



Agenda Report

Agenda of: May 13, 2025

Department: Administration

Subject: Discussion and possible action regarding the contract for planning services with Simple City Design.

Recommended Motion: I move to authorize the final payment to Simple City in the amount of \$30,323.44 and direct staff to _____.

Background: In September 2023, the City Council unanimously approved a professional services contract with Simplecity Design in the amount of \$500,000 for the development of a Unified Development Ordinance (UDO), Comprehensive Plan, and Downtown Master Plan. The approved scope of work included extensive community engagement, policy drafting, and implementation strategies intended to modernize and streamline Castroville's development regulations.

The project progressed with robust public engagement and extensive feedback from residents, Planning & Zoning (P&Z), and the City Council. A formal nine-week public comment period was held, but additional comments—particularly legal and policy revisions—were submitted after the public engagement window had closed, resulting in substantial additional work.

Contractual Obligations:

- Original agreement: not-to-exceed \$500,000 with phased deliverables.
- A 10% contingency was noted internally but not included in the not-to-exceed amount.
- All deliverables (Comprehensive Plan, Downtown Master Plan, UDO) have been submitted and deemed complete.
- An On-Call Services Contract was offered for future hourly support.

Fiscal Summary:

- Original Contract: \$500,000
- Prior Expenditures: \$520,374
- Additional Invoice Submitted (April 2, 2025): \$30,323.44
- Total Project Cost to Date: \$550,697.44
- Current outstanding invoice covers tasks such as additional public engagement, UDO drafting, GIS updates, design work, council workshops, and a late fee.

Negotiation and Close-Out:

On April 8, 2025, Council directed the City Administrator to negotiate a final payment and project closeout with Simplecity Design rather than extend the contract. Simplecity has asserted that the additional invoice reflects time and materials directly resulting from continued direction by the Council and P&Z. Work was completed in good faith at reduced billing rates as illustrated, and services were provided even after the formal engagement period. The On-Call contract remains an option for continued limited support.

Next Steps:

- Review and determine whether to authorize payment of the \$30,323.44 outstanding invoice.
- Consider use of the On-Call contract for any additional needs related to UDO adoption or revisions.

Fiscal Impact: N/A

☐ **Budgeted** ☐ **Requires Budget Amendment**

Source of Funding:

Attachments: Simple City Contract, Minutes from September 2023 and April 08, 2025 CC meetings, Close-Out Letter, Project Contract Letter, Invoice 1159, On-Call Contract

Urgency (0-5 = Low Urgency to High Urgency): 5

Impact (0-5 = Low Impact to High Impact): 3

Submitted by: R. Scott Dixon