on unpaid amounts November 1988 to November 1989	\$5,309.39
Interest on construction items 8-9. 10% per annum interest on unpaid amounts May 1989 to November 1989	\$185.00
Credit, for advance of \$8,000 paid June 1988	-\$8,000.00
<u>CONSTRUCTION SUBTOTAL</u>	<u>\$54,288.29</u>

GRAND TOTAL OF AMOUNTS OWED BY  
HIP TO CES \$152,973.90

c. Mayor Tom McEnery



CENTER FOR ENVIRONMENTAL STRUCTURE  
ARCHITECTS • ENGINEERS • CONTRACTORS

2701 SHASTA ROAD • BERKELEY, CALIFORNIA 94708  
TELEPHONE 415/841-6166

January 14, 1990

Al DiLudovico, Director,  
HIP,  
25 East Hedding,  
SAN JOSE, CALIFORNIA 95112.

JULIAN STREET INN PUNCH LIST  
NOTICE OF ITEMS  
REQUIRED FOR FINAL COMPLETION

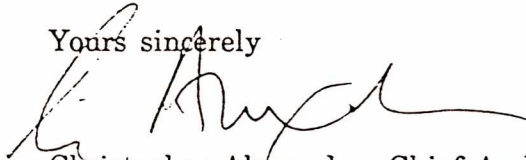
Dear Al,

As promised, I am now delivering to you the punch list of so-far not completed items. These items are necessary to the final completion of the building.

Some of these items are within the Oliver and Co contract, and must be completed by Oliver and Co. Other items are items which I have discussed with you, and which HIP or the city must complete in order to bring the building to a finished state. Other items include errors and decisions made by HIP, without CES permission, and should be corrected. A few items in section 6 are concerned with the operation of the building, and with the necessity for the Urban Ministry to take care of the building operation in an appropriate manner.

Please note: This letter does not constitute a certificate of substantial completion, which will be issued when properly requested by the contractor and HIP.

Yours sincerely



Christopher Alexander, Chief Architect

cc. Oliver and Co  
Gary Richert, San Jose Housing Department  
Mayor Tom McEnergy, City of San Jose



JULIAN STREET INN  
PUNCH LIST  
NOTICE OF ITEMS REQUIRED FOR FINAL COMPLETION  
January 10

Based on November 27 site visit, and subsequent visits

The building will be finally complete when ALL the following punch list items have been completed. These are the punch list items which I was able to identify on my site visit of November 27 with a follow-up in early January.

During construction a number of items of the building were constructed with various unauthorized decisions made by Al DiLudovico and Henry Sterngold. Oliver's contract responsibilities were also repeatedly changed by HIP (diLudovico and Sterngold) without notice to CES. We are therefore not absolutely clear which responsibilities remain with Oliver and Company, and which responsibilities remain with HIP and Henry Sterngold. What is certain is that these actions violated the architect's drawings and architect's written instructions in numerous instances. For final completion, these violations must be corrected. This includes those which originate from uncompleted or defective workmanship by Oliver and Co, and those which originate in unauthorized decisions by Al diLudovico or Henry Sterngold.

## 1. BUILDING EXTERIOR

### 1.1 EXTERIOR TILE-WORK AND SECOND STORY PLASTER

1.1.1 Plastering sub used steel trowel on plaster finish, although he was repeatedly told to use hard rubber float: as a result the glaze has been broken on many tiles. It is difficult or impossible to replace these tiles. To make good Oliver and Co must use a high density sealer on all tiles to protect them where soft glaze has been ruptured. Oliver's work.

1.1.2 Plastering sub left blotchy plaster color ranging from light in the middle of the squares, to dark next to tile surfaces. Most extreme form of blotching is on east facade: but the problem exists throughout. Oliver work.

1.1.3 Plaster does not match the samples provided by CES which require a plaster color that matches the dark grey of the concrete. To make good on items #2 and #3, a cement wash of dark color to match concrete, must be applied to all exposed plasterwork on the second story. Oliver's work.

