

**AMENDMENT No. 1 TO AGREEMENT
TO CONSULTING SERVICES AGREEMENT BETWEEN THE CITY AND CSG
CONSULTANTS, INC.**

This Amendment is entered into this 5th day of January, 2016, by and between the City of Milpitas, a municipal corporation of the State of California (hereafter referred to as "CITY") and CSG Consultants, Inc., a California Corporation (hereafter referred to as "CONSULTANT").

RECITALS

WHEREAS, the parties entered into an Agreement on August 3, 2015, entitled "Consulting Services Agreement between the City of Milpitas and CSG Consultants, Inc. ("Agreement") for professional services in the amount of One Hundred Thousand dollars (\$100,000); and

WHEREAS, the parties desire to amend the Agreement, to increase the compensation by the additional amount of One Hundred Twenty Thousand Dollars (\$120,000), for a new combined total compensation amount of Two Hundred Twenty Thousand Dollars (\$220,000), and to extend the term of the Agreement to April 30, 2016, to allow CONSULTANT to continue to provide support services for the Land Development Section of the Engineering Department.

NOW THEREFORE, in consideration of the mutual covenants and conditions herein contained, the parties agree to amend the Agreement as follows:

1. Section 1.1, entitled "Term of Service" is hereby amended to read as follows:

The term of this Agreement shall begin on the date first noted above and shall end on April 30, 2016, the date of completion for the work specified in Exhibit A, and Consultant shall complete all the work described in Exhibit A, prior to that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Consultant to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as provided for in Section 8.

2. Section 2, entitled "Compensation" is hereby amended to read as follows:

The City hereby agrees to pay Consultant an amount not to exceed Two Hundred Twenty Thousand Dollars (\$220,000) based on time and materials for all services to be performed and reimbursable costs incurred under this Agreement. City shall pay Consultant for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Consultant for services rendered pursuant

to this Agreement. Consultant shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City, Consultant shall not bill City for duplicate services performed by more than one person.

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Hourly rate for personnel performing services shall be as shown in Exhibit B. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

- 3. The Consultant agrees to maintain and pay for all insurance policies as stated in Section 4, entitled "Insurance Requirements" of the Agreement dated **August 3, 2015** between **CSG Consultants, Inc** and **the City of Milpitas**. The Consultant shall provide the City with renewal certificates of the current policies upon the expiration of the current policy.
- 4. All other provisions of the Agreement shall remain in full force and effect.

This Amendment is executed as of the date written on Page 1.

APPROVED BY:

CITY OF MILPITAS

CONSULTANT
CSG Consultants, Inc.

Thomas C. Williams, City Manager

By:-----

(type or print name)

Steven Machida, Director of Engineering

Taxpayer Identification Number
91-2053749

APPROVED AS TO FORM:

Christopher J. Diaz, City Attorney

BUDGET CHANGE FORM

| Type of Change | From | | To | |
|--|----------|-----------|--------------|-----------|
| | Account | Amount | Account | Amount |
| Check one: <input checked="" type="checkbox"/> Budget Appropriation <input type="checkbox"/> Budget Transfer | 100-3613 | \$120,000 | 100-413-4237 | \$120,000 |

Approve and Authorize the City Manager to Execute Amendment No. 1 to the Agreement with CSG Consultants, Inc., LLC in the Amount of \$120,000; Extend the Terms of the Agreement to April 30, 2016, and Approve a Budget Appropriation to Continue Engineering Staff Support Services for the Land Development Engineering Division. (Staff Contact: Steven Machida, 586-3355)

Background: In August of 2015, Lennar Homes requested a dedicated plan check engineer/PM to support their two projects (Waterstone and 450 Montague) providing continuous and uninterrupted plan check services for the duration of their construction. Lennar's initial request was for no fewer than two (2) days per week although the actual workload has been full time commitment by the plan check engineer at the request of Lennar. Lennar has now agreed to the full-time commitment and to fully fund this work. Lennar has exhausted the initial \$100,000 budget established by the City and CSG and additional funds are now needed to continue these services. Staff projects an amount of \$120,000 to take this through April 30, 2016 the projected completion of these services to Lennar.

The present workload does not allow the Land Development Division to provide a dedicated Plan Checker from current staff to the project, and thus necessitates amending the current contract with CSG Consultants, Inc. to continue providing this service to Lennar.

Staff is recommending that CSG Consultants, Inc., continue their support through April 30, 2016, at their current level of effort five days a week. Amendment No. 1 with CSG Consultants, Inc., is proposed for these continued services. Staff negotiated a fee for these services not to exceed \$120,000 at the same hourly rates. Approval of this agreement amendment brings the total agreement amount to \$220,000.

Alternative: Denial of this request will result in delayed completion of some Land Development Engineering tasks and thus having the City not being in compliance with State mandates to process Land Development applications in a timely manner.

California Environmental Quality Act (CEQA): This action is not considered a project under CEQA as there will be no direct, or reasonably foreseeable indirect physical change in the environment.

Fiscal Impact: A budget appropriation to the Land Development Operating Budget is requested. Consultant expenses are reimbursable through the Private Development Project Account.

Recommendation(s):

1. Approve and authorize City Manager to execute Amendment No. 1 to the agreement with CSG Consultants, Inc. in the Amount of \$120,000; extend the terms of the agreement to April 30, 2016.
2. Approve a Budget Appropriation to the Land Development Operating Budget in the amount of \$120,000, to continue Engineering Staff Support Services for the Land Development Engineering Division.

Check if City Council Approval required.

Meeting: January 5, 2016

| Itemization of funds, if needed: | | Amount |
|---|---|----------------|
| Requested by: | Steven Machida, Director of Engineering | Date: |
| Department Head: | Steven Machida, Director of Engineering | Date: |
| Reviewed by: | Finance Director:  | Date: 12/21/15 |
| Approved by: | City Manager: | Date: |
| Date approved by City Council, if required: | | Confirmed by: |