



CITY OF  
**PALO  
ALTO**

**CITY OF PALO ALTO  
CITY COUNCIL  
Special Meeting  
Monday, October 07, 2024  
Council Chambers & Hybrid  
5:30 PM**

<b>Agenda Item</b>
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12. Approval of Contract Amendment Number 1 to Contract Number S24191026 with the Palo Alto Chamber of Commerce to Increase the not-to-exceed Amount by \$40,000 to Provide Support for the 3rdThursday California Avenue Events (to a new total NTE of \$95,000); CEQA status - Not a Project



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**PALO  
ALTO**

## City Council Staff Report

**From: City Manager**

**Report Type: CONSENT CALENDAR**

**Lead Department: City Manager**

**Meeting Date: October 7, 2024**

Report #:2408-3335

### **TITLE**

Approval of Contract Amendment Number 1 to Contract Number S24191026 with the Palo Alto Chamber of Commerce to Increase the not-to-exceed Amount by \$40,000 to Provide Support for the 3rdThursday California Avenue Events (to a new total NTE of \$95,000); CEQA status - Not a Project

### **RECOMMENDATION**

Staff recommends that Council approve and authorize the City Manager or their designee to execute Amendment No. 1 to Contract No. S24191026 with Palo Alto Chamber of Commerce (Attachment A) to further support the 3rdThursday California Avenue. This amendment results in a revised total contract not-to-exceed amount of \$95,000.

### **BACKGROUND**

The Palo Alto Chamber of Commerce is an independent, nonprofit membership association dedicated to enhancing the economic and civic vitality of Palo Alto and Silicon Valley. Established in 1910, the Chamber has served as a central hub for local business professionals to connect and engage with the broader community. It collaborates with a diverse membership that includes small businesses, retailers, hotels, restaurants, non-profit organizations, educational and health institutions, major corporations, and various other entities. The Chamber represents and advocates for the interests of over 75,000 local employees and professionals. It has supported well-known events within the city's business districts, such as the Palo Alto Festival of the Arts and 3rdThursday California Ave.

The City of Palo partners with the Palo Alto Chamber of Commerce to provide marketing, promotions, and consensus-building efforts to attract, retain, and support existing and potential Palo Alto Businesses. Additionally, the Palo Alto Chamber of Commerce serves as the fiscal agent for the 3rdThursday musical festival on California Avenue. The Chamber of Commerce has affirmed its interest in collaborative efforts to support economic recovery and vitality and willingness to serve as a consultant for such efforts.

## **ANALYSIS**

Economic Development and Transition is one of the City Council's four priorities for 2024. The Palo Alto Chamber of Commerce plays a crucial role in these efforts. In Fiscal Year 2024, contract S24191026 was established based on the City Council direction to allocate \$50,000 to the Chamber to support local commerce initiatives as part of the FY 2024 Adopted Operating Budget. Following the mayor's announcement at the May 13th City Council meeting<sup>1</sup> to provide an additional \$5,000 from the Council contingency for the 3rdThursday events, and with the Chamber serving as the fiscal agent for these events, this funding was combined with the Chamber's original allocation to streamline administrative processes. The initial contract had a not-to-exceed amount of \$55,000.

During the development and adoption of the Fiscal Year 2025 Operating Budget, the City Council approved \$40,000 for 3rdThursday events as part of Citywide Special Events and Programming funding. As a result, the new not-to-exceed amount for contract S24191026 is recommended to be increased to \$95,000. The funding for 3<sup>rd</sup> Thursdays is only to be used for direct costs not including any salaries. Since the Chamber is unique in its function and role, an exemption to competitive solicitation pursuant to Palo Alto Municipal Code section 2.30.360(d) was approved by the City Manager.

The recommended action of this report is consistent with previous City Council direction but is before City Council for formal approval since it exceeds the City Manager's authority to approve.

This expanded partnership was awarded to 3<sup>rd</sup> Thursday during the Fiscal Year 2025 budget process as one-time funding. For Fiscal Year 2026 and ongoing, staff will establish a process to determine how to disburse the funds for Special Events and Programming among various nonprofit partners.

## **FISCAL/RESOURCE IMPACT**

Funding for this contract is available in the Fiscal Year 2025 Adopted Operating Budget approved by City Council on June 17, 2024. The City Council appropriated \$246,000 in Fiscal Year 2025 for Citywide Special Events and Programming.

