



COMMUNITY DEVELOPMENT DEPARTMENT

CITY HALL
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CITY COUNCIL STAFF REPORT

Meeting: July 16, 2024

Subject

Approve a Third Amendment with M-Group for planning services for an additional \$22,000 for a total not-to-exceed amount of \$221,200.

Recommended Action

Authorize the City Manager to execute a Third Amendment with M-Group for \$22,000 in additional planning services delivered through June 30, 2024, for a total compensation amount of \$221,200.

Reasons for Recommendation

On March 2, 2023, after a competitive RFP process, the City awarded a contract under the City Manager's award authority for planning services to M-Group. M-Group was selected based on the following significant factors:

- Provided the most similar clients as references (Bay Area jurisdictions).
- Provided the best documentation of understanding the City of Cupertino, specifically the Community Development Department (CDD) and the Planning Division.
- Outstanding references, including testimonials of being service oriented, providing assistance beyond contracted services, and experience working with jurisdictions.
- Staffing availability.
- Cost of contract.

M-Group's original contract and two subsequent amendments were authorized by the City Manager and executed by the Director of Community Development Department with an expiration date of June 30, 2024, for a total amount of \$199,200.

The original contract agreement executed on March 2, 2023, was for \$109,200 for the equivalent of one assistant planner for 40 hours per week for six months. The First Amendment executed on October 5, 2023, increased the contract amount by \$50,000 for a new total of \$159,200, and extended the contract expiration date to June 30, 2024. The Second Amendment executed on April 17, 2024, further increased the contract amount by \$40,000 for a new total of \$199,200 while maintaining the expiration date of June 30, 2024.

Prior to the contract expiring on June 30, 2024, there were outstanding invoices totaling \$22,000 for services performed by M-Group that exceeded the estimated amounts in the previous contract amendments. The overage is due to shifting resources to the focused attention to finalize the HE within 120 days of the date of the letter per the stipulated judgement. Therefore, there was a much higher need to rely on consultant's hours to provide necessary coverage over the Permit Center and permit reviews to support the community and the permit activity. Approval of the third amendment will allow for payment of the outstanding invoices and would complete the contract with all services performed. The contract has expired as of June 30, 2024, and M-Group is no longer providing services to the city since the expiration date.

With the planner recruitment that has been in progress, potentially up to two new assistant planners may be retained by mid-August to provide adequate coverage without the need of a consultant. The Planning Division needs for additional consultant support will be evaluated afterward. Therefore, staff does not request extending the contract agreement, but rather, allowing the contract to expire after paying the remaining invoices for services rendered.

Sustainability Impact

No sustainability impacts.

Fiscal Impact

The requested \$22,000 will be funded from vacancy savings in the Community Development Department in fiscal year 2023-24. No budget adjustment is necessary.

California Environmental Quality Act

Not applicable.

Prepared by: Benjamin Fu, Director of Community Development Department

Reviewed by: Pamela Wu, City Manager

Christopher Jensen, City Attorney

Kristina Alfaro, Director of Administrative Services

Approved for Submission by: Pamela Wu, City Manager

Attachments:

A – Draft Third Amendment

B – Original Agreement 2023-015

C – First Amendment

D – Second Amendment