

City of Sacramento

Legislation Text

File #: 2018-01594, **Version:** 1

Title:

Supplemental Agreements for the On-Call Plan Review, Field Inspection, and/or Permit Processing Services Agreements [Published for 10-Day Review 02/14/2019]

File ID: 2018-01594

Location: Citywide

Recommendation:

Adopt a Resolution: 1) authorizing the City Manager or City Manager's designee to execute five separate first supplemental agreements for agreements 2017-1101 (Shums Coda Associates), 2017-1102 (Bureau Veritas North America, Inc.), 2017-1103 (Interwest Consulting Group, Inc.), 2017-1104 (4Leaf, Inc.) and 2017-1105 (TRB and Associates, Inc.) increasing the not-to-exceed amount for the second year for each professional service agreement from \$1,000,000 to \$2,000,000 and increasing each total contract not-to-exceed amount from \$5,000,000 to \$6,000,000; 2) increasing the Fiscal Year 2018/19 operating revenue and expenditure budgets in the amount of \$1.0 million in the General Fund (Fund 1001) for the Community Development Department to cover potential contract increases authorized by the supplemental agreements; and 3) limiting the total combined expenditures for all five contracts to a not to exceed amount of \$2,000,000 for the second year.

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Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Resolution
- 3-Supplemental Agreements

Description/Analysis

Issue Detail: The Community Development Department (CDD) has five consultants: 4Leaf, Bureau Veritas, Interwest, Shums Coda, and TRB providing on-call plan review, field inspection and/or permit

processing services. Currently, the five consultants are in the second optional year of the contract. CDD is expecting an increase in the volume of development projects in the current Fiscal Year (FY) 2018/19, beyond what was originally anticipated. Pursuant to Council Resolution 2017-0340, the five contractors cannot exceed \$1 million in total expenditures in any given fiscal year.

Staff requests authorization for the five supplemental agreements to increase the not-to-exceed amount for the second contract year from \$1,000,000 to \$2,000,000. Staff also requests additional funding in the amount of \$1.0 million to cover potential contract increases for five supplemental agreements for the Fiscal Year 2018/2019.

Policy Considerations: The recommendations in this report are consistent with Title 3 of the Sacramento City Code.

The Sacramento City Code Section 4.04.020 and Council Rules of Procedure (Chapter 7, Section E.2.d) mandate that unless waived by a 2/3 vote of the City Council, all labor agreements and all agreements greater than \$1,000,000 shall be made available to the public at least ten (10) days prior to council action.

Economic Impacts: Not applicable.

Environmental Considerations: This report concerns administrative activities and government fiscal activities that do not constitute a “project” as defined by the CEQA Guidelines Sections 15378 (b)(2) and 15378(b)(4) and are not subject to the provisions of CEQA (CEQA Guidelines 15060(c)(3)).

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: The increase for the total expenditure for all five contractors will allow the City to provide efficient plan review, field inspection and permit processing services during an anticipated increase in building activity.

Financial Considerations: Staff is recommending an increase in the FY 2018/19 operating revenue and expenditure budgets for an amount of \$1.0 million in the General Fund (Fund 1001) for the Community Development Department to cover increased consultant services for the development plan review, field inspections and/or permit processing services. Operating revenues are anticipated to come in higher than budget; the department recommends making the necessary adjustment to both expenditure and revenues to cover potential contract increase authorized by the five supplemental agreements. There will be sufficient funding with the increase in operating revenues and expenditure budgets.

Local Business Enterprise (LBE): 4Leaf, Inc. and Bureau Veritas North America, Inc. both meet the LBE qualifications.

Background: On August 29, 2017, pursuant to City Council resolution 2017-0340, the City Council authorized the city manager to execute five separate professional service agreements for on-call plan review, field inspection and/or permit processing services with 4Leaf, Inc., Bureau Veritas North America, Inc., Interwest Consulting Group, Inc., Shums Coda Associates, and TRB and Associates, Inc. Each separate contract had an annual not to exceed amount of \$1.0 million with four one-year renewal options for a total not to exceed amount of \$5.0 million for each contract. Resolution 2017-0340 also provided that the total expenditures for all five contractors combined could not exceed \$1.0 million in any given fiscal year.

Because of unprecedented level of development, the Community Development Department anticipates that it will exceed the \$1.0 million combined limitation to be paid to all five contractors for the second fiscal (contract) year. The Community Development Department anticipates it will be required to expend up to an additional \$1.0 million to pay for additional needed services to all five contractors combined through the end of the second fiscal (contract) year.

Previously, on December 12, 2017, through City Council resolution 2017-0470, the City Council increased the Community Development Department revenue and expenditure budget by \$750,000 to cover the cost of the increased consultant services. Resolution 2017-0340 was modified to allow the Community Development Department to pay for the additional required services for the first fiscal (contract) year. Resolution 2018-0246 modified the authorized total expenditures for all five contractors from \$1.0 million to \$1.75 million for the first fiscal (contract) year.