



City Council Agenda Report

Meeting Date: December 10, 2024
Prepared By: Public Works Department
Approved By: Gabe Engeland

Subject: Amendment No. 4 to Professional Services Agreement with NBS Government Finance Group, dba NBS for Annual Administration of the City of Los Altos' Sewer Service Charge for FY 2025-26

COUNCIL PRIORITY AREA

- Business Communities
- Circulation Safety and Efficiency
- Environmental Sustainability
- Housing
- Neighborhood Safety Infrastructure
- General Government

RECOMMENDATION

Authorize the City Manager to execute Amendment No. 4 on behalf of the City with NBS in the amount of \$37,192.50 for the Sewer Rate Structure Analysis, Administration of Proposition 218 Process for FY 2024-28, and Annual Administration of the City of Los Altos' Sewer Service Charge for FY 2025-26, and authorize the City Manager to execute amendments for two (2) additional years, which are exempt from review under the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Sections 15061(b)(3) (Common Sense Exemption), 15273 (Rates, Tolls, Fares, and Charges), and 15306 (Information Collection)

FISCAL IMPACT

Amendment No. 4 is in the amount not-to-exceed \$37,192.50 with a total contract in the amount not-to-exceed \$189,897.59.

The following action will cost \$37,192.50 for the consultant's services for the Annual Administration of the City of Los Altos' Sewer Service Charge for FY 2025-26.

- Breakdown of funds to be used:
 - \$37,192.50 from Sewer Fund (8110-5270)
- Amount already included in the approved budget: Y
- Total budget requested is \$0

ENVIRONMENTAL REVIEW

The agreement amendment is categorically exempt from review under the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines Sections 15061(b)(3) (Common Sense Exemption), 15273 (Rates, Tolls, Fares, and Charges), and 15306 (Information Collection).

PREVIOUS COUNCIL CONSIDERATION

April 12, 2022, and June 11, 2024

DISCUSSION/ANALYSIS

On May 13, 2022, the City entered into a Professional Services Agreement in the amount of \$100,455 with NBS for Sewer Rate Structure Analysis. NBS provided assistance to the City for the following services, which include but not limited to:

- The City of Los Altos performed a Sewer Rate Analysis and goes through the Proposition 218 process in FY 2022-23 to establish the annual sewer service charge rate for the next five years (FY 2023-24 through FY 2027-28).

On December 14, 2022, the City executed Amendment No. 1 in the amount of \$5,000 with NBS for an additional scope of work to cover the Public Engagement and Outreach Services for the City of Los Altos’ Sewer Services Charge.

On October 9, 2023, the City executed Amendment No. 2 in the amount of \$35,700 with NBS for an additional scope of work to cover the Annual Administration of the City of Los Altos’ Sewer Services Charge for FY 2024-25.

On June 18, 2024, the City executed Amendment No. 3 in the amount of \$11,550.09 with NBS for the Annual Sewer Service Charge Mailer for the Notice of Sewer Rates Adjustment for FY 2024-25.

Amendment No. 4 is for Year 3 (FY25-26) of the current 5-Year cycle of the Proposition 218 Process. This amendment is requested to provide additional funds to cover the annual administration of the City of Los Altos’ sewer services charge, that includes the annual sewer service charge mailer for the notice of sewer adjustment FY 2025-26. The services covered the cost of printing the mailers and the cost of postage. The amount of Amendment No. 4 is a not-to-exceed amount of \$37,192.50, which brings the final total contract amount to \$189,897.59.

ATTACHMENT

1. Resolution 2024-_____