



AGENDA REPORT SUMMARY

Meeting Date: June 28, 2022

Subject Amendment No. 3 to Professional Services Agreement with NBS for Annual Administration of Sewer Service Charges for FY 2021-2022

Prepared by: Thanh Nguyen, Senior Civil Engineer

Reviewed by: Aida Fairman, Engineering Services Manager
James Sandoval, Engineering Services Director

Approved by: Gabriel Engeland, City Manager

Attachment:

A. Resolution

Initiated by:

Staff

Previous Council Consideration:

None

Fiscal Impact:

The following action will cost \$22,000 for Amendment No. 3 for sewer service charges administration.

- Breakdown of funds to be used:
 - o \$22,000 Sewer Fund
- Amount already included in approved budget: Y
- Amount above budget requested: 0

Environmental Review:

Not applicable - Categorically Exempt pursuant to CEQA Section 15061(b)(3). It can be seen with certainty that the contract amendment will not pose a significant effect on the physical environment, and none of the circumstances in CEQA Guidelines Section 15300.2 applies.

Policy Question(s) for Council Consideration:

- Not applicable

City Manager

GE

Reviewed By:

City Attorney

JH

Finance Director

JF



Subject: Amendment No. 3 to Professional Services Agreement with NBS for Annual Administration of Sewer Service Charges

Summary:

- The amendment to the existing agreement with NBS causes the total contract value to exceed the \$100,000 limit, which requires authorization by City Council
- The sewer service charge, as imposed by the Los Altos Municipal Code Chapter 10.12, must be annually administered for all parcels served by the Los Altos sewer system
- The sewer service charge provides revenue to the Los Altos Sewer Fund

Staff Recommendation:

Authorize the City Manager to execute Amendment No. 3 on behalf of the City with NBS in the amount of \$22,000 to provide administration of the sewer service charge for FY2021-2022



Subject: Amendment No. 3 to Professional Services Agreement with NBS for Annual Administration of Sewer Service Charges

Purpose

Authorize the City Manager to execute Amendment No. 3 on behalf of the City with NBS in the amount of \$22,000 to provide administration of the sewer service charge for FY2021-22.

Background

Administration of the Sewer Service Charge includes various tasks such as the calculation of charges for each parcel served by the Los Altos sanitary sewer system, annual report of charges, notice of adjustment mailed to all applicable parcels, and County secured roll review. The annual sewer service charge provides revenue to the Los Altos Sewer Fund, which is used to fund the City's sanitary sewer programs including routine maintenance, CIP projects for infrastructure improvements, inspection programs, and payments for wastewater treatment.

Discussion/Analysis

On July 12, 2017, the City of Los Altos entered into an agreement in the amount of \$99,790 with NBS to perform the Sewer Rate Structure Analysis, the Administration of the Proposition 218 Process, and the Annual Administration of the City of Los Altos Sewer Service Charge. Amendment No. 1 was executed on December 17, 2019, in the amount of \$27,518.50 for an additional year of sewer service charge administration. Amendment No. 2, executed on November 6, 2020, added \$26,515.50 for annual sewer service charge administration. However, this amount is not sufficient to cover the services for FY 2021-22 and the budget rollovers from FY2020-21. Therefore, Amendment No. 3 is needed in the amount of \$22,000 to cover the budget shortfall for NBS' professional services for the annual sewer service charge administration through FY2022. NBS has satisfactorily performed the Annual Sewer Service Charge Administration for the City of Los Altos for over four years.

Recommendation

The staff recommends authorizing the City Manager to execute an amendment on behalf of the City with NBS in the amount of \$22,000 to provide administration of the sewer service charge through FY2022.