



## Agenda Report

19-336

Agenda Date: 5/7/2019

### REPORT TO COUNCIL

#### **SUBJECT**

Action on Amendments to Various Professional Service Agreements for Building Permit Plan Review and Inspection Professional Services

#### **BACKGROUND**

The Community Development Department utilizes consultant services to supplement the City's ability to perform building permit plan review and inspection services. The City currently has Professional Services Agreements (Agreements) with four firms to provide these services: TRB + Associates, Inc. (TRB), Shums Coda Associates, Inc. (Shums Coda), Plan Review Consultants, Inc. (PRC) and West Coast Code Consultants, Inc. (WC3). While the terms of these Agreements extend until late of 2021, the City has expended most of the capacity provided through these Agreements due to high levels of permit activity and continued demand for services.

The original Agreement with TRB was approved by the City Council in August of 2015 in the amount of \$300,000. Amendments to the Agreement were approved in April of 2016 in the amount of \$600,000 and in September of 2017 for the amount of \$600,000. The amended not-to-exceed contract amount of \$1.5 million has been nearly expended.

The original Agreement with Shums Coda was approved by the City Council in June of 2015 in the amount of \$300,000. Amendments to the Agreement were approved in June of 2016 for the amount of \$300,000, and in September of 2017 for the amount of \$300,000. The amended not-to-exceed contract amount of \$900,000 has been nearly expended.

The original Agreement with PRC was approved by the City Council in July of 2016 in an amount of \$300,000. In August of 2017, Amendment No. 1 was approved for the amount of \$300,000. The amended not-to-exceed contract amount of \$600,000 has been nearly expended.

The original Agreement with WC3 was approved by the City Manager in November 2018 in the amount of \$49,000.

Copies of all original Agreements and Amendments can be viewed on the City's website and are available in the City Clerk's Office for review during normal business hours.

#### **DISCUSSION**

Building permit and construction activity in the City of Santa Clara remains at historically high levels and continues to steadily increase. The corresponding demand for plan review and inspection services continues to be high. While the base construction activity levels have likely increased, they also are subject to both near-term and long-term market fluctuations. Assistance from contractual

service providers is therefore necessary to meet current demand and to provide flexible staffing capacity to respond to changing market conditions.

With the ongoing significant increase in the volume and complexity of permit activity, contractual services will be necessary to supplement regular staff positions to maintain service levels, turnaround times and be responsive to service demands. Utilization of consultant services enables the provision of adequate plan review, permit and inspection services vital to support economic development efforts while promoting quality of life, ensuring safety of buildings and structures to safeguard life, health, property and public welfare.

Therefore, staff is proposing to amend the agreements as follows:

- TRB - Amendment No. 3 to increase the not-to-exceed contract amount of \$1,500,000 by \$350,000 to \$1,850,000 and extend the termination date to October 31, 2021 (Attachment 1).
- Shums Coda - Amendment No. 3 to increase the not-to-exceed contract amount of \$900,000 by \$350,000 to \$1,250,000 and extend the termination date to December 31, 2021 (Attachment 2).
- PRC - Amendment No. 2 to increase the not-to-exceed contract amount of \$600,000 by \$544,600 to \$1,144,600 and extend the termination date to October 31, 2021 (Attachment 3).
- WC3 - Amendment No. 1 to increase the not-to-exceed contract amount of \$49,000 by \$225,000 to \$274,000 and extend the termination date to November 1, 2021 (Attachment 4).

All four amendments were anticipated and included in the FY 2018/19 budget in the Building Division Contractual Services account. The City's costs for use of the consultant services are directly offset by Building Permit fees collected for the associated projects.

### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

### **FISCAL IMPACT**

The combined amount of all four proposed Agreements is \$1,469,600. Sufficient funding for the remainder of the current fiscal year is available in the Building Division Contractual Services account. Funding beyond FY 2018/19 is included as part of the Recommended FY 2019/20 and FY 2020/21 Biennial Operating Budget.

The Building Division plan review and permit fees received from project applicants must be dedicated to offsetting the costs of providing building safety services.

### **COORDINATION**

This report has been coordinated with the Finance Department and the City Attorney's Office.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website

and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

### **RECOMMENDATION**

1. Approve and authorize the City Manager to execute Amendment No. 3 to the Agreement for Professional Services with TRB + Associates, Inc., which will increase the amount by \$350,000 for a new total contract not-to-exceed amount of \$1,850,000 and extend the term to October 31, 2021;
2. Approve and authorize the City Manager to execute Amendment No. 3 to the Agreement for Professional Services with Shums Coda Associates, Inc., which will increase the amount by \$350,000 for a new total contract not-to-exceed amount of \$1,250,000 and extend the term to December 31, 2021;
3. Approve and authorize the City Manager to execute Amendment No. 2 to the Agreement for Professional Services with Plan Review Consultants, Inc., which will increase the amount by \$544,600 for a new total contract not-to-exceed amount of \$1,144,600 and extend the term to October 31, 2021; and
4. Approve and authorize the City Manager to execute Amendment No. 1 to the Agreement for Professional Services with West Coast Code Consultants, Inc. (WC3) in the amount \$225,000 for a new total not-to-exceed amount of \$274,000 and extend the term to November 1, 2021.

Prepared by: Andrew Crabtree, Director of Community Development Department

Approved by: Deanna J. Santana, City Manager

### **ATTACHMENTS**

1. TRB + Associates, Inc. Amendment No. 3
2. Shums Coda Associates, Inc. Amendment No. 3
3. Plan Review Consultants, Inc. Amendment No. 2
4. West Coast Code Consultants, Inc. Amendment No. 1