

Meeting Date: 1/27/2015

Report Type: Review

Report ID: 2015-00074

City Council Report

915 I Street, 1st Floor

www.CityofSacramento.org

Title: (Agreement/Contract for Review and Information) Supplemental Agreement for On-Call Plan Review, Field Inspection, and/or Permit Processing Services

Location: Citywide

Recommendation: Review a report 1) authorizing the City Manager to adjust the total expenditure amount for on-call building, plan check, and inspection services for a total combined amount of \$5 million over the five-year contract term for all five contracts; 2) authorizing the City Manager or his designee to execute supplemental agreements no. 1 to City agreement no. 2014-0699 with 4Leaf, Inc., to City agreement no. 2014-0700 with Bureau Veritas North America, Inc., to City agreement no. 2014-0701 with Interwest Consulting Group, Inc., to City agreement no. 2014-0702 with West Coast Code Consultants, Inc., and to City agreement no. 2014-0705 with TRB and Associates, Inc. each supplemental agreement in an amount not-to-exceed \$800,000 bringing each agreement's total not-to-exceed amount to \$1 million and each supplemental agreement extending the contract term from one year to five years; 3) determining that total expenditures for all five contractors shall not exceed one million dollars in any given fiscal year; and 4) continue to February 10, 2015 for approval.

Contact: Jennifer Chikasawa, Administrative Analyst, (916) 808-5851; Winfred DeLeon, P.E., Supervising Engineer, (916) 808-5475, Community Development Department

Presenter: None

Department: Community Development Dept

Division: Building Plan Check

Dept ID: 21001212

Attachments:

1-Description/Analysis

2-Background

3-Resolution

4-Supplemental Agreement (4 Leaf, Inc.)

5-Supplemental Agreement (Bureau Veritas North America, Inc.)

6-Supplemental Agreement (Bureau Veritas North America, Inc.)

7-Supplemental Agreement (TRB & Associates, Inc.)

8-Supplemental Agreement (West Coast Code Consultants)

City Attorney Review

Approved as to Form

Paul Gale

1/21/2015 12:29:32 PM

Approvals/Acknowledgements

Department Director or Designee: David Kwong - 1/15/2015 9:11:30 AM

Description/Analysis:

Issue: The approval of supplemental agreements for each contract for on-call plan review, field inspection and permit processing services will provide flexibility to respond to peak workloads and an anticipated increase in development activity.

In July 2014, five contracts were awarded to five consulting firms for on-call plan review, field inspection, and permit processing services in the amount of \$200,000 per year, per contractor for a total service term of five years per contractor, as a result of RFP P14211211009.

It is recommended to amend each of the five consultant contracts so that each contract changes to five years with an amount not-to-exceed \$1 million. This modification for a combined total not-to-exceed amount will provide the City the additional flexibility to use each consultant based on their expertise and availability.

Policy Considerations: This request to adopt the attached resolution and approve the motion is in compliance with California Government Code 65943 which specifies 30 days maximum time for complete plan submittal verification; and California Health and Safety Code 19837, which specifies 50 days maximum for cycle one response for structural building safety plan review; and 60 days maximum for re-submittals of plan review.

Environmental Considerations: This project is exempt from California Environmental Quality Act (CEQA) because the contract approval is a continuing administrative activity for the City. (CEQA Guidelines §15378(b)(2)).

Rationale for Recommendation: Additional plan review and inspection consultant services are needed to augment staffing levels for anticipated upcoming projects. By utilizing consultant services we will be able to respond to peaks in activity, as needed.

Financial Considerations: One time funding for the additional contract amounts of will be supported by fees collected from development projects, the Development Services Fund (Fund 2016), or from the Community Development operating budget. There will be no additional impact to the City's General Fund.

