



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: APRIL 23, 2024

DEPARTMENT: PUBLIC WORKS

FROM: DAVID JACOBS, DIRECTOR

BY: HEIDI NIGGEMEYER, NPDES PROGRAM MANAGER

TITLE: AMENDMENT NO.2 TO THE MASTER SERVICES AGREEMENT (MSA) BETWEEN THE CITY OF SALINAS AND 2ND NATURE LLC

RECOMMENDED MOTION:

A motion to approve a Resolution authorizing the interim City Manager to execute Amendment No. 2 to the Master Services Agreement (MSA) for Professional Services 2ND Nature LLC to provide National Pollutant Discharge Elimination System (NPDES) Permit compliance support, watershed modeling, ArcGIS field applications, and geospatial data management in an amount not to exceed \$2,500,000.

EXECUTIVE SUMMARY:

On May 1, 2018, City Council approved Resolution 21374 authorizing execution of a Master Service Agreement (MSA) for Professional Services between the City of Salinas and 2ND Nature LLC to provide NPDES permit program compliance, data management, and watershed modeling services for the City's Stormwater NPDES Permit program. On March 6, 2023, Amendment No. 1 was approved to extend the MSA until May 1, 2024. The current MSA includes language indicating that the Agreement "may be extended only upon mutual written consent of the parties" (City of Salinas and 2nd Nature). Therefore, Amendment No. 2 extends the current MSA until Oct 1, 2025, when a new NPDES permit with new requirements will be adopted.

BACKGROUND:

On February 26, 2016, the City issued a Request For Qualifications (RFQ) for NPDES permit compliance on-call support services. Submittals were received from a total of 14 firms and reviewed based on the selection criteria listed in the RFQ. A review panel consisting of City staff identified 2ND Nature LLC as the only firm with the specific qualifications needed, having developed the tools specified for use in the City's NPDES to support stormwater compliance

modeling and geospatial data collection required by the Central Coast Water Board. Since that time, 2ND Nature has provided NPDES support on projects that individually have been below \$100,000; however, in totality the projects awarded have exceeded \$100,000. Therefore, per the City's procurement process, a City Council-approved MSA was required.

On May 2018, an MSA was developed, negotiated, and signed by 2ND Nature and the City. The Agreement was initially for five years and was set to expire on May 1, 2023. The consultant agreed to compensation on a project-by-project basis according to a pre-determined schedule, with each project subject to review and approval by the City Manager, Public Works Director and/or City Engineer. It was determined that it was necessary for continued support by 2ND Nature LLC, therefore Amendment No.1 was executed on March 6, 2023, to extend the MSA term to May 1, 2024. The Consultant continues to provide services under the terms and conditions of the Master Services Agreement with the scope of work and cost negotiated by Staff. Should the total compensation on an individual project exceed \$100,000, the item is brought before Council for approval as required.

The City's current NPDES permit is scheduled to expire in October 2024, after which a new NPDES permit will be adopted with new NPDES requirements. After conversations with the Central Coast Water Board, the new NPDES permit will not realistically be adopted and in place until October 2025. Until the new permit is adopted, the requirements of the current permit remain in place. To ensure continuity of service, Amendment No. 2 has been provided for approval by Council to extend the term of the current Master Service Agreement for Professional Services with 2ND Nature LLC to October 1, 2025. To prepare for the new permit requirements, a new RFQ will be advertised in the spring of 2025 to create a new On-Call list of consultants to provide NPDES Permit Support Services for the new NPDES permit, which should be adopted by the State Water Board in late 2025. Since the current permit requirements will not change until that time, it is requested that Amendment No. 2 extending the MSA term until Oct 1, 2025, be approved by City Council.

In addition, Amendment No. 2 also includes the addition of a "Not-to-Exceed" amount of \$2,500,000 for the life of the MSA, as now required by the City's Finance and Legal Depts. The City's NPDES Division currently appropriates approximately \$1.5 million per year on various plans and projects. The amount, \$2,500,000 million for the duration of the MSA, should allow sufficient time for any grant implementation support regarding watershed modeling and data management/geospatial reporting.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to

activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

STRATEGIC PLAN INITIATIVE:

Approval of this Master Services Agreement Amendment is in alignment with the City's goal to maintain compliance with all regulatory permits, which supports the City Council's Strategic Plan Initiative of Infrastructure and Environmental Sustainability.

DEPARTMENTAL COORDINATION:

Internal department coordination on this item involved the Public Works Dept, Finance, and Legal.

FISCAL AND SUSTAINABILITY IMPACT:

Funding for FY 23-24 is available and appropriated in 6500.50.5126. The costs for future years will be included as part of the annual budget process.

ATTACHMENTS:

Resolution

Amendment No. 2

Approved 2nd Nature LLC Amendment No. 1 routing package w/MSA and original Resolution