



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: A 24-517

December 03, 2024

Introduced: 10/25/2024

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Approve Amendment No. 3 to Professional Services Agreement A-16117 with Ascent Environmental, Inc., to continue to provide services related to the Vacation Rental Ordinances Project. Amendment No. 3 increases the Agreement amount of \$500,715 by \$20,000 for a new Agreement amount of \$520,715; expands the scope of services with a new Task 12, Additional/On-Call Services; moves remaining Contingency funds in the amount of \$14,086 to the new Task 12; updates hourly rates, and extends the term one (1) year to December 31, 2025;
- b. Authorize the Contracts/Purchasing Officer or their designee to execute Amendment No. 3 to Professional Services Agreement A-16117 and execute future amendments to the Agreement that do not significantly alter the scope of work or increase the approved Agreement amount by more than ten percent (10% or \$52,072), subject to review by County Counsel and the Auditor-Controller as to form and fiscal provisions, respectively.

It is recommended that the Board of Supervisors:

- a. Approve Amendment No. 3 to Professional Services Agreement A-16117 with Ascent Environmental, Inc., to continue to provide services related to the Vacation Rental Ordinances Project. Amendment No. 3 increases the Agreement amount of \$500,715 by \$20,000 for a new Agreement amount of \$520,715; expands the scope of services with a new Task 12, Additional/On-Call Services; moves remaining Contingency funds in the amount of \$14,086 to the new Task 12; updates hourly rates, and extends the term one (1) year to December 31, 2025;
- b. Authorize the Contracts/Purchasing Officer or their designee to execute Amendment No. 3 to Professional Services Agreement A-16117 and execute future amendments to the Agreement that do not significantly alter the scope of work or increase the approved Agreement amount by more than ten percent (10% or \$52,072), subject to review by County Counsel and the Auditor-Controller as to form and fiscal provisions, respectively.

SUMMARY/DISCUSSION:

On December 14, 2022, the Housing and Community Development Department (HCD) entered into Professional Services Agreement (Agreement) A-16117 with Ascent to prepare an Environmental Impact Report related to the Draft Vacation Rental Ordinances Project.

On July 19, 2023, the Agreement was amended to include analysis of social and economic impacts in the EIR, consider additional alternatives to the project, and expand the scope of project management associated with the added tasks. Amendment No. 1 also increased the Agreement amount of \$398,650 by \$62,200 for a new not to exceed amount of \$460,850 and extended the term one (1) year to June 30, 2024.

The Agreement was again amended on August 24, 2023, to expand the scope of services, increase the Agreement amount of \$460,850 by \$39,865 for a new not to exceed amount of \$500,715, and extend the term of the Agreement by six (6) months to December 31, 2024.

The Final EIR for the Vacation Rental Ordinances was certified by the Board of Supervisors on August 27, 2024, which included amendments to Titles 7, 20, and 21 of the Monterey County Code (MCC).

The Board of Supervisors, on September 10, 2024, adopted an ordinance amending Section 7.02.060 and added a new Chapter 7.120 to the MCC to require a business license and a vacation rental operation license for any short-term vacation rental operation in the unincorporated areas of Monterey County.

The need to expand the scope of services with the addition of Task 12, Additional/On-Call Services, has been identified. Task 12 will allow Ascent Environmental to aid with requests for information, further research as directed, assist the County with revisions to the adopted Vacation Rental Ordinances if necessary, and/or other services as needed.

There is \$14,085.50 remaining for the Contingency task that staff is requesting be moved to Task 12, Additional/On-Call Services. That, coupled with the addition of the \$20,000, funds Task 12 with \$34,085.50, bringing the Agreement amount to \$520,715.

OTHER AGENCY INVOLVEMENT:

The Offices of the County Counsel and Auditor-Controller have reviewed the Agreement as to form and legality, and fiscal provisions, respectively.

FINANCING:

Staff time to develop the draft ordinances is included in the Fiscal Year 2024-25 Adopted Budget for HCD, Appropriation Unit HCD002, Unit 8543. A third party (Ascent) prepared the EIR. The total contract amount to prepare the EIR was \$500,715. There may be additional third-party contractor costs for work on revisions to the adopted Vacation Rental Ordinances and assistance with requests for information, which could be up to \$20,000. HCD will utilize available appropriations in the Adopted Budget, Appropriation Unit HCD002, Unit 8543.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This project supports the Board of Supervisors' Strategic Initiatives for Economic Development and Administration by establishing regulations to provide a clear permit process and rules for operation to allow transient rental of residential properties in a manner that avoids or mitigates impacts to Monterey County neighborhoods and businesses.

- X Economic Development
- X Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Kathy Nielsen, Management Analyst II, 755-4832

Reviewed by: Lori Woodle, Finance Manager I, 759-6682

Reviewed by: Melanie Beretti, Chief of Planning, 755-5285

Approved by: Craig W. Spencer, HCD Director

Attachments:

Board Report

Attachment A - Draft Amendment No. 3

Attachment B - Amendment No. 2

Attachment C - Amendment No. 1

Attachment D - PSA A-16117