The total contract amount for each consultant may be funded at any time, within the five year term, provided that there are sufficient budgetary resources available in each fiscal year. Based on resolution 2014-0256, the Community Development Department may adjust revenues and expenditures for the Building Plan Check Division (21001212) to actual revenue received in an amount up to

\$741,000. If the revenues are able to be fully adjusted, this would provide a not-to-exceed expenditure authority of \$1 million in FY2014/15 for consultants. Should additional authority be required and the additional revenue is available, staff would return to Council to adjust budgets as needed.

Local Business Enterprise (LBE): Due to a small number of local consultants who can provide the needed services, staff requested a LBE Participation Waiver to ensure competitive bidding in the best interests of the City. The Economic Development Department approved a waiver of the LBE participation requirement for the RFP. Of the selected consultants, 4Leaf, Inc. and Bureau Veritas North America, Inc. both met the LBE qualifications.

Background

On July 29, 2014, the City Council authorized the city manager to enter into separate professional service agreements for on-call plan review, filed inspection and permit processing services with 4Leaf, Inc. (City Agreement No. 2014-0699), Bureau Veritas North America, Inc. (City Agreement No. 2014-0700), Interwest Consulting Group, Inc. (City Agreement No. 2014-0701), West Coast Code Consultants, Inc. (City Agreement No. 2014-0702), and TRB and Associates, Inc. (City Agreement No. 2014-0705) each for a one-year term with a not to exceed amount of \$200,000 with four one-year options with annual not to exceed amounts of \$200,000 with a potential total contract amount for each contract of \$1,000,000 with a total potential amount of \$5,000,0000 for all contracts for the potential five-year period.

The Community Development Department has reevaluated the workload and determined that there is a need to amend each agreement so that the Community Development Department has more flexibility to utilize each consultant beyond the \$200,000 annual limit. Limiting expenditures to an annual amount of \$200,000 for each contractor leaves the department with the possibility of depleting funds for certain contractors and losing the ability to utilize contractors for certain specialties, in particular, structural and life safety.

At the time the City Council awarded the contracts, the Community Development Department intended to use internal resources for the Entertainment Sports Complex (ESC) project and outsource day to day operational duties to the contractors. After subsequent evaluation of day to day operational workload and the ESC project workload, the Community Development Department has determined that consultants will also need to absorb some of the work related to the ESC.

RESOLUTION NO. 2015-

Adopted by the Sacramento City Council

January 27, 2014

ADJUSTING THE COMMUNITY DEVELOPMENT DEPARTMENT BUILDING PLAN CHECK DIVISION EXPENDITURE AND REVENUE BUDGETS BASED ON ACTUAL BUILDING PERMIT REVENUES RECEIVED AND APPROVING FIVE SUPPLEMENTAL AGREEMENTS FOR FIVE CITY AGREEMENTS FOR ON-CALL BUILDING, PLAN CHECK AND INSPECTION SERVICES

BACKGROUND:

1. In July 2014, the City Council awarded five separate contracts to five consulting firms for on-call plan review, field inspection, and permit processing services in the amount of \$200,000, with four one-year renewal options for a total not-to-exceed amount of \$1,000,000 for each contract.
2. The Community Development Department has reevaluated the workload and determined that there is a need to amend each agreement so that the Community Development Department has more flexibility to utilize each consultant beyond the \$200,000 annual limit.
3. CDD funding for these contracts is primarily based on actual building permit revenues received.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Manager is authorized to adjust the total expenditure amount for five on-call building plan check and inspections services to a total combined expenditure amount of \$5 million over the five-year contract term.
- Section 2. The City Manager or his designee is authorized to execute supplemental agreement no. 1 to City agreement no. 2014-0699 with 4Leaf, Inc., supplemental agreement no. 1 to City agreement no. 2014-0700 with Bureau Veritas North America, Inc., supplemental agreement no. 1 to City agreement no. 2014-0701 with Interwest Consulting Group, Inc., supplemental agreement no. 1 to City agreement no. 2014-0702 with West Coast Code Consultants, Inc., and supplemental agreement no. 1 to City agreement no. 2014-0705 with TRB and Associates, Inc. each in an amount not-to-exceed \$800,000 bringing each agreement's total not-to-

exceed amount to \$1 million and extend the contract terms from one year to five years.