1.1.4 Splashing on exterior stucco, above bench backs.

1.3.5 Down-spout near west entrance. Drain cover at bottom of down-spouts. Oliver work.

1.3.6 Door handle and paint on door to sprinkler system water line in west porch. Oliver work.

#### 1.4 DINING HALL EXTERIOR

1.4.1 Patch stucco around light fixtures. Oliver work.

1.4.2 Pull plywood forms off dining hall exterior. Oliver work.

1.4.3 Paint cornice on Dining Hall exterior. Primer plus two finish. Paint color given by CES. See note A under 1.2.2.

#### 1.5 CORNICES

1.5.1 Paint cornice on all buildings. Primed and two coats. Color according to CES sample. See note A under 1.2.2.

#### 1.6 DOWNSTAIRS ARCADE

1.6.1 Strip and seal arcade slab. Use the same sealer as dining room floor. Oliver work.

1.6.2 2x6 fascia on west end of west porch. Install 2x6. Prime and paint to match cornices. Do NOT paint solid DF beams. Oliver work, paint by HIP.

1.6.3 Replace third tread on east stair (defective). Oliver work. Oliver work.

1.6.4 Slab transition from arcade to women's bath area is not smooth, and possibly dangerous. Trowel out a new ramp to make a smooth transition. Oliver work.

1.6.5 Remove steel bars sticking out of arcade slab in fountain area. Grind down, and patch to cover. Oliver work.

#### 1.7 UPSTAIRS ARCADE

1.7.1 Junction between tunnels and balustrade. Install lightweight iron grille of 12"x 12" grid size for protection.

1.7.2 Install proper door to storage space at dining hall roof

connection. Oliver work.

1.7.3 East stair. Upper balustrade. Stucco mesh showing. Repair and place a wooden cap board to cover. Oliver work.

## 2. BUILDING INTERIOR, FIRST FLOOR

### 2.1 INTERIOR OFFICES

2.1.1 Keith's office. Concrete in bad condition. Paint interior concrete columns and beams. Prime with block filler, and then two coats of enamel to match walls.

2.1.2 Paint columns and beams for all other downstairs offices. Same as 2.1.1.

### 2.2 DAY ROOM

2.2.1 Remove cheap motel carpet. Install hardwood floor waxed and polished, or a heavy high quality carpet. (Cheap motel carpet installed by HIP).

2.2.2 Alcove area outside day-room (opening to arcade) is unusable as a result of unauthorized decisions made in the field. The wall is stucco, not wood as specified, and is the wrong height. Area does not work without seats and lights. Replace stuccoed low walls with lower wooden wall to 27" height. This work was performed by Paul Ruedi in direct violation of architect's instructions, with a promise from Paul Ruedi to replace after occupancy. Replace as specified. Oliver work.

2.2.3 Install wooden benches or seats in alcove areas. Oliver work.

2.2.4 Install lights above benches in 2.2.3.

2.2.5 Day room ceiling and beams not finished. Wire brush the beam, chamfer lower corners, install trim piece -- all as shown in clarification #44. Oliver work.

2.2.6 Install alcoves in day room, as called for in clarification #49.

2.2.7 Day-room columns. Concrete surface of day room columns should be primed and painted in light grey, to match concrete color, but to increase level of finish experienced by occupants. See light grey color samples chosen by CES for dining hall ceiling.

## 2.3 DINING HALL

2.3.1 Sacking to smooth truss concrete surface on first and second truss from north doorway. Oliver work.

2.3.2 Deep crack showing between interior wall and truss. Patch truss-to-wall connection with flexible foam, and paint to match. NOTE This must not be done with stucco or cementitious material, since flexibility of the connection is necessary to structural performance of the trusses. Oliver work.

2.3.3 Paint steel tension rods between trusses. Use grey paint to match CES color sample. See note A under 1.2.2.

2.3.4 Paint trusses with undercoat and red to match sample by CES. Paint should be one undercoat of block filler, with two finish coats. See note A under 1.2.2. Color sample has been supplied by CES to HIP. James Maguire to be present when colors are mixed.

2.3.5 Paint ceiling plywood light grey to match sample provided by CES. Primer plus two finish coats. See note A under 1.2.2. Color sample has been supplied by CES to HIP. James Maguire to be present when colors are mixed.

2.3.6 Door at north end of dining hall strikes frame. Adjust door. Oliver work.

2.3.7 White staining on inner surface of concrete blocks in Dining Hall. Use muriatic acid or other cleaner to remove and clean surface. Oliver work.

