



City Council Agenda Report

Meeting Date: June 11, 2024

Initiated By: City Council

Prepared By: Thanh Nguyen, Senior Civil Engineer

Approved By: Aida Fairman, Public Works Director

Subject: Authorize City Manager to execute Amendment No. 2 to Professional Services Agreement for Sewer Rate Structure Analysis with NBS Government Finance Group, dba NBS; find that the approval of Amendment No. 2 is 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).

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. 2 to the Professional Services Agreement on behalf of the City with NBS in the amount of \$11,550.09 for a 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 2023-24

POLICY QUESTION(S) FOR COUNCIL CONSIDERATION

None

FISCAL IMPACT

Amendment No. 2 in the amount not-to-exceed \$11,550.09 with a total contract in the amount not-to-exceed \$117,005.09.

The following action will cost \$11,550.09 for the consultant’s services for the Annual Administration of the City of Los Altos’ Sewer Service Charge for FY 2023-24.

- Breakdown of funds to be used:
 - o \$11,550.09 from Sewer Fund
- Amount already included in the approved budget: N
 - Total budget requested is \$11,550.09

- The proposed Amendment No. 2 requires authorization by Council since it will cause the total contract value to exceed the \$105,478 limit that was set by City Council at the April 12, 2022, meeting.

ENVIRONMENTAL REVIEW

The acceptance of the work 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

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. The total contract after the execution of Amendment No. 1 is \$105,455.00.

This Amendment No. 2 is requested to provide additional funds for the Annual Sewer Service Charge Mailer for the Notice of Sewer Adjustment FY24-25. The services covered the cost of printing the mailers and the cost of postage. The amount of the Amendment No. 2 is a not-to-exceed amount of \$11,550.09, which brings the final total contract amount to \$117,005.09.

ATTACHMENT

1. Resolution 2024-_____