In FY 2025 Council determined the \$246,000 in funds would be disbursed as follows:

- \$150,000 for Magical Bridge
- \$45,000 for United Nations Association Film Festival

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<sup>1</sup> The Summary Minutes from the May 13, 2024 City Council meeting are available here: <https://cityofpaloalto.primegov.com/Public/CompiledDocument?meetingTemplateId=14266&compileOutputType=1>

- \$40,000 for 3rd Thursdays (via the Palo Alto Chamber of Commerce)
- \$11,000 for Environmental Volunteers

For FY 2026 and ongoing, \$235,000 is appropriated for Citywide Special Events and Programming and a process will be established by staff over the next year to determine how to disburse the funds as part of the annual budget process.

#### **STAKEHOLDER ENGAGEMENT**

The City has coordinated with the Chamber of Commerce regarding this contract amendment.

#### **ENVIRONMENTAL REVIEW**

This is not a "project" under CEQA regulation 15061(b)(3) because it can be seen with certainty that this event will not cause a significant effect on the environment.

#### **ATTACHMENTS**

Attachment A: Amendment No. 1 to contract S24191026 between the City of Palo Alto and Palo Alto Chamber of Commerce.

#### **APPROVED BY:**

Ed Shikada, City Manager

**AMENDMENT NO. 1 TO CONTRACT NO. S24191026  
BETWEEN THE CITY OF PALO ALTO AND  
PALO ALTO CHAMBER OF COMMERCE**

This Amendment No. 1 (this “Amendment”) to Contract No. S24191026 (the “Contract” as defined below) is entered into as of September 9, 2024, by and between the CITY OF PALO ALTO, a California chartered municipal corporation (“CITY”), and PALO ALTO CHAMBER OF COMMERCE, a Nonprofit Organization, located at 355 Alma Street, Palo Alto, CA 94301 (“CONSULTANT”). CITY and CONSULTANT are referred to collectively as the “Parties” in this Amendment.

**RECITALS**

A. The Contract (as defined below) was entered into by and between the Parties hereto for the provision of initiating economic recovery and vitality, as detailed therein.

B. The Parties now wish to amend the Contract in order to increase not to exceed compensation by Forty Thousand Dollars (\$40,000) from Fifty-Five Thousand Dollars (\$55,000) to Ninety-Five Thousand Dollars (\$95,000), as detailed herein.

NOW, THEREFORE, in consideration of the covenants, terms, conditions, and provisions of this Amendment, the Parties agree:

**SECTION 1. Definitions.** The following definitions shall apply to this Amendment:

- a. **Contract.** The term “Contract” shall mean Contract No. S24191026 between CONSULTANT and CITY, dated June 20, 2024.
- b. **Other Terms.** Capitalized terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Contract.

**SECTION 2.** Section 5.1 entitled “COMPENSATION” of the Contract is hereby amended to read as follows:

“5.1 In consideration of the full performance of the Basic Services in Exhibit “A” to this Contract, including any authorized reimbursable expense, CITY will provide grant funding to CONSULTANT not to exceed Fifty-Five Thousand Dollars (\$95,000.00) subject to Section 17.12 of this Contract.”

**SECTION 3.** The following exhibit(s) to the Contract is/are hereby amended or added, as indicated below, to read as set forth in the attachment(s) to this Amendment, which is/are hereby incorporated in full into this Amendment and into the Contract by this reference:

- a. Exhibit "A" entitled "SCOPE OF SERVICES", AMENDED, REPLACES PREVIOUS.

**SECTION 4. Legal Effect.** Except as modified by this Amendment, all other provisions of the Contract, including any exhibits thereto, shall remain in full force and effect.

**SECTION 5. Incorporation of Recitals.** The recitals set forth above are terms of this Amendment and are fully incorporated herein by this reference.

**SIGNATURES OF THE PARTIES**

IN WITNESS WHEREOF, the Parties have by their duly authorized representatives executed this Amendment effective as of the date first above written.

**CITY OF PALO ALTO**

**PALO ALTO CHAMBER OF COMMERCE**

City Manager

**Officer 1**

By:

DocuSigned by:  
*Charlie Weidanz*  
DB9068F26648460...

APPROVED AS TO FORM:

Name: Charlie Weidanz

City Attorney or designee

Title: CEO

**Attachments:**

Exhibit "A" entitled "SCOPE OF SERVICES", AMENDED, REPLACES PREVIOUS.