Section 3. Total expenditures for all five contractors shall not exceed \$1 million in any given fiscal year.

SUPPLEMENTAL AGREEMENT

Project Title and Job Number:

Date: 01/05/2015

Purchase Order #:

Supplemental Agreement No.: 1

The City of Sacramento ("City") and 4 Leaf, Inc. ("Contractor"), as parties to that certain Professional Services Agreement designated as Agreement Number 2014-0699, including any and all prior supplemental agreements modifying the agreement (the agreement and supplemental agreements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. Exhibit A, paragraph 5 of the Agreement is amended as follows:

The time of performance is five years.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is increased by \$800,000 and the Agreement's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$200,000</u>
Net change by previous supplemental agreements:	<u>\$0</u>
Not-to-exceed amount prior to this supplemental agreement:	<u>\$200,000</u>
Increase/Decrease by this supplemental agreement:	<u>\$800,000</u>
New not-to exceed amount including all supplemental agreements:	<u>\$1,000,000</u>

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor. This Agreement is on-call and Contractor may not be called by the City to perform any services described in this contract and therefore no compensation would be paid to the Contractor for the length of the contract. Notwithstanding the not to exceed amount, the total combined amount paid to Contractor under City Agreement 2014-0699 shall not exceed \$1,000,000.
4. Contractor warrants and represents that the person or persons executing this supplemental agreement on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental agreement and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this supplemental agreement.

Approval Recommended By:

Approved As To Form By:

Project Manager

City Attorney

Approved By:

Contractor

Attested To By:

Approved By:

City of Sacramento

City Clerk

SUPPLEMENTAL AGREEMENT

Project Title and Job Number:

Date: 01/05/2015

Purchase Order #:

Supplemental Agreement No.: 1

The City of Sacramento ("City") and **Bureau Veritas North America, Inc.** ("Contractor"), as parties to that certain Professional Services Agreement designated as Agreement Number **2014-0700**, including any and all prior supplemental agreements modifying the agreement (the agreement and supplemental agreements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. Exhibit A, paragraph 5 of the Agreement is amended as follows:

The time of performance is five years.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is increased by \$800,000 and the Agreement's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$200,000</u>
Net change by previous supplemental agreements:	<u>\$0</u>
Not-to-exceed amount prior to this supplemental agreement:	<u>\$200,000</u>
Increase/Decrease by this supplemental agreement:	<u>\$800,000</u>
New not-to exceed amount including all supplemental agreements:	<u>\$1,000,000</u>

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor. This Agreement is on-call and Contractor may not be called by the City to perform any services described in this contract and therefore no compensation would be paid to the Contractor for the length of the contract. Notwithstanding the not to exceed amount, the total combined amount paid to Contractor under City Agreement 2014-0700 shall not exceed \$1,000,000.
4. Contractor warrants and represents that the person or persons executing this supplemental agreement on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental agreement and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this supplemental agreement.

Approval Recommended By:

Approved As To Form By:

Project Manager

City Attorney

Approved By:

Contractor

Attested To By:

Approved By:

City of Sacramento

City Clerk

Project Title and Job Number:

Date: 01/05/2015

Purchase Order #:

Supplemental Agreement No.: 1

The City of Sacramento ("City") and Interwest Consulting Group ("Contractor"), as parties to that certain Professional Services Agreement designated as Agreement Number 2014-0701, including any and all prior supplemental agreements modifying the agreement (the agreement and supplemental agreements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

- 1. Exhibit A, paragraph 5 of the Agreement is amended as follows:

The time of performance is five years.

