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CITY OF CAPITOLA
PROFESSIONAL SERVICES AGREEMENT
Planning Consulting Services
CSG Consultants

THIS AGREEMENT is entered into on July 30, 2025, by and between the City of Capitola, a Municipal Corporation, hereinafter called "City" and CSG Consultants, Inc., hereinafter called "Consultant".

WHEREAS, City desires certain services described in Appendix One and Consultant is capable of providing and desires to provide these services;

NOW, THEREFORE, City and Consultant for the consideration and upon the terms and conditions hereinafter specified agree as follows:

SECTION 1
Scope of Services

The services to be performed under this Agreement are for Planning Consultant services and further detailed in Appendix One.

SECTION 2
Duties of Consultant

All work performed by Consultant, or under its direction, shall be sufficient to satisfy the City's objectives for entering into this Agreement and shall be rendered in accordance with the generally accepted practices, and to the standards of, Consultant's profession.

Consultant shall not undertake any work beyond the scope of work set forth in Appendix One unless such additional work is approved in advance and in writing by City. The cost of such additional work shall be reimbursed to Consultant by City on the same basis as provided for in Section 4.

If, in the prosecution of the work, it is necessary to conduct field operations, security and safety of the job site will be the Consultant's responsibility excluding, nevertheless, the security and safety of any facility of City within the job site which is not under the Consultant's control.

Consultant shall meet with Katie Herlihy, Community Development Director, called “Director," or other City personnel, or third parties as necessary, on all matters connected with carrying out of Consultant's services described in Appendix One. Such meetings shall be held at the request of either party hereto. Review and City approval of completed work shall be obtained monthly, or at such intervals as may be mutually agreed upon, during the course of this work.

SECTION 3
Duties of the City

City shall make available to Consultant all data and information in the City's possession which City deems necessary to the preparation and execution of the work, and City shall actively aid and assist Consultant in obtaining such information from other agencies and individuals as necessary.

The Director may authorize a staff person to serve as his or her representative for conferring with Consultant relative to Consultant's services. The work in progress hereunder shall be reviewed from time to time by City at the discretion of City or upon the request of Consultant. If the work is satisfactory, it will be approved. If the work is not satisfactory, City will inform Consultant of the changes or revisions necessary to secure approval.

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SECTION 4
Fees and Payment

Payment for the Consultant's services shall be made upon a schedule and within the limit, or limits shown, upon Appendix Two. Such payment shall be considered the full compensation for all personnel, materials, supplies, and equipment used by Consultant in carrying out the work. If Consultant is compensated on an hourly basis, Consultant shall track the number of hours Consultant, and each of Consultant's employees, has worked under this Agreement during each fiscal year (July 1 through June 30) and Consultant shall immediately notify City if the number of hours worked during any fiscal year by any of Consultant's employees reaches 900 hours. In addition, each invoice submitted by Consultant to City shall specify the number of hours to date Consultant, and each of Consultant's employees, has worked under this Agreement during the current fiscal year.

SECTION 5
Changes in Work

City may order major changes in scope or character of the work, either decreasing or increasing the scope of Consultant's services. No changes in the Scope of Work as described in Appendix One shall be made without the City's written approval. Any change requiring compensation in excess of the sum specified in Appendix Two shall be approved in advance in writing by the City.

SECTION 6
Time of Beginning and Schedule for Completion

This Agreement will become effective when signed by both parties and will terminate on the earlier of:

- The date Consultant completes the services required by this Agreement, as agreed by the City; or
- The date either party terminates the Agreement as provided below.

Work shall begin on or about August 4, 2025.

In the event that major changes are ordered or Consultant is delayed in performance of its services by circumstances beyond its control, the City will grant Consultant a reasonable adjustment in the schedule for completion provided that to do so would not frustrate the City's objective for entering into this Agreement. Consultant must submit all claims for adjustments to City within thirty calendar days of the time of occurrence of circumstances necessitating the adjustment.

SECTION 7
Termination

City shall have the right to terminate this Agreement at any time upon giving ten days written notice to Consultant. Consultant may terminate this Agreement upon written notice to City should the City fail to fulfill its duties as set forth in this Agreement. In the event of termination, City shall pay the Consultant for all services performed and accepted under this Agreement up to the date of termination.

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SECTION 8
Insurance

Consultant shall procure and maintain for the duration of the contract and for two years thereafter, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, his agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 0001).

2. Insurance Services office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto).

3. Workers' Compensation insurance as required by the State of California, and Employer's Liability Insurance.

4. Professional (Errors and Omissions) Liability insurance appropriate to the consultant's profession. Architects' and engineers' coverage shall include contractual liability.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

1.	General Liability: (including operations, products and completed operations)	**$1,000,000** per occurrence and **$2,000,000** in aggregate (including operations, for bodily injury, personal and property damage.
2.	Automobile Liability:	**$1,000,000** per accident for bodily injury and property damage.
3.	Employer's Liability Insurance	**$1,000,000 per accident for bodily injury and property damage.**
4.	Errors and Omissions Liability: Limits	**$1,000,000** per claim and **$2,000,000** in the aggregate.

