

Exhibit A



May 27, 2026

To: **Jennifer Gerlach**
Owner's Representative
Project Advocates

Subject: **Olathe Animal Shelter | Adjustment to Professional Services Fees**

Jennifer,

As you are aware the Animal Shelter project has been a long and winding road. The project started in August of 2023 with a pre-design effort that concluded in October 2023. At that point the project paused until late 2024 when a new site was evaluated in more detail at Santa Fe and Ridgeview Road (re: Supplemental Agreement No. 2, dated 12/2/2024).

An amendment to the original agreement was executed in March 2025 to proceed with full design on the Santa Fe site. The basis for this amendment considered an owner's budget for the Cost of the Work of \$13,676,408 with a construction documents completion date anticipated on or about December 31st, 2025.

The project was put on hold in September 2025, however the existing buildings were demolished and the site was prepared during this hold. The team also continued responding to various inquiries and prepared presentations to City Council until the project was restarted in mid-December 2025. In December 2025, the project budget was increased and the anticipated Cost of the Work budget is approximately \$16.6m, or an increase of ~\$2.9m.

We are presenting this request for an adjustment of our professional services fees of \$150,800. We believe this adjustment request is equitable based on the following:

- Budget was not formally increased by City Council until December 2025; however, the team was working toward a design and budget that exceeded the \$13.67m which our professional services were based on. Multiple design iterations were explored that considered the location and intent of the sallyport and the configuration and capacities of canine adoption and stray housing areas.
- The building was designed and value engineered throughout the Design Development phase to size the facility based on ongoing budget and operational costs discussions.
- A variety of material options and compositions were explored to address comments from current city leadership at the time, planning staff, and value engineering strategies.
- When a project is put on hold, there is a substantial loss of labor efficiency and momentum. The team working on the Olathe Animal Shelter includes over 20 design professionals engaged directly and indirectly in the process. Ramping down efforts and temporarily transitioning these individuals to other projects temporarily as well as ramping efforts back up are financially difficult to quantify but have a significant impact particularly as we were in the middle of the Planning Commission review process, the site was actively being demolished and prepared for future work, and the team had initiated the Construction Documents phase when the notification to go on hold occurred.



- These additional efforts and/or inefficiencies are difficult to quantify. Percentage-based fees for A/E services are customary because design efforts tend to scale with project cost and align fee with the value and risk of the work, not just labor input/output.
- The proposed adjustment is based on 8% of the increase in the Cost of the Work (8% of \$2.9m) but applied only to the Design Development (20%) and Construction Documents (45%) phases which account for 65% of the project effort.
 - Note: Our initial fee percentage at the time of our contract negotiation was 9.75% which includes Architectural Basic Services (Architecture, MEPF, and Structural) as well as Supplemental Services for Civil/Landscape Architecture, Telecom/Data Design, and Signage Design. The reduced fee percentage of 8% is applied as only the Basic Services disciplines have been impacted.

Please review this information and let us know your thoughts. We are honored to be part of this project, excited to see it come into reality, and be a trusted partner on another impactful project for the City of Olathe.

Sincerely,

Brian Garvey AIA
Principal