- 2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is increased by \$800,000 and the Agreement's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$200,000</u>
Net change by previous supplemental agreements:	<u>\$0</u>
Not-to-exceed amount prior to this supplemental agreement:	<u>\$200,000</u>
Increase/Decrease by this supplemental agreement:	<u>\$800,000</u>
New not-to exceed amount including all supplemental agreements:	<u>\$1,000,000</u>

- 3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor. This Agreement is on-call and Contractor may not be called by the City to perform any services described in this contract and therefore no compensation would be paid to the Contractor for the length of the contract. Notwithstanding the not to exceed amount, the total combined amount paid to Contractor under City Agreement 2014-0701 shall not exceed \$1,000,000.
- 4. Contractor warrants and represents that the person or persons executing this supplemental agreement on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental agreement and bind Contractor to the terms hereof.
- 5. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this supplemental agreement.

Approval Recommended By:

Approved As To Form By:

Project Manager

City Attorney

Approved By:

Contractor

Attested To By:

Approved By:

City of Sacramento

City Clerk

SUPPLEMENTAL AGREEMENT

Project Title and Job Number:

Date: 01/05/2015

Purchase Order #:

Supplemental Agreement No.: 1

The City of Sacramento ("City") and **TRB & Associates, Inc.** ("Contractor"), as parties to that certain Professional Services Agreement designated as Agreement Number **2014-0705**, including any and all prior supplemental agreements modifying the agreement (the agreement and supplemental agreements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. Exhibit A, paragraph 5 of the Agreement is amended as follows:

The time of performance is five years.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is increased by \$800,000 and the Agreement's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$200,000</u>
Net change by previous supplemental agreements:	<u>\$0</u>
Not-to-exceed amount prior to this supplemental agreement:	<u>\$200,000</u>
Increase/Decrease by this supplemental agreement:	<u>\$800,000</u>
New not-to exceed amount including all supplemental agreements:	<u>\$1,000,000</u>

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor. This Agreement is on-call and Contractor may not be called by the City to perform any services described in this contract and therefore no compensation would be paid to the Contractor for the length of the contract. Notwithstanding the not to exceed amount, the total combined amount paid to Contractor under City Agreement 2014-0705 shall not exceed \$1,000,000.
4. Contractor warrants and represents that the person or persons executing this supplemental agreement on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental agreement and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this supplemental agreement.

Approval Recommended By:

Approved As To Form By:

Project Manager

City Attorney

Approved By:

Contractor

Attested To By:

Approved By:

City of Sacramento

City Clerk

SUPPLEMENTAL AGREEMENT

Project Title and Job Number:

Date: 01/05/2015

Purchase Order #:

Supplemental Agreement No.: 1

The City of Sacramento ("City") and West Coast Code Consultants, Inc. ("Contractor"), as parties to that certain Professional Services Agreement designated as Agreement Number 2014-0702, including any and all prior supplemental agreements modifying the agreement (the agreement and supplemental agreements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. Exhibit A, paragraph 5 of the Agreement is amended as follows:

The time of performance is five years.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is increased by \$800,000 and the Agreement's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$200,000</u>
Net change by previous supplemental agreements:	<u>\$0</u>
Not-to-exceed amount prior to this supplemental agreement:	<u>\$200,000</u>
Increase/Decrease by this supplemental agreement:	<u>\$800,000</u>
New not-to exceed amount including all supplemental agreements:	<u>\$1,000,000</u>

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor. This Agreement is on-call and Contractor may not be called by the City to perform any services described in this contract and therefore no compensation would be paid to the Contractor for the length of the contract. Notwithstanding the not to exceed amount, the total combined amount paid to Contractor under City Agreement 2014-0702 shall not exceed \$1,000,000.
4. Contractor warrants and represents that the person or persons executing this supplemental agreement on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental agreement and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this supplemental agreement.

Approval Recommended By:

Approved As To Form By:

Project Manager

City Attorney

Approved By:

Contractor

Attested To By:

Approved By:

City of Sacramento

City Clerk