



City of Palo Alto

City Council Staff Report

(ID # 10336)

Report Type: Consent Calendar

Meeting Date: 5/13/2019

Council Priority: Transportation and Traffic

Summary Title: Amendment 2 to MRG Contract for Transportation Services to Increase Compensation by \$50,000

Title: Approval of Amendment Number 2 to Contract Number C19172281 With Municipal Resource Group (MRG) to Increase the Not-to-Exceed Compensation by \$50,000 (for a new Not-to-Exceed Amount of \$200,000) to Provide Continued Transportation Support Services for the Office of Transportation

From: City Manager

Lead Department: Transportation

Recommendation

Staff recommends that City Council authorize the city manager to execute Amendment 2 to Contract C19172281 (Attachment A) with Municipal Resource Group (MRG) to increase the not-to-exceed compensation by \$50,000 to provide continued transportation support services for the Office of Transportation, for a new total not-to-exceed amount of \$200,000.

Background

In October 2018, the City Council authorized an agreement with the Municipal Resource Group (MRG) for Wayne Tanda to provide support services to the Office of Transportation. The support services included the following:

- Task 1: Support the City's review and development of process improvements for the implementation of multiuser transportation projects to maximize overall community acceptability.
- Task 2: Review and make recommendations on the organizational structure and staffing of the City's transportation functions, in order to ensure effective and sustainable services. The transportation functions include the City's identified priority issues (rail grade separation planning, neighborhood traffic safety and bike boulevards, parking management, and commuter travel demand management), as well as related functions as operational and resource synergies may identify.

- Task 3: Review and recommend modifications to the City's residential preferential parking program, in order to ensure an effective and sustainable program within finite staff resource allocation.
- Task 4: Participate in ensuring adequate resources are provided for staff to support the City Council's selection of preferred alternatives, project development, and funding strategy for railroad grade separations in Palo Alto.

The October 2018 staff report and the original contract is available online at: <https://www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?t=46605.41&BlobID=67242>.

Discussion

Mr. Tanda of MRG has worked on each of his tasks and provided recommendations to the City Manager about the organizational structure and resources for transportation services. He also reviewed the parking program. With the transition of the Chief Transportation Official and the Deputy City Manager who supported the Transportation Office, Mr. Tanda has increased his work on Tasks 1, 3, and 4. The proposed contract amendment will allow Mr. Tanda to complete his work on the tasks with the added hours as shown below.

The additional hours added by task are as follows:

- Task 1: Add 68 hours to the current 317-hour total
- Task 2: No change (same total of 181 hours)
- Task 3: Add 85 hours to the current 90-hour total
- Task 4: Add 65 hours to the current 90-hour total

Resource Impact

Sufficient savings have been identified in the FY 2019 Adopted Operating Budget to cover the cost of this amendment. No additional funding is needed. It is anticipated that with this contract amendment, MRG will be able to fulfill the rest of the tasks within this contract as well as provide some assistance in onboarding the new Chief Transportation Official this summer.

Attachments:

- Attachment A: Amendment No. 2 to Contract C19172281 MRG Transportation

**AMENDMENT NO. 2 TO CONTRACT NO. C19172281
BETWEEN THE CITY OF PALO ALTO AND
MUNICIPAL RESOURCE GROUP, LLC**

This Amendment No. 2 to Contract No. C19172281 ("Contract") is entered into May 13, 2019, by and between the CITY OF PALO ALTO, a California chartered municipal corporation ("CITY"), and MUNICIPAL RESOURCE GROUP, LLC., a California Limited Liability Company, located at 675 Hartz Avenue, Suite 300, Danville, CA 94526 ("CONSULTANT").

RECITALS

A. The Contract was entered into between the parties on October 15, 2018 for the provision of restructuring assistance for the Transportation Department.

B. On February 12, 2019, the parties entered into Amendment No. 1 to the Contract to revise Exhibit "A" Scope of Services to provide clarification of a task with the addition of Section 1.9.

C. Due to the unanticipated departure of key Transportation staff in the time since the Contract was entered into, CITY has had to utilize the services to a greater extent than originally planned.

