

**TO: James L. App, City Manager**  
**FROM: Doug Monn, Public Works Director**  
**SUBJECT: Extension of contract with 2 Point Media**  
**DATE: October 21, 2008**

---

**NEEDS:** For the City Council to consider amending its contract with 2 Point Media to continue providing information services through completion of the water rate and capacity charge studies.

**FACTS:**

1. Since January of this year, efforts have been underway to determine the water system revenue and rate alternatives to meet user and development community needs.
2. The facts concerning water supply, quality, options and costs are complicated, thus not readily communicated to the community via isolated or infrequent communiqués.
3. On May 6, 2008, City Council entered into an agreement with 2 Point Media to provide information services associated with the adoption of water user rates.
4. The funding allocated with the May 6<sup>th</sup> contract award was exhausted effective October 8, 2008.
5. Council will be asked to accept a pay-as-you-go rate schedule and authorize staff to initiate the Proposition 218 process on October 21.
6. It is likely there will be continuing questions from the public as the City completes the 218 process that would justify extension of the contract with 2 Point Media.
7. Because it is not possible to determine the length of time associated with the ultimate adoption of the user fee or the hours required addressing the various issues that may be raised, it is suggested that the contract be amended to reflect a time and materials rate.

**ANALYSIS &  
CONCLUSION:**

Since January of this year, efforts have been underway to determine the water system revenue needs and rate alternatives to secure Nacimiento Water and meet the capital needs of the City of Paso Robles. Since the initial authorization to retain 2 Point Media, three rate schedules were presented to City Council. Those presentations were conducted July 1, August 19<sup>th</sup> and September 2<sup>nd</sup> 2008. The effort has translated into additional services beyond that envisioned at the time of the May 6, 2008 authorization. Furthermore, it is not possible to estimate the number of additional hours that may be required to address issues that may be raised prior to final adoption of user fees. As a result it is recommended that 2 Point Media be allowed continue on a time and material basis. Hourly rate for 2 Point Media is \$125.00 per hour.

**POLICY**

**REFERENCE:** Economic Strategy; Integrated Water Resource Plan; Nacimiento Water Project Entitlement Contract.

**FISCAL IMPACT:** On May 6, 2008, City Council authorized a fee for 2 Point Media of \$57,400. That contract amount was exhausted effective October 6th. Future hours necessary to complete the process would be invoiced on a time and material basis with staff providing a summary of costs to Council after adoption of the respective fees. The cost for this undertaking would be paid from the Water Enterprise Fund.

- OPTIONS:**
- a. Adopt Resolution No. 08-xx to extend the services provided by 2 Point Media associated with the water user rate studies and authorize the City Manager to amend the existing contractual arrangements to complete the process on a time and materials basis.
  - b. Amend, modify, or reject the above option.

Attachments (1)  
1) Resolution

RESOLUTION NO. 08-XX  
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES  
MODIFYING AN EXISTING CONTRACT WITH 2 POINT MEDIA

---

WHEREAS, improvements to the City water system are needed, primarily to supplement the limited ground water supply, and also to provide adequate distribution, staffing, and water storage capacity; and

WHEREAS, on January 15, 2008, Council directed that studies of water rates and water connection fees (water capacity charges) be prepared in light of both the Nacimiento project and other planned water system improvements; and

WHEREAS, the City retained the firm of 2 Point Media to create and maintain a public information campaign to ensure the citizens of Paso Robles had access to the most up to date and accurate information associated with the user fee; and

WHEREAS, the allocation to maintain that effort has been exhausted while the user rate adoption process continues; and

WHEREAS, the City wishes to ensure the ability of the public to access up to date and accurate information in regards to the user fee and adoption process, and;

WHEREAS, it is impractical to project the time required to meet and confer with the various stake holders to complete the process.

THEREFORE BE IT HEREBY RESOLVED by the City Council of the City of El Paso de Robles to approve the extension of a contract with 2 Point Media for the purpose of providing accurate and up to date information on the water rate user fee and authorizes the City Manager to amend existing contractual arrangements with 2 Point Media to complete the process on a time and material basis.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 21st day of October 2008 by the following votes:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

---

Frank R. Mecham, Mayor

ATTEST:

---

Deborah D. Robinson, Deputy City Clerk