



City of Palo Alto

City Council Staff Report

(ID # 7065)

Report Type: Consent Calendar

Meeting Date: 6/27/2016

Summary Title: Metropolitan Planning Group On Call Amendment 3

Title: Approval of Amendment Number 3 to Contract Number C14153012 with Metropolitan Planning Group to add \$440,000 For a Total Not-to-Exceed Amount of \$940,000 for Support of Planning Review of Architectural Review Applications

From: City Manager

Lead Department: Planning and Community Environment

Recommendation

Staff recommends that the City Council authorize the City Manager or his designee to approve Amendment 3 to Contract C14153012 (Attachment A) with Metropolitan Planning Group (MPG) to increase the contract limit by \$440,000 for a total amount not to exceed \$940,000.

Executive Summary

The Planning and Community Environment Department (PCE) routinely uses consultants to secure specific expertise and to help when the number of applications received creates an unusual volume of work or staff vacancies are such that assistance is required. Metropolitan Planning Group has been providing these services and their contract will soon be exhausted if not amended.

Background & Discussion

PCE has historically maintained contracts with several consultants to provide various on-call planning services. The department relies on on-call service providers to work on special projects requiring particular areas of expertise or to address increases in workload.

Following a competitive solicitation and selection process, Council approved five on-call environmental and four on-call planning consulting contracts in February, 2014 (Staff Report 4018). The on-call planning consultation contracts were with: Arnold Mammarella Architecture and Consulting; The Planning Center/DCE; Dudek; and, Metropolitan Planning Group. On-call planning consultants are used as project managers to manage applications for planning entitlements or as independent technical consultants. When consultant assistance is needed, consultants are chosen from the contracted group based upon their experience, specific

expertise, availability, and cost per activity or project. Although the contracts are for a period of three years, the department initially took a cautious approach, limiting contract capacity to modest amounts. This provided the department an opportunity to see which consultant would work best with workload needs without overextending the City's contracts. The greatest need has been for the services of MPG, Mammarella Architecture and Consulting, and The Planning Center/DCE. As a result, the department cancelled two of its on-call environmental contracts and the on-call planning contract with Dudek and received Council approval to amend the remaining contracts (Staff Reports 5587 and 6013) to provide capacity through June 2016.

Due to staff vacancies and heavy workload, the department continues to rely on these consultants and needs capacity to continue using the contract through its June 2017 expiration date. Generally, the department tries to avoid using on-call contracts for developer-reimbursed work, but due to time constraints, this contract was used to get several such projects started quickly. Although the costs will be recovered from developers, this use of the contract means it will be exhausted by the end of June unless amended. The remaining on-call contracts have been utilized more slowly. Staff will return to Council to request amendment of those contracts if needed as they get closer to exhaustion.

Staff requests expansion of the MPG contract limit to provide sufficient contract capacity to allow continued use of MPG services until June 30, 2017 when this contract expires.

Resource Impact

Sufficient funding will be available within the Planning and Community Environment department's Fiscal Year 2017 Adopted Operating Budget to fund the increase to the contract. At the current rate of utilization, amending the MPG contract to \$940,000 will provide enough capacity to cover the department's needs through June, 2017. The award of the contract would not occur until July 1 or shortly thereafter since funds from FY 2017 are being used to fund this amendment.

Attachments:

- **Attachment13.a:** Attachment A: Metropolitan Planning Group Contract C14153012 Amendment 3 (PDF)

**AMENDMENT NO. 3 TO CONTRACT NO. C14153012
BETWEEN THE CITY OF PALO ALTO AND
METROPOLITAN PLANNING GROUP, INC.**

This Amendment No. 3 to Contract No. C14153012 (“Contract”) is entered into June 27, 2016, by and between the CITY OF PALO ALTO, a California chartered municipal corporation (“CITY”), and METROPOLITAN PLANNING GROUP, INC., a California corporation, located at 579 Clyde Avenue, Ste. 340, Mountain View, California, 94043, Telephone (650)938-1111 (“CONSULTANT”).

RECITALS

A. The Contract was entered into between the parties for the provision of planning and planning review on an on-call basis.

