



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 02/18/2025

ITEM NO: 13

DATE: February 13, 2025
TO: Mayor and Town Council
FROM: Chris Constantin, Town Manager
SUBJECT: Authorize the Town Manager to Execute a Pass-Through Agreement with CSG, Inc. for the Review of Land Development Entitlement Applications and Subsequent Construction Plan Review and Inspection Services in an Amount Not to Exceed \$500,000; and Authorize Revenue and Expenditure Budget Adjustments in the Amount of \$150,000 to Recognize Deposits (Program 5999) and Permit Revenue (Program 5202) and Associated Expenditures for CSG Services

RECOMMENDATION:

Authorize the Town Manager to execute a pass-through agreement with CSG Consultants, Inc. ("CSG") (Attachment 1) for the review of land development entitlement applications and subsequent construction plan review and inspection services in an amount not to exceed \$500,000; and authorize revenue and expenditure budget adjustments in the amount of \$150,000 to recognize deposits (Program 5999) and permit revenue (Program 5202) and associated expenditures for CSG services.

BACKGROUND:

The Town has experienced an increase in land development applications beyond its current staffing level capacity. The Town issued a Request for Qualifications for various professional services firms and a list of on-call firms was approved by the Town Council on February 15, 2024. Staff requested proposals from firms on the approved on-call list to augment Parks and Public Works ("PPW") staff with regard to land use application reviews. Staff requested proposals from six firms on the on-call list to request staff augmentation services. Only one firm, CSG, indicated they had staff available to provide this service.

PREPARED BY: James Watson
Senior Civil Engineer – Land Development

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, Parks and Public Works Director, Town Engineer

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SUBJECT: Authorize the Town Manager to Execute a Pass-Through Agreement with CSG, Inc. and Authorize Revenue and Expenditure Budget Adjustments in the Amount of \$500,000 to Recognize Future Deposits and Expenditures

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DISCUSSION:

The number of permit applications received by Parks and Public Works has been consistently increasing year over year and staffing has remained stable at two engineers. To maintain the quality of reviews necessary to ensure responsible development within the Town, staff augmentation is needed. The cost to augment PPW land development staff will be paid by the developers submitting applications, with deposits collected at the time of application and subsequent invoices sent to cover all costs.

CONCLUSION:

If approved, the requested action will provide support to PPW to meet mandated review timelines while maintaining the high quality of reviews.

FISCAL IMPACT:

Staff recommends authorization of the proposed agreement with CSG to provide review services related to permit applications. The proposed revenue and expenditure budget adjustments in the amount of \$150,000 will recognize the deposit and permit revenue and authorize expending for the third-party permit review services. The proposed contract will be a pass-through contract with a not-to-exceed amount of \$500,000. Projects larger than 10 units would be funded through deposits collected. Projects less than 10 units would be funded through regular permit fees collected. The current hourly billing rates for CSG will be included in the contract and include inflationary increases annually (Exhibit A). The remainder agreement capacity will be budgeted in future fiscal years.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Agreement for Consultant Services with Exhibit A - CSG Proposal with 2025 Billing Rates