D. The parties wish to amend the Contract to increase the maximum compensation by \$50,000.00, from \$150,000 to an amount not-to-exceed \$200,000.00 for additional hours of service reflected in Exhibit "B" Schedule of Performance.

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

SECTION 1. Section 4. NOT TO EXCEED COMPENSATION of the Contract 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" ("Basic Services"), and reimbursable expenses, shall not exceed Two Hundred Thousand Dollars (\$200,000.00). CONSULTANT agrees to complete all Basic Services, including reimbursable expenses, within this amount. 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. 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.

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 "B" entitled "SCHEDULE OF PERFORMANCE".
- b. Exhibit "C-1" 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 hereto have by their duly authorized representatives executed this Agreement on the date first above written.

CITY OF PALO ALTO

MUNICIPAL RESOURCE GROUP, LLC

DocuSigned by:

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Mary Egan

Partner

APPROVED AS TO FORM:

Attachments:

EXHIBIT "B": SCHEDULE OF PERFORMANCE
EXHIBIT "C-1": RATE SCHEDULE

EXHIBIT "B"
SCHEDULE OF PERFORMANCE

CONSULTANT shall perform the Services so as to complete each task within the number of hours specified below. The time to complete each task may be increased or decreased by mutual written agreement of the project managers for CONSULTANT and CITY so long as all work is completed within the term of the Agreement.

Scope	Labor	Estimated Hours
Task 1	Principal Consultant	317
Task 2	Principal Consultant	181
Task 3	Principal Consultant	90
Task 4	Principal Consultant	90

AMENDMENT NO. 2

The following is added by Amendment No. 2 to the Contract.

Scope	Labor	Estimated Additional Hours
Task 1	Principal Consultant	<u>78</u>
Task 2	Principal Consultant	<u>0</u>
Task 3	Principal Consultant	<u>90</u>
Task 4	Principal Consultant	<u>70</u>

916 Total Hours (Original Hours & Hours Added Through Amendment No. 2)

**EXHIBIT “C-1”
SCHEDULE OF RATES**

CONSULTANT will provide professional consulting services on an hourly basis by the calendar years as shown below:

- 2018 - \$200 per hour
- 2019 - \$210 per hour
- 2020 - \$220 per hour
- 2021 - \$230 per hour

CONSULTANT will invoice for actual hours worked.

If the CITY requests Additional Services, CONSULTANT will prepare an estimate and receive authorization before providing such services at the same hourly rate applicable to Basic Services for the then-current year.

Reimbursable expenses include mileage reimbursement at the current IRS mileage rate (\$0.545 per mile in 2018), lodging, meals, and minor costs incurred while performing the above described work. Costs and expenses will be reimbursed at CONSULTANT’S cost.

Scope	Labor Category	Est. Hours	Ave. Hourly Rate	Est. Amount
Task 1				
Direct	Principal Consultant	395	\$210.00	\$82,950
Reim.				\$3,600
Subtotal				\$86,450
Task 2				
Direct	Principal Consultant	181	\$210.00	\$38,010
Reim.				\$2,000
Subtotal				\$40,000
Task 3				
Direct	Principal Consultant	180	\$210.00	\$37,800
Reim.				\$1,040
Subtotal				\$38,800
Task 4				
Direct	Principal Consultant	160	\$210.00	\$33,600
Reim.				\$1,000
Subtotal				\$38,800
Direct	Principal Consultant			\$192,360
Reim.				\$7,640
Total				\$200,000

Certificate Of Completion

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Certificate Pages: 2	Initials: 0
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Envelopeld Stamping: Enabled	Christopher Anastole
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	250 Hamilton Ave
	Palo Alto , CA 94301
	chris.anastole@cityofpaloalto.org
	IP Address: 12.220.157.20

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Signer Events

Mary Egan
egan@municipalresourcegroup.com
Partner
Security Level: Email, Account Authentication (None)

Signature

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Elizabeth Egli
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Security Level: Email, Account Authentication (None)

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Madina Klicheva
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City of Palo Alto
Security Level: Email, Account Authentication (None)

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