B. City intends to increase compensation from \$500,000.00 by \$440,000.00 to \$940,000.00 for continuation of services as specified in Exhibit “A” Scope of Services.

C. The parties wish to amend the Contract.

NOW, THEREFORE, in consideration of the covenants, terms, conditions, and provisions of this Amendment, the parties agree:

SECTION 1. Section 4 is hereby amended to read as follows:

“SECTION 4. NOT TO EXCEED COMPENSATION. The compensation to be paid to CONSULTANT for performance of the Services described in Exhibit “A”, including both payment for professional services and reimbursable expenses, shall not exceed Nine Hundred Forty Thousand Dollars (\$940,000.00). The applicable rates and schedule of payment are set out in Exhibit “C-1”, entitled “HOURLY RATE SCHEDULE,” which is attached to and made a part of this Agreement.

Additional Services, if any, shall be authorized in accordance with and subject to the provisions of Exhibit “C”. CONSULTANT shall not receive any compensation for Additional Services performed without the prior written authorization of CITY. Additional Services shall mean any work that is determined by CITY to be necessary for the proper completion of the Project, but which is not included within the Scope of Services described in Exhibit “A”.

”

SECTION 2. The following exhibit(s) to the Contract is/are hereby amended to read as set forth in the attachment(s) to this Amendment, which are incorporated in full by this reference:

- a. Exhibit “C” entitled “COMPENSATION”.
- b. Exhibit “C1” entitled “ HOURLY RATE SCHEDULE

SECTION 3. Except as herein modified, all other provisions of the Contract, including any exhibits and subsequent amendments thereto, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have by their duly authorized representatives executed this Amendment on the date first above written.

CITY OF PALO ALTO

METROPOLITAN PLANNING GROUP,
INC.

APPROVED AS TO FORM:

DocuSigned by:
Goff Bradley
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PRESIDENT

Attachments:

EXHIBIT "C": COMPENSATION
EXHIBIT "C1" HOURLY RATE SCHEDULE

EXHIBIT "C" COMPENSATION

The CITY agrees to compensate the CONSULTANT for professional services performed in accordance with the terms and conditions of this Agreement based on the hourly rate schedule attached as Exhibit C-1.

The compensation to be paid to CONSULTANT under this Agreement for all services described in Exhibit "A" ("Services") and reimbursable expenses shall not exceed \$940,000.00. CONSULTANT agrees to complete all Services, including reimbursable expenses, within this amount. Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to the CITY.

REIMBURSABLE EXPENSES

The administrative, overhead, secretarial time or secretarial overtime, word processing, photocopying, in-house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. CITY shall reimburse CONSULTANT for the following reimbursable expenses at cost. Expenses for which CONSULTANT shall be reimbursed are:

A. Travel outside the San Francisco Bay area, including transportation and meals, will be reimbursed at actual cost subject to the City of Palo Alto's policy for reimbursement of travel and meal expenses for City of Palo Alto employees.

B. Long distance telephone service charges, cellular phone service charges, facsimile transmission and postage charges are reimbursable at actual cost.

All requests for payment of expenses shall be accompanied by appropriate backup information. Any expense shall be approved in advance by the CITY's project manager.

ADDITIONAL SERVICES

The CONSULTANT shall provide additional services only by advanced, written authorization from the CITY. The CONSULTANT, at the CITY's project manager's request, shall submit a detailed written proposal including a description of the scope of services, schedule, level of effort, and CONSULTANT's proposed maximum compensation, including reimbursable expenses, for such services based on the rates set forth in Exhibit C-1. The additional services scope, schedule and maximum compensation shall be negotiated and agreed to in writing by the CITY's Project Manager and CONSULTANT prior to commencement of the services. Payment for additional services is subject to all requirements and restrictions in this Agreement.

EXHIBIT "C-1"
HOURLY RATE SCHEDULE

Principal	\$175
Principal Planner	\$155
Project Manager	\$135
Senior Urban Designer	\$130
Senior Planner	\$135
Environmental Planner	\$125
Urban Designer	\$110
Associate Planner	\$100
Assistant Planner	\$80
Planning Tech/Admin	\$60