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Other Insurance Provisions

The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The City of Capitola, its officers, officials, employees and volunteers are to be covered as additional insured's as respects: liability arising out of work or operations performed by or on behalf of the Consultant or automobiles owned, leased, hired or borrowed by the Consultant.
2. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled except after prior written notice has been given to the City.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

Waiver of Subrogation

Contractor hereby agrees to waive rights of subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. **The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City of Capitola** for all work performed by the Contractor, its employees, agents and subcontractors.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements affecting coverage by this clause. The endorsements should be on forms provided by the City or on other than the City's forms provided those endorsements conform to City requirements. All certificates and endorsements are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

SECTION 9
Indemnification

For General Services: To the fullest extent permitted by law, Consultant agrees to indemnify, defend, and hold harmless the City, its directors, officers, employees from and against any and all claims, demands, actions, liabilities, damages, judgments, or expenses (including attorneys' fees and costs) arising from the acts or omissions of Consultant's employees or agents in any way related to the obligations or in the performance of services under this Agreement, except for design professional services as defined in Civil Code § 2782.8, and except where caused by the sole or active negligence, or willful misconduct of the City.

For Design Professional Services under Civil Code §2782.8: To the fullest extent permitted by law, Consultant agrees to indemnify, defend, and hold harmless the City, its directors, officers, and employees

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from and against any and all claims, demands, actions, liabilities, damages, or expenses (including attorneys' fees and costs) arising from the negligence, recklessness, or willful misconduct of the Consultant, Consultant's employees, or agents in any way related to the obligations or in the performance of design professional services under this Agreement as defined in Civil Code §2782.8, except where caused by the sole or active negligence, or willful misconduct of the City. The costs to defend charged to the Consultant relating to design professional services shall not exceed the Consultant's proportionate percentage of fault per Civil Code §2782.8.and against all claims, damages, losses, and expenses including attorney fees arising out of the performance of the work described herein, caused in whole or in part by any negligent act or omission of the Consultant, Consultant's employees, agents or subcontractors, except where caused by the active negligence, sole negligence, or willful misconduct of the City.

SECTION 10
Civil Rights Compliance/Equal Opportunity Assurance

Every supplier of materials and services and all consultants doing business with the City of Capitola shall be in compliance with the applicable provisions of the Americans with Disabilities Act of 1990, and shall be an equal opportunity employer as defined by Title VII of the Civil Rights Act of 1964 and including the California Fair Employment and Housing Act of 1980. As such, consultant shall not discriminate against any person on the basis of race, religious creed, color, national origin, ancestry, disability, medical condition, marital status, age or sex with respect to hiring, application for employment, tenure or terms and conditions of employment. Consultant agrees to abide by all of the foregoing statutes and regulations.

SECTION 11
Legal Action/Attorneys' Fees

If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees in addition to any other relief to which he or she may be entitled. The laws of the State of California shall govern all matters relating to the validity, interpretation, and effect of this Agreement and any authorized or alleged changes, the performance of any of its terms, as well as the rights and obligations of Consultant and the City.

SECTION 12
Assignment

This Agreement shall not be assigned without first obtaining the express written consent of the Director after approval of the City Council.

SECTION 13
Amendments

This Agreement may not be amended in any respect except by way of a written instrument which expressly references and identifies this particular Agreement, which expressly states that its purpose is to amend this particular Agreement, and which is duly executed by the City and Consultant. Consultant acknowledges that no such amendment shall be effective until approved and authorized by the City Council, or an officer of the City when the City Council may from time to time empower an officer of the City to approve and authorize such amendments. No representative of the City is authorized to obligate the City to pay the cost or value of services beyond the scope of services set forth in Appendix Two. Such authority is retained solely by the City Council. Unless expressly authorized by the City Council, Consultant's compensation shall be limited to that set forth in Appendix Two.

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SECTION 14
Miscellaneous Provisions

1. *Project Manager*. Director reserves the right to approve the project manager assigned by Consultant to said work. No change in assignment may occur without prior written approval of the City.

2. *Consultant Service*. Consultant is employed to render professional services only and any payments made to Consultant are compensation solely for such professional services.

3. *Licensure*. Consultant warrants that he or she has complied with any and all applicable governmental licensing requirements.

4. *Other Agreements*. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter, and no other agreement, statement or promise related to the subject matter of this Agreement which is not contained in this Agreement shall be valid or binding.

