



## Agenda Report

20-1429

Agenda Date: 1/14/2020

### REPORT TO COUNCIL

#### **SUBJECT**

Action on Amendment No. 1 to an Agreement for Services with Hulberg and Associates, Inc. dba Valbridge Property Advisors for Easement and Parcel Assessment Services  
[Council Pillar: Deliver and Enhance High Quality Efficient Services and Infrastructure]

#### **BACKGROUND**

The City of Santa Clara's Electric Utility, Silicon Valley Power (SVP), requires appraisal services for the acquisition of easements to facilitate construction of new electrical facilities. SVP must know the Fair Market Value of a property when an easement is necessary in order to negotiate a fair price for the land rights.

SVP has contracted with Valbridge Property Advisors (Valbridge) to perform property appraisals associated with easements, rent determination, and property acquisitions for various projects.

SVP currently has a Capital Improvement Project entitled "Transmission System Reinforcements" that involves the construction of approximately three and one-half miles of overhead transmission lines, which will increase system capacity and improve system reliability. Then project will require acquisition of over 40 easements.

#### **DISCUSSION**

In October 2018, the City entered into a three-year agreement with Valbridge to provide easement and parcel assessments services for City and non-City property within and outside the City limits. This agreement was the result of a competitive Request for Proposal (RFP) process and Valbridge was selected based on experience and because it bid the lowest cost.

Because the scope of work for the Transmission System Reinforcement project's easement appraisals are consistent with the scope of work that Valbridge is performing under their current three-year agreement, Staff is proposing to enter into Amendment No. 1 to add additional funding in the amount of \$200,000 for appraisal services for the Transmission System Reinforcements project. Valbridge will perform property evaluations as part of the acquisition of over 40 easements.

#### **ENVIRONMENTAL REVIEW**

This action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

#### **FISCAL IMPACT**

The total cost of Amendment No. 1 to the Agreement for Services with Hulberg and Associates, Inc. dba Valbridge Property Advisors will not exceed \$300,000. Sufficient funds in fiscal year 2019-2020

are available in the Electric Utility Capital Fund in the Transmission System Reinforcements project.

**COORDINATION**

This report has been coordinated with the Finance Department and City Attorney's office.

**PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of the agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

**RECOMMENDATION**

Authorize the City Manager to execute Amendment No. 1 to an Agreement for Services with Hulberg and Associates, Inc. dba Valbridge Property Advisors to increase the not-to-exceed compensation by \$200,000 to \$300,000 for easement and parcel assessment services.

Reviewed by: Manuel Pineda, Chief Electric Utility Officer

Approved by: Deanna J. Santana, City Manager

**ATTACHMENTS**

1. Amendment No. 1

**AMENDMENT NO. 1  
TO THE AGREEMENT FOR SERVICES  
BETWEEN THE  
CITY OF SANTA CLARA, CALIFORNIA,  
AND  
HULBERG AND ASSOCIATES, INC. DBA VALBRIDGE PROPERTY ADVISORS**

**PREAMBLE**

This agreement ("Amendment No. 1") is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and Hulberg and Associates, Inc. dba Valbridge Property Advisors, a California corporation, (Contractor). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

**RECITALS**

- A. The Parties previously entered into an agreement entitled "Agreement for Services Between the City of Santa Clara, California, and Hulberg and Associates, Inc. dba Valbridge Property Advisors", dated October 5, 2018 (the "Original Agreement"); and
- B. The Parties entered into the Original Agreement for the purpose of having Contractor provide easement and parcel assessment services for City and non-City property within and outside the City limits on an as-needed basis, and the Parties now wish to amend the Original Agreement to increase the maximum compensation by \$200,000.

The Parties agree as follows:

**AGREEMENT TERMS AND CONDITIONS**

**1. AMENDMENT TERMS AND CONDITIONS**

That paragraph 6 of the Original Agreement, entitled "Compensation and Payment" is hereby amended by deleting the existing paragraph 6 in its entirety and replacing it with the following:

In consideration for Contractor's complete performance of Services, City shall pay Contractor for all materials provided and Services rendered by Contractor in accordance with Exhibit B, entitled "SCHEDULE OF FEES." The maximum compensation of this Agreement is three hundred thousand dollars (\$300,000.00), subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials and equipment required to perform the Services. All work performed or materials provided in excess of the maximum compensation shall be at Contractor's expense. Contractor shall

not be entitled to any payment above the maximum compensation under any circumstances.

## 2. TERMS

All other terms of the Original Agreement which are not in conflict with the provisions of this Amendment No. 1 shall remain unchanged in full force and effect. In case of a conflict in the terms of the Original Agreement and this Amendment No. 1, the provisions of this Amendment No. 1 shall control.

## 3. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 1 as evidenced by the following signatures of their duly authorized representatives.

**CITY OF SANTA CLARA, CALIFORNIA**  
a chartered California municipal corporation

Approved as to Form:

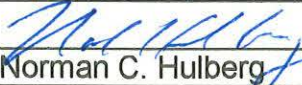
Dated: 2-5-2020

  
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BRIAN DOYLE  
City Attorney

  
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DEANNA J. SANTANA  
City Manager  
1500 Warburton Avenue  
Santa Clara, CA 95050  
Telephone: (408) 615-2210  
Fax: (408) 241-6771

"CITY"

**HULBERG AND ASSOCIATES, INC. DBA VALBRIDGE PROPERTY ADVISORS**  
a California corporation

Dated: 11-7-19  
By (Signature):   
Name: Norman C. Hulberg  
Title: Senior Managing Director  
Principal Place of Business Address: 55 South Market Street, Suite 1210  
San Jose, CA 95113  
Email Address: nhulberg@valbridge.com  
Telephone: (408) 279-1520 ext. 7142  
Fax: (408) 279-3428

"CONTRACTOR"