



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: MARCH 12, 2024

DEPARTMENT: COMMUNITY DEVELOPMENT

FROM: LISA BRINTON, DIRECTOR

THROUGH: FRANCISCO BRAMBILA, ACTING PLANNING MANAGER

**BY: CRISTINA GONZALEZ, COMMUNITY DEVELOPMENT ANALYST
LUIS OCHOA, SR. COMMUNITY DEVELOPMENT ANALYST**

**TITLE: AMENDMENT NO. 2 TO THE MASTER SERVICE AGREEMENT
FOR PROFESSIONAL SERVICES WITH CSG CONSULTANTS, INC.**

RECOMMENDED MOTION:

A motion to approve a Resolution authorizing:

1. the approval of Amendment No. 2 to the Master Service Agreement for Professional Services between the City of Salinas and CSG Consultants, Inc. increasing the not-to-exceed amount to \$1,054,420 to provide design, inspection, project management, construction management, labor compliance and environmental services for four capital improvement projects (CIP); and
2. the Interim City Manager or designee to execute Amendment No. 2 to the Master Service Agreement for Professional Services with CSG Consultants, Inc and any modifications or amendments necessary to support the completion of the four CIP projects; and
3. the Community Development Director or designee to approve CSG Consultants' on-going performance of services without the need for subsequent Professional Service Agreements provided CSG Consultants Inc. is, at all times throughout the term thereof, in compliance with the terms and conditions of the Master Service Agreement for Professional Services, Amendment No. 1, and Amendment No. 2.

EXECUTIVE SUMMARY:

On February 7, 2023, City Council approved Resolution No. 22588 authorizing execution of a Master Service Agreement for Professional Services (Agreement) between the City of Salinas (City) and CSG Consultants, Inc. (CSG) to provide design, inspection, project management, construction management, labor compliance, and environmental services for four capital

improvements projects. On November 14, 2023, through Resolution No. 22842, City Council approved Amendment No. 1 to the Agreement to increase the not to exceed amount for compensation to \$882,042 and clarify the scope of work for each Capital Improvement Project (CIP). However, after receiving change orders for the Sherwood Recreation Center – Phase IV and a proposal for Chinatown Neighborhood Improvements projects, the current approved not to exceed compensation amount is not sufficient to cover all services requested. Amendment No. 2 to adjust increases the compensation amounts for Sherwood Recreation Center – Phase IV and Chinatown Neighborhood Improvements CIP projects and modifies the not to exceed amount from \$882,042 to \$1,054,420. These projects are funded through Community Development Block Grant (CDBG), CIP 9125, and CIP 9070 funds.

BACKGROUND:

On February 7, 2023, after a Request for Qualification (RFQ) process, City Council approved an Agreement between the City of Salinas and CSG Consultants, Inc. to provide design, inspection, project management, construction management, labor compliance, and environmental services to comply with the California Environmental Quality Act (CEQA) and/or the National Environmental Policy Act (NEPA), for four capital improvement projects. These projects include the Natividad Creek Park Restroom Rehabilitation, Sherwood Recreation Center – Phase IV, Chinatown Navigation Center Building Improvements and Shower Trailer Installation, and Chinatown Neighborhood Improvements projects.

On July 20, 2023, CDD approved proposals for three significant projects: Natividad Creek Park Restroom Rehabilitation, Sherwood Recreation Center – Phase IV, and Chinatown Navigation Center Building Improvements and Shower Trailer Installation projects. Subsequently, CSG commenced work on these three projects.

The Agreement approved by City Council on February 7, 2023, was amended on November 14, 2023. This Amendment No. 1 adjusted the Agreement to further clarify the scope of services, define the roles between the City and CSG; and add a clause to the Compensation Section to stipulate an amount not-to-exceed of \$882,042 for the approved projects, including contingencies.

In January 2024, CSG submitted a proposal for the Chinatown Neighborhood Improvements in the amount of \$250,280. Additionally, City staff requested several Change Orders for Sherwood Recreation Center – Phase IV Project, leading to additional development costs for the project.

Following a thorough review of the proposals, staff recommends amending the Professional Service Agreement to increase the not-to-exceed value to \$1,054,420, including contingencies. Amendment No. 2 will incorporate the updated not-to-exceed amount for each individual project as well as the new revised not-to-exceed amount for the Master Services Agreement.

The following table illustrates the proposal received for the Chinatown Neighborhood Improvements, change orders for the Sherwood Recreation Center Phase IV, and contingencies.

The projects are funded with Community Development Block Grant (CDBG), CIP 9125, and CIP 9070 funds which were previously approved by City Council.

Project	Proposal Amount	Contingency	Total Amount	Funding Source
Natividad Creek Park Restroom Rehabilitation Project	\$174,585*	\$26,188*	\$200,773*	CDBG
Sherwood Recreation Center – Phase IV Project	\$329,552	\$82,355	\$411,906	CDBG
Chinatown Navigation Center Building Improvements and Shower Trailer Installation Project	\$112,079*	\$16,812*	\$128,891*	CIP 9125
Chinatown Neighborhood Improvements Project	\$250,280	62,570	312,850	CDBG CIP 9070
Totals	\$866,496	\$187,925	\$1,054,420	

* Amounts to remain the same, no changes

The amendment will enable the Housing Division to proceed with the design, specifications completion and the release of Call for Bids for the Sherwood Recreation Center Phase IV and Chinatown Neighborhood Improvement Projects.

DEPARTMENT COORDINATION:

Internal department coordination on this item involved the CDD Housing and Community Development Division, Library and Community Services Department, Public Works Department, Finances, and the City Attorney's Office.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action of approving Amendment No. 2 is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). Each of the four projects either have been or will be evaluated for both CEQA and/or NEPA compliance.

STRATEGIC PLAN INITIATIVE:

The proposed project and action support the City of Salinas Strategic Plan 2022-2025 Goals and Strategies related to *Infrastructure and Environmental Sustainability*, *Public Safety*, and *Youth and Seniors* through the provision of improved public facilities.

FISCAL AND SUSTAINABILITY IMPACT:

There is no General Fund fiscal impact associated with the approval of Amendment No. 2 to the Master Services Agreement with CSG as the associated costs for the four projects are funded by

Community Development Block Grant (CDBG), CIP 9125 (Account Code 5800.30.9125), and CIP 9070 (Account Code 5800.30.9070) funds previously approved by City Council.

ATTACHMENTS:

Resolution

Amendment No. 2 to the Master Services Agreement with CSG

Master Services Agreement between the City of Salinas and CSG Consultants, Inc

Amendment No. 1 to the Master Services Agreement with CSG

Chinatown Neighborhood Improvements Proposal

Sherwood Recreation Center – Phase IV Change Orders

Resolution No. 22588

Resolution No. 22842 – Amendment No. 1