**EXHIBIT A**  
**SCOPE OF SERVICES, AMENDMENT NO. 1**  
**(AMENDED, REPLACES PREVIOUS)**

**BACKGROUND**

Palo Alto City Council directed staff to provide one-time funding to the Palo Alto Chamber of Commerce to provide marketing, promotions, and consensus-building efforts to attract, retain, and support existing and potential Palo Alto Businesses. The Palo Alto Chamber of Commerce affirmed interest in collaborative efforts to support economic recovery and vitality and willingness to serve as a consultant (CONSULTANT) for such efforts.

**SCOPE OF SERVICES**

CONSULTANT shall perform the following scope of services:

**1. ECONOMIC RECOVERY**

The CITY shall provide funds of up to \$50,000.00 to the CONSULTANT in accordance with the terms of this Agreement.

The CONSULTANT shall use contract funds to engage with all businesses throughout Palo Alto for cross-promotional activities and small events.

The CONSULTANT shall provide services with advanced, written authorization from the CITY. The CONSULTANT, at the CITY's project manager's request, shall submit a detailed written proposal including a description of the scope of services using the template in Exhibit A-1 of this Agreement. CONSULTANT shall include in each task order a proposed post-task report that briefly summarizes the task once it is complete and identifies what information will be included in the report, such as lists of businesses involved, number of participants, program goals and effectiveness.

The CONSULTANT shall not bill more than 10% of the total contract award for administrative expenses. Administrative expenses are reasonable and customary expenses incurred to execute and manage contracts, coordinate with vendors, and invoicing.

**2. FISCAL AGENT FOR 3<sup>RD</sup> THURSDAY**

The CITY shall provide funds of up to \$45,000 to the CONSULTANT in accordance with the terms of this Agreement.

The CONSULTANT shall use contract funds to support the activities of 3<sup>rd</sup> Thursday in its role as fiscal agent for 3<sup>rd</sup> Thursday.

The CONSULTANT shall keep these funds separate and distinct from economic recovery funding, which is to be used as described above.

The CONSULTANT shall not bill more than 10% of the total contract award for administrative expenses. Administrative expenses are reasonable and customary expenses incurred to execute and manage contracts, coordinate with vendors, and invoicing.

**Certificate Of Completion**

Envelope Id: 7241D93DE0ED40668A648ACA2803162D	Status: Completed
Subject: Complete with DocuSign: FINAL S24191026 Amendment No. 1.pdf	
Source Envelope:	
Document Pages: 3	Signatures: 1
Certificate Pages: 2	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelope Stamping: Enabled	Alice Harrison
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	250 Hamilton Ave
	Palo Alto , CA 94301
	Alice.Harrison@CityofPaloAlto.org
	IP Address: 98.35.81.247

**Record Tracking**

Status: Original	Holder: Alice Harrison	Location: DocuSign
8/14/2024 4:55:36 PM	Alice.Harrison@CityofPaloAlto.org	
Security Appliance Status: Connected	Pool: StateLocal	
Storage Appliance Status: Connected	Pool: City of Palo Alto	Location: DocuSign

**Signer Events**

Charlie Weidanz  
charlie@paloaltochamber.com  
CEO  
Security Level: Email, Account Authentication (None)

**Signature**

DocuSigned by:  
  
DB9068F26648460...  
Signature Adoption: Pre-selected Style  
Using IP Address: 50.215.11.242

**Timestamp**

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Signed: 8/19/2024 2:25:03 PM

**Electronic Record and Signature Disclosure:**  
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**In Person Signer Events**

**Signature**

**Timestamp**

**Editor Delivery Events**

**Status**

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**Agent Delivery Events**

**Status**

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**Intermediary Delivery Events**

**Status**

**Timestamp**

**Certified Delivery Events**

**Status**

**Timestamp**

**Carbon Copy Events**

**Status**

**Timestamp**

steve guagliardo  
steve.guagliardo@cityofpaloalto.org  
Assistant to the City Manager  
Security Level: Email, Account Authentication (None)

**COPIED**

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**Electronic Record and Signature Disclosure:**  
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Ruth carias  
ruth.carias@cityofpaloalto.org  
Security Level: Email, Account Authentication (None)

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**Witness Events**

**Signature**

**Timestamp**

**Notary Events**

**Signature**

**Timestamp**

<b>Envelope Summary Events</b>	<b>Status</b>	<b>Timestamps</b>
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Certified Delivered	Security Checked	8/19/2024 2:24:39 PM
Signing Complete	Security Checked	8/19/2024 2:25:03 PM
Completed	Security Checked	8/19/2024 2:25:06 PM

<b>Payment Events</b>	<b>Status</b>	<b>Timestamps</b>
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