2.3.8 Paint small dots of purple on red of trusses with purple to match sample by CES. Work to be done under direct CES supervision for placing.

2.3.9 Remove spotlights in roof apex. These lights are not what is specified, and are unsuitable and unsightly. They must be removed. Sterngold work.

2.3.10 Place three hanging lamps (Hunter type, as defined in architects specifications (November 1987), between the trusses, with large ceiling fan on central axle.

2.3.11 Hardwood surface for Kitchen-Dining opening to form counter surface. Maple board should be used.

2.3.12 Patch counter at Kitchen-Dining opening. Oliver work.

## 2.4 KITCHEN

- 2.4.1 Seal ceiling-vent joint in the kitchen. Oliver work.
- 2.4.2 Kitchen not operational. Place counter along south side of central wall.
- 2.4.3 Improve lighting in kitchen. Track and spot lighting totally unsuitable and should be removed. Replace with local lights at 8 foot level, along the walls.
- 2.4.4 One window in kitchen must open. Incorrectly installed as fixed units. Replace one with casement opening type.
- 2.4.5 Long counter needed under window along north wall.
- 2.4.6 Door handle of kitchen door to courtyard. Strike plate incorrectly set. Replace. Oliver work.

## 2.5 SHOWER BUILDING

- 2.5.1 Trim missing from storeroom door. Install trim. Oliver work.
- 2.5.2 Trim missing on gate between main courtyard and showers. Trim to be installed. Oliver work.
- 2.5.3 Install door frame into opening between main court and shower building. CES will specify dimensions.
- 2.5.4 Folding door missing from closet in the shower area. Folding door to be installed. Oliver work.
- 2.5.5 Paint in shower area is defective. All paint-work in shower area must be good quality waterproof enamel.
- 2.5.6 Doorstop needed on door of second bath in shower area. Oliver work.
- 2.5.7 Clean up window in bath #3 in showers. Oliver work.
- 2.5.8 Grab bars for handicapped in bath #3. Oliver work.
- 2.5.9 Cleanup in bath #3. Oliver work.

## 2.6 ENTRANCE LOBBY

- 2.6.1 Remove cheap motel carpet. Install hardwood floor, waxed and polished. (Cheap motel carpet installed by HIP).

2.6.2 Paint door frame on front door.

2.6.3 Install benches along front wall in front porch area. HIP work.

2.6.4 Paint concrete beams in front lobby. Prime and two coats of paint.

2.6.5 Paint concrete columns in front lobby. Prime and two coats of paint.

## 2.7 MEN'S BATHROOM

2.7.1 Fix ceiling in men's bathroom. Oliver.

2.7.2 Fix lavatories in men's bath. Provide supports to keep sinks on the wall. Plastic pipe inadequate. Oliver work.

2.7.3 Patch plaster in men's room shower area. Oliver work.

## 2.8 WOMEN'S BATHROOM

2.8.1 Broken tile at entrance. Oliver.

2.8.2 Window mechanism is broken. Fix mechanism. HIP maintenance.

2.8.3 Install gate in access lobby of women's shower.

2.8.4 Sheetrock (green grade) in foyer of women's bathroom.

2.8.5 Slippery surface dangerous outside women's bath area. Install non-slip steps installed in slab outside women's bath area.

## 2.9 DOWNSTAIRS WINDOWS AND DOORS

2.9.1 Paint all windows. Primer and two coats of enamel. Type and color sample by CES. See Note A under 1.2.2..

## 2.10 ALL IRONWORK

2.10.1 Red color on ironwork. Paint all ironwork, including gates, grilles on windows and gate to shower building with special red paint matching CES color sample.. Use two undercoat and two top coats of red enamel, according to color sample provided by CES. Paint specs to be provided by CES. See Note A, under 1.2.2.

Note: Check ironwork color on back stair (east of Dining Hall). This appears to be too orange and does not match sample.

### 3. BUILDING INTERIOR, SECOND FLOOR

#### 3.1 DORMITORIES

3.1.1 Install bed curtains on all bed alcoves.

3.1.2 West dorm A. No sight-line from nurses room to sleeping area. Install glass in door from dorm to nurses room. Oliver work.

