

City of Sacramento

Legislation Text

File #: 2019-01822, **Version:** 1

Title:

Second Supplemental Agreements for On-Call Plan Review, Field Inspection, and/or Permit Processing Services [Published for 10-Day Review 02/27/2020]

File ID: 2019-01822

Location: Citywide

Recommendation:

Adopt a Resolution: 1) authorizing the City Manager or City Manager's Designee to execute Supplemental agreements No. 2 to City contract 2017-1103 with Interwest Consulting Group, Inc. and City contract 2017-1105 with TRB and Associates, increasing the not-to-exceed amount for the third contract year for each contract from \$1.0 million to \$2.0 million and increasing the total contract not-to-exceed amount for each contract from \$6.0 million to \$7.0 million; 2) increasing the Community Development Departments ongoing operating revenue and expenditure budgets in the amount of \$2,000,000 in the General Fund (Fund 1001) to cover potential contract increases authorized by the supplemental agreements; and 3) limiting the total combined expenditures for contracts 2017-1101, 2017-1102, 2017-1103, 2017-1104 and 2017-1105 to a not to exceed amount of \$3.0 million for the third year.

Contact: Susanne Tam, Administrative Analyst, (916) 808-5375; Frances Chong, Program Manager, (916) 808-5010; Anna Tekautz, Supervising Engineer, (916) 808-7877, Community Development Department

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Resolution
- 3-Interwest Supplemental Agreement #2
- 4-TRB+Associates Supplemental Agreement #2

Description/Analysis

Issue Detail: The Community Development Department (CDD) has five consultants, including Interwest and TRB and Associates, to provide on-call plan review, field inspection and/or permit processing services. CDD is expecting a continued increase in the volume of development projects in the current fiscal year. Currently, CDD does not have the staff levels to work on the volume of development projects in the current fiscal year. In addition, staffing is needed to complete upcoming major projects: Railyards Block 48, MLS Soccer Stadium, and Arden Gateway Apartments. Each contract has an annual not-to-exceed amount of \$1.0 million. By council resolution, except where subsequently modified by council resolution, the total amount to be paid for all five contracts combined is limited to \$1.0 million per year.

Because of the increase in volume of development projects, a second supplemental agreement is being requested for Interwest Consulting Group, Inc. and for TRB and Associates. CDD anticipates Interwest and TRB and Associates will exceed the \$1.0 million amount for the third contract year. These second supplemental agreements for Interwest and TRB and Associates will increase the total not-to-exceed amount for each contract from \$6.0 million to \$7.0 million. The total amount combined that may be paid for all five contracts for the third year is increased from \$1.0 million to \$3.0 million. With this total amount combined for all five contracts, staff is requesting an increase in the budget authorization for an additional \$2.0 million for Fiscal Year 2019/20 operating revenue and expenditure budgets in the General Fund (Fund 1001).

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. This item was published for 10-day review on February 27, 2020 as required.

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 the Interwest and TRB and Associates contracts will continue the much needed augmentation of staffing levels for existing and anticipated upcoming projects. Consulting services provide the flexibility to respond to peaks in

activity as needed.

Financial Considerations: Staff is recommending an increase to CDD's FY 2019/20 and future fiscal year operating revenue and expenditure budgets for an amount of \$2 million in the General Fund (Fund 1001). The Community Development Department will use the funds to cover increased consultant services for the development plan review, field inspections and/or permit processing services. If actual revenues do not meet budgeted revenues, CDD will not spend against their budgeted expenditures for the on-call contracts. The Department is projecting sufficient resources to cover the \$2.0 million increase.

Local Business Enterprise (LBE): Not applicable.

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. 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.

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. Subsequently, council 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. Finally, Resolution 2019-0060 authorized the city manager to execute a supplemental agreement with each of the five contractors increasing the not-to-exceed amount for the second contract year from \$1.0 million to \$2.0 million and increasing the total not-to-exceed amount for each agreement from \$5,000,000 to \$6,000,000; increasing the Fiscal Year 2018/19 operating revenue and expenditure budgets by \$1.0 million; and increasing the combined expenditures for all five contracts to \$2.0 million for the second year.