5. *City Property*. Upon payment for the work performed, or portion thereof, all drawings, specifications, records, or other documents generated by Consultant pursuant to this Agreement are, and shall remain, the property of the City whether the project for which they are made is executed or not. The Consultant shall be permitted to retain copies, including reproducible copies, of drawings and specifications for information and reference in connection with the City's use and/or occupancy of the project. The drawings, specifications, records, documents, and Consultant's other work product shall not be used by the Consultant on other projects, except by agreement in writing and with appropriate compensation to the City.

6. *Consultant's Records*. Consultant shall maintain accurate accounting records and other written documentation pertaining to the costs incurred for this project. Such records and documentation shall be kept available at Consultant's office during the period of this Agreement, and after the term of this Agreement for a period of three years from the date of the final City payment for Consultant's services.

7. *Independent Contractor*. In the performance of its work, it is expressly understood that Consultant, including Consultant's agents, servants, employees, and subcontractors, is an independent contractor solely responsible for its acts and omissions, and Consultant shall not be considered an employee of the City for any purpose.

8. *Conflicts of Interest*. Consultant stipulates that corporately or individually, its firm, its employees and subcontractors have no financial interest in either the success or failure of any project which is, or may be, dependent on the results of the Consultant's work product prepared pursuant to this Agreement.

9. *Notices*. All notices herein provided to be given, or which may be given by either party to the other, shall be deemed to have been fully given and fully received when made in writing and deposited in the United States mail, certified and postage prepaid, and addressed to the respective parties as follows:

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CITY
CITY OF CAPITOLA
420 Capitola Avenue
Capitola, CA 95010
831-475-7300

By: DocuSigned by: Jim Malberg 49DD42C1AC59481...
Jim Malberg, Acting City Manager

Dated: 7/31/2025

CONSULTANT
CSG Consultants
550 Pilgrim Drive
Foster City, CA 94404
(650) 522-2500

By: DocuSigned by: Cyrus Kianpour 7AC12FF2224A4B2...
Cyrus Kianpour, President

Dated: 7/31/2025

Approved as to Form:
Signed by: Samantha Zutler 9ACC12D54AFB4B4...
Samantha Zutler, City Attorney

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APPENDIX ONE
Scope of Services

Services are to be provided on an as needed basis. Consultant shall provide well qualified and competent personnel to provide the following services to City:

1. Planning Services

- Manage the processing of discretionary and administrative permits, including scheduling, noticing, agenda preparation, and participation for Planning Commission, administrative design review meetings, and other City established committees and boards.
- Tracking and reporting billable permit costs for development applications.
- Serve as lead staff for major development proposals, preparing and presenting written and oral reports with analysis, findings, and recommendations.
- Plan review of building permit applications for consistency with applicable codes and planning permit conditions.
- Interpret and apply the City's General Plan, Local Coastal Program, Zoning Code, CEQA, and other applicable regulations.
- Collaborate with applicants, architects, and the public to improve project design and ensure compliance with city policies and ordinances.
- Make administrative permit decisions as authorized by the Municipal Code.
- Provide technical assistance and policy interpretation to the public, elected officials, City departments, and outside agencies.
- Conduct long-range planning projects, including General Plan updates and implementation, Specific Plan development, housing element implementation and annual reporting, and zoning code amendments.
- Oversee or participate in the preparation of environmental documents under CEQA/NEPA including managing consultant contracts and peer review.
- Manage preparation of development projects by City through the planning and design phase, including the administration of consultant contracts.
- Support economic development initiatives in coordination with local businesses, property owners, and regional partners. Help implement economic development programs such as façade improvement grants, business incubators or pop-up programs, and technical assistance.
- Coordinate and support special topic committees, including the Art & Cultural Commission, Historical Museum Board, and Commission on the Environment. • Research and prepare grant applications; administer awarded grants, ensuring compliance with reporting and funding requirements.
- Support historic preservation efforts and resource protection programs, including preparation of designations, review of alterations to historic resources, and coordination with state and federal agencies.
- Carry out code enforcement activities, resolve violations, and oversee enforcement activities of supervised positions.
- Supervise and mentor planning staff, interns, and consultants. Provide guidance and quality control for permit processing and policy work.
- Contribute to process improvements, including refining public handouts, application forms, and digital workflows.
- Prepare and present maps, charts, and visual exhibits using GIS and permit tracking systems.
- Perform related duties as assigned.

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APPENDIX TWO

Fees and Payments

Consultant will provide invoices to the City for all services and expenses on a monthly basis. City will endeavor to pay all invoices within 30 days of receipt. The total amount billed by Consultant and paid by City pursuant to this agreement shall not exceed $50,000 (fifty thousand dollars), for fiscal year 2025/2026 without written advance authorization from the City.