3.1.3 All dormitories. Install small reading light in each alcove.

3.1.4 Women's dorm B. Window onto tunnel. Install 12" safety board to protect sleeper from window sill. Same treatment for same condition in other dorms with window to tunnel direct from a bed.

3.1.5 Women's dorm B. Window onto tunnel. Repair window glass and mechanism. Oliver work.

3.1.6 All dormitories. Clear the central space of beds. Install table and chairs. If necessary to increase bed capacity of any dormitory, install second bunk bed above alcove. CES will supply drawings as/when needed..

### 4. LANDSCAPE AND COURTYARDS

#### 4.1 FRONT COURTYARD

4.1.1 Clean stucco drips and concrete off footing of north wall of main courtyard. Oliver work.

4.1.2 Broken block on west wall of main courtyard. Block to be replaced. Oliver work.

4.1.3 To be completed as shown in drawing by Middlebrook, Kamph and Ing, dated December 20, 1989.

4.1.4 No ramp to be installed on main dining room terrace. Extensive negotiation between CES and City of San Jose planning and building departments, established that there is no need for ramp to dining hall, and that occasional wheelchair residents may be served in day-room. Installation



of this ramp would substantially damage the west terrace of dining hall, which is essential to well being of residents in winter, since it is a primary source of sun and warmth.

4.1.5 Insert tiles into channel along slab edge in front courtyard and rear courtyard. Oliver work.

4.1.6 Low wall around flower-bed area in west courtyard. Install 8" block at 16", with concrete cap. Oliver work.

4.1.7 No low wall to be installed around the front courtyard. No steps or wall along arcade where it opens into court. High step of arcade floor above courtyard surface is intended as a seat, with 16" height above courtyard surface.

## 4.2 LANDSCAPE

4.2.1 To be completed as shown in drawing by Middlebrook, Kamph and Ing, dated December 20 1989.

4.2.2 Tree of main courtyard to be both chosen and placed under direct supervision of Christopher Alexander

## 4.3 FOUNTAIN

4.3.1 Tile-work on inside and outside. Tiles to be bought and installed according to CES design.

4.3.2 Complete tile-work and lion to form fountain spout.

4.3.3 Install submersible pump. Pump has been bought by CES and is currently in Keith's hands for safekeeping.

## 5. STORAGE BUILDING

### 5.1 RECONSTRUCTION

5.1.1. Reconstruction so far only just begun. Complete all reconstruction according to drawings supplied by CES.

## 6. SHELTER ADMINISTRATION AND OPERATIONS

General comment. The building as designed was designed with the specific intention that residents of the Julian Street Inn would experience a level of humanitarian care, and a humanitarian environment, not normally available in shelters for Homeless people. In this regard the operation and administration of the Shelter, are, in a few cases, of the essence, and play a

key role in the effort to help rehabilitate the residents. In the cases listed below, current administration as performed by HIP or by the Urban Ministry, does not meet the standards required. In these cases administrative policy should be revised to conform to the standards set out below.

## 6.1 JULIAN STREET GATES

6.1.1 Julian Street gates are currently locked during the daytime, quite unnecessarily, and creating a detrimental sense of isolation for shelter residents. It may also be illegal for HIP to maintain a prison-like atmosphere. This matter has been negotiated with Urban Ministry, but agreements have not so far been adhered to. Julian Street gates should be kept wide open, on a hook during daytime hours, and closed only at night, for night-time operations.

## 6.2 BED ALCOVE CURTAINS

6.2.1 Building as designed includes curtains on bed alcoves, for privacy of occupants. Urban Ministry has currently posted notices which do not allow occupants to place curtains in the bed alcoves. Urban Ministry must remove these notices, and should be made aware of curtains as necessary part of the design, and done at the request of homeless community members who helps to design the building.

## 6.3 BEDS AND BED ALCOVES.

6.3.1 Privacy of bed alcoves is an essential part of the way that shelter works. This privacy has been jeopardized by use of free standing beds in the middle of dormitories. This space was designed as communal space for reading, card playing, talk etc, among occupants. If extra beds are needed, they may (and must) be installed as bunk beds above existing bed alcoves. See note 3.1.6.

## 6.4 EXTERIOR SEATS

6.4.1 Present policy has prevented residents from sitting in west porch areas, and in sunshine areas in two main courtyards. Policy must allow residents to place themselves as they wish, in sunshine, and in all outdoor areas, including Julian Street edge. Allow sitting in the sun.

