

## SECOND AMENDMENT TO AGREEMENT

THIS SECOND AMENDMENT TO AGREEMENT (Amendment) made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, 2025, (Effective Date) amends the Agreement entered into between the City of Fresno, a California municipal corporation (City), and Pavletic Consulting LLC, a Texas Domestic Limited Liability Company, (Consultant).

### RECITALS

WHEREAS, the City and Consultant, previously Municipal Financial Services, entered into an agreement on February 1, 2022, (Agreement) to provide consulting services for professional utility rate plan consulting services for Five-Year Rate Plan – Water and Wastewater (Project); and

WHEREAS, the City and Consultant entered into the First Amendment to Agreement on December 16, 2024, to extend the term of the Agreement to June 30, 2025, to allow the Consultant to complete the scope of work; and

WHEREAS, the City and Consultant desire to extend the term of the Agreement to June 30, 2026, and to increase the compensation by \$75,000 to complete the scope of work, for a total contract amount of \$219,000; and

WHEREAS, since execution of the Agreement, Consultant has changed its business organization. Consultant previously operated as Municipal Financial Services, a sole proprietorship but has since formed Pavletic Consulting LLC, a Texas Domestic Limited Liability Company; and

WHEREAS, with entry into this Agreement, the Consultant agrees it has no claim, demand, or dispute against the City.

### AGREEMENT

NOW, THEREFORE, the parties agree that the aforesaid Agreement be amended as follows:

1. The recitals to this Amendment are incorporated and made a part of the Agreement.

2. Section 2 of the Agreement is amended to read as follows:

“Term of Agreement and Time for Performance. This Agreement shall be effective from the date first set forth above (Effective Date) and shall continue in full force and effect through June 30, 2027, subject to any earlier termination in accordance with this Agreement. The services of the Consultant as described in **Exhibit A** are to commence upon the Effective Date and shall be completed in a sequence assuring expeditious completion, but in any event, all such services shall be completed prior to expiration of this Agreement.”

3. Section 3(a) of the Agreement is amended in its entirety to read as follows:  
“(a) The Consultant’s compensation for satisfactory performance of all services required or rendered pursuant to this Agreement shall be a total fee not exceed Two Hundred Thousand Three Hundred Twenty dollars (\$219,000), paid on the basis of the rates set forth in the schedule of fees and expenses contained in **Exhibit A** and **Exhibit A1**.”
4. Except as otherwise provided herein, the Agreement entered into by the City and the Consultant on February 1, 2022, remains in full force and effect.

[Signatures follow on the next page.]

IN WITNESS WHEREOF, the parties have executed this Amendment at Fresno, California, the day and year first above written.

CITY OF FRESNO,  
a California municipal corporation

PAVLETIC CONSULTING, LLC, a Texas  
Domestic Limited Liability Company

By: \_\_\_\_\_  
Brock D. Buche, PE, PLS  
Director of Public Utilities

Signed by:  
*Thomas Pavletic* 4/17/2025  
By: \_\_\_\_\_  
DB2D100005B04F9...  
Name: Thomas Pavletic

APPROVED AS TO FORM:  
ANDREW JANZ  
City Attorney

Title: Owner  
(If corporation or LLC., Board Chair,  
Pres. or Vice Pres.)

Signed by:  
*Angela M. Karst for* 4/17/2025  
By: \_\_\_\_\_  
0A8F98F380DD447...  
Jennifer M. Quintanilla Date  
Senior Deputy City Attorney

By: \_\_\_\_\_  
Name: \_\_\_\_\_

ATTEST:  
TODD STERMER, MMC  
CITY Clerk

Title: \_\_\_\_\_  
(If corporation or LLC., CFO,  
Treasurer, Secretary or Assistant  
Secretary)

By: \_\_\_\_\_  
Deputy Date

Addresses:  
CITY:  
City of Fresno  
Attention: Paul Amico  
Assistant Director of Public Utilities  
1626 E Street  
Fresno, CA 93706  
Phone: (559) 621-8612  
E-mail: paul.amico@fresno.gov

CONSULTANT:  
Pavletic Consulting LLC  
Attention: Tom Pavletic,  
Owner  
2014 Mann Parkway  
Celina, TX 75009  
Phone: (510) 439-6264  
E-mail: pavletic262@outlook.com

Attachments:  
Exhibit A-1

Pavletic Consulting LLC

2014 MANN PKWY • CELINA, TX 75009 • 510 439 6264

March 27, 2025

Mr. Brock Buche  
Director of Public Utilities  
City of Fresno  
2600 Fresno Street  
Fresno, CA 93721

Subject: Request for Additional Time and Compensation for Performing Consulting Services for the Water and Wastewater Five-Year Rate Plans

Dear Mr. Buche:

At the City’s request, Pavletic Consulting LLC is submitting an updated scope and budget for completing Water and Wastewater Five-Year Rate Plans as described in the February 1, 2022, Agreement for performing consulting services for the Water and Wastewater Five-Year Rate Plans, previously amended by the First Amendment to Agreement dated December 16, 2024.

The purpose of the second amendment is to add time and compensation for additional work requested by the City to perform consulting services for the Water and Wastewater Five-Year Rate Plans for an additional 24 months. The First Amendment to Agreement extended the time for performance from December 31, 2024, to June 30, 2025. The City and Pavletic Consulting LLC agree that services requested by the City may be extended to June 30, 2027.

Compensation for additional work required by the City to perform consulting services is estimated as shown in the tables below. The water component totals \$32,960.00. The wastewater component totals \$42,040.00.

Water Tasks									
Budget	1	2	3	4	5	6	Total		
Original	56.00	78.00	124.00	96.00	82.00	39.00	475.00		
Added	0.00	8.00	56.00	66.00	30.00	46.00	206.00		
Adjusted	56.00	86.00	180.00	162.00	112.00	85.00	681.00		
Wastewater Tasks									
Budget	1	2	3	4	5	6	Total		
Original	36.00	72.00	116.00	80.00	82.00	39.00	425.00		
Added	0.00	20.00	75.75	91.00	30.00	46.00	262.75		
Adjusted	36.00	92.00	191.75	171.00	112.00	85.00	687.75		
<u>Legend</u>									
Task 1—Evaluate Cost Allocation Methods and Rate Structures				Task 4—Allocate Costs and Develop Rate Alternatives					
Task 2—Develop Customer Use Characteristics				Task 5—Prepare Preliminary, Draft and Final Reports					
Task 3—Develop Financial Plan and Revenue Requirements				Task 6—Prepare Presentations and Attend Meetings					
Budget	Water			Wastewater			Total		
	Hours	Hourly Rate	Budget	Hours	Hourly Rate	Budget	Hours	Hourly Rate	Budget
Original	475.00	\$160.00	\$76,000.00	425.00	\$160.00	\$68,000.00	900.00	\$160.00	\$144,000.00
Added	206.00	\$160.00	\$32,960.00	262.75	\$160.00	\$42,040.00	468.75	\$160.00	\$75,000.00
Adjusted	681.00	\$160.00	\$108,960.00	687.75	\$160.00	\$110,040.00	1,368.75	\$160.00	\$219,000.00

If you have any questions, please call me at (510) 439-6264 (cell phone).

Very truly yours,



Tommy Pavletic  
Pavletic Consulting LLC, Owner