Consultant hereby represents and warrants, based upon Consultant's independent determination of the time and labor, including overtime, which will be required to perform said services, that Consultant will provide all said services at a cost which will not exceed the maximum price set forth in this agreement for Consultant's services. Consultant hereby assumes the risk that Consultant will perform said services within this maximum price constraint and Consultant acknowledges that its inability to do so shall not excuse completion of the services and shall not provide a basis for additional compensation.

Salary expenses include the actual direct pay of personnel assigned to the project (except for routine secretarial and account services) plus payroll taxes, insurance, sick leave, holidays, vacation, and other fringe benefits. The percentage of compensation attributable to salary expenses includes all of Consultant's indirect overhead costs and fees. For purposes of this Agreement, Consultant's salary expenses and non-salary expenses will be compensated at the rates set forth in the fee schedule attached to this appendix and in accordance with the terms set forth therein. Non-salary expenses include travel, meals and lodging while traveling, materials other than normal office supplies, reproduction and printing costs, equipment rental, computer services, service of subconsultants or subcontractors, and other identifiable job expenses. The use of Consultant's vehicles for travel shall be paid at the current Internal Revenue Service published mileage rate.

Salary payment for personnel time will be made at the rates set forth in the attached fee schedule for all time charged to the project. Normal payroll rates are for 40 hours per week. Consultant shall not charge the City for personnel overtime salary at rates higher than those set forth in the attached fee schedule without the City's prior written authorization.

In no event shall the total fee charged for the scope of work set forth in Appendix One exceed the total budget of $50,000 (fifty thousand dollars) for fiscal year 2025/2026 without specific, written advance authorization from the City.

Payments shall be made monthly by the City, based on itemized invoices from the Consultant which list actual costs and expenses. Such payments shall be for the invoice amount. The monthly statements shall contain the following affidavit signed by a principal of the Consultant's firm:

"I hereby certify as principal of the firm of CSG Consultants, that the not to exceed $50,000 (fifty thousand dollars) for fiscal year 2025/2026 as summarized above and shown in detail on the attachments is fair and reasonable, is in accordance with the terms of the Agreement dated July 30, 2025, and has not been previously paid."

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CSG Planning Services Fee Schedule

Northern California Region

CSG Consultants' fee schedule for proposed services is provided below.

PERSONNEL / ROLE	HOURLY RATE
Planning Technician	$100
Assistant Planner	$155
Associate Planner	$175
Senior Planner	$210
Planning Manager	$240
Principal Planner	$235
Planning Director	$250
Principal-in-Charge	$280
Assistant Environmental Planner	$160
Associate Environmental Planner	$190
Senior Environmental Planner	$230
Environmental Planning Director	$280
Geographical Information Systems (GIS) Technician	$100
Geographical Information Systems (GIS) Analyst	$120
Geographical Information Systems (GIS) Manager	$160
Sustainability Programs Analyst	$190
Sustainability Programs Manager	$220
Document Publications Specialist	$125

TERMS

- *All hourly rates include overhead costs including but not limited to salaries, benefits, workers' compensation insurance, local travel, and miscellaneous office expenses.*
- *Overtime services and services provided outside of normal business hours will be billed at 1.5x the applicable hourly rate.*
- *On July 1 of each year following the contract start year, CSG will initiate an hourly rate increase based on change in CPI for the applicable region.*
- *CSG will mail/email an invoice every month for services rendered during the previous month. Unless otherwise agreed, payment terms are 30 days from receipt of invoice.*
- *This fee proposal is valid for a period of 90 days from date of submittal.*

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1st AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT

between

CITY OF CAPITOLA and CSG Consulting Inc.

WHEREAS, on July 30, 2025, the City of Capitola ("City") and CSG Consulting Inc., a California Corporation ("CSG Consulting") (City and CSG Consulting and referred to collectively as the "Parties") entered into a Professional Services Agreement ("Agreement"), a copy of which is attached hereto and incorporated by reference; and

WHEREAS, the Parties wish to amend the Agreement to amend compensation under the Agreement.

THEREFORE BE IT RESOLVED:

1. The recitals set forth above are true and correct and incorporated herein by reference.

2. Appendix Two is amended to Increase the not-to-exceed-amount from $50,000 to $125,000.

All other terms and conditions of the Agreement not explicitly modified by this First Amendment shall remain in full force and effect.

CONSULTANT: CSG Consulting

DocuSigned by:
Cyrus Kianpour
7AC12FF2224A4B2...

By: Cyrus Kianpour, President

Date: 1/2/2026

CITY OF CAPITOLA

Signed by:
Jamie Goldstein
D05A9A7B5900485...

By: Benjamin Goldstein, City Manager

Date: 12/30/2025

APPROVED AS TO FORM:

Signed by:
Marc Tran
59E6B105811542F...

Marc Tran, City Attorney

Date: 12/30/2025