## 6.5 FRONT PORCH SEATING

6.5.1 Ditto as 6.4.1. Seats to be installed around front porch.

## 6.6 OVERALL ADMISSION POLICY

6.6.1 Allow people to stay in the shelter during daytime. Official policy has been to allow residents in the building only an night. The effect of this policy is to force residents to roam the streets waiting for nightfall. Policy must be replaced by a more humane policy, which allows residents to stay in the building during daytime. We hope that Urban Ministry and HIP will initiate training programs and/or job training. It was our hope and expectation that the storage building in back may provide necessary space for equipment to permit this activity to flourish.

In any case, we consider it essential that the building be open and welcoming to all residents during daytime hours.

## 7. GENERAL COMMENT

The Julian Street Inn is a revolutionary building, which may put San Jose on the map as a leader in humane caring for homeless people. We hope and encourage the city of San Jose to do everything possible, to continue the good work it has begun, by building this shelter, by providing ongoing maintenance, care, and programs to continue the process of helping homeless people in the San Jose area to retain and re-establish their dignity.

RECORDING REQUESTED BY

CENTER FOR ENVIRONMENTAL STRUCTURE

AND WHEN RECORDED MAIL TO

Robert D. Links, Esq.
Dobbs, Berger, Molinari
One Maritime Plaza
Suite 2500
San Francisco, CA 94111

Table with 2 columns: Fee Type, Amount. Rows include REC FEE (3), RMF (1), MICRO (1), LIEN (3), STAFF, PCOR.

FILED FOR RECORD AT REQUEST OF

10190504
JUL 24 11 55 AM '89

OFFICIAL RECORDS
SANTA CLARA COUNTY
LAURIE KANE
RECORDER

L030 PAGE 911

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Mechanics' Lien

The undersigned CENTER FOR ENVIRONMENTAL STRUCTURE
(Name of person or firm claiming mechanics' lien. Contractors use name exactly as it appears on contractor's license.)

Claimant, claims a mechanics' lien upon the following described real property:
City of San Jose, County of Santa Clara, California.
546 W. Julian Street, San Jose, CA
Assessor's Parcel No. 259-29-089

(General description of property where the work or materials were furnished.
A street address is sufficient, but if possible, use both street address and legal description.)

The sum of \$ 27,784.00 together with interest thereon
at the rate of 18% (1.5% per month) percent per annum from October 31, 1988
(Date when balance became due.)

is due claimant (after deducting all just credits and offsets) for the following labor, services, equipment or materials
furnished by claimant custom made tiles installed at above property
(Insert general description of labor, services, equipment or materials.)

Claimant furnished the work and materials at the request of, or under contract with Steve Oliver and
Oliver Construction, 1035 Carleton Ave., Berkeley, CA 94710
(Name of person or firm who ordered or contracted for the work or materials.)

The owners and reputed owners of the property are Homes for Independent People
25 East Hedding St., San Jose, CA 95112
(Insert name of owner of real property. This can be obtained from the County Recorder
or by checking the building permit application at the Building Department.)

Firm Name CENTER FOR ENVIRONMENTAL STRUCTURE

By: [Signature]
(Christopher Alexander)
VERIFICATION CHRISTOPHER ALEXANDER

I, the undersigned, say I am the President
(President of, Manager of, A partner of, Owner of, etc.)

the claimant of the foregoing mechanics' lien. I have read said claim of mechanics' lien and know the
contents thereof; the same is true of my own knowledge.

I declare penalty of perjury of the laws of California that the foregoing is true and correct.

Executed on May 30, 1989 at Berkeley, California
(Date of Signature) (City where signed)

Personal signature of the individual who is swearing that the
contents of the claim of mechanics' lien are true
CHRISTOPHER ALEXANDER

EXHIBIT " A "
PAGE 1 OF 1

Page 1

This document is only a general form which may be proper for use in simple transactions and in no way acts, or is intended to act as a substitute for the advice of an attorney. The printer does not make any warranty, either express or implied, as to the legal validity of any provision or the suitability of these forms in any specific transaction.

LIEN NOTICE RECORDED Gov I CODE 27297.5