

Agenda Report

August 17, 2015

TO: Honorable Mayor and City Council
FROM: Planning and Community Development
SUBJECT: AUTHORIZATION TO ENTER INTO CONTRACTS WITH JAS CONSULTING, INC. FOR AN AMOUNT NOT TO EXCEED \$450,000 AND CSG CONSULTANTS, INC. FOR AN AMOUNT NOT TO EXCEED \$450,000 FOR BUILDING INSPECTION SERVICES

RECOMMENDATION:

It is recommended that the City Council:

1. Find that actions proposed herein are exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3) (General Rule);
2. Authorize the City Manager to enter into a contract, without competitive bidding pursuant to City Charter Section 1002 (F) Contracts for Professional or Unique Services, with JAS Consulting, Inc. for an amount not to exceed \$450,000 or three years, whichever occurs first;
3. Authorize the City Manager to enter into a contract, without competitive bidding pursuant to City Charter Section 1002 (F) Contracts for Professional or Unique Services, with CSG Consultants, Inc. for an amount not to exceed \$450,000 or three years, whichever occurs first; and
4. Authorize the City Manager to extend either or both contracts for up to two additional one-year periods in amounts not to exceed \$150,000 per contract, per year, provided all terms, pricing and conditions remain unchanged.

BACKGROUND:

The Planning and Community Development Department's Building & Safety Division provides building, mechanical, plumbing, electrical and all construction related inspection services for all new construction projects throughout the City. The City has traditionally contracted with outside consultants during peak construction demand times

to augment internal staff resources instead of hiring permanent full-time staff which may not be supported by revenues during slower periods. During the previous construction boom (2003-2006), the City utilized the services of Willdan and Transtech for contracted building inspection work.

The City is again experiencing a significant increase in construction activity. Indicators, including the volume and project value of entitlement applications points to a continued increase in building activity. As major permitted construction projects are underway, it is expected that an increased number of inspections will be required, and in order to keep up with the inspection requests on a daily basis, it is necessary to supplement the operation with contracted services. Contracted services will allow the City to continue providing timely 'next day' inspection services and allow the City to maintain a high level of customer service.

Aside from increased demand for inspection services, the Building Inspections Section has also experience diminished capacity to perform these services. There are currently four vacancies within the Building Inspection Section (two of the vacancies are expected to be filled by late August, 2015). The City currently has active recruitments to fill these vacancies. Due to the increased level of development activity in the region, the industry is experiencing a high demand for building inspectors, as such, it may take additional time to fill these positions with qualified personnel. It is necessary to have the resources in place to backfill existing vacancies and potential future vacancies.

Consultant Selection

On July 14, 2015, the City released a Request for Proposals for contracted building inspection services that closed on July 27, 2015.

The following (9) firms submitted proposals:

<u>Firm</u>	<u>Score</u>
• JAS Consulting (Upland)	84
• CSG Consultants (Industry)	78
• Transtech (Santa Ana)	73
• RS Construction Services (Cerritos)	68
• J Lee Engineering (Alhambra)	68
• Interwest (Huntington Beach)	66
• HCI (Lakewood)	65
• Bureau Veritas (Costa Mesa)	61
• AMEC Foster Wheeler (Los Angeles)	60

A panel of staff evaluated proposals based on the criteria set forth in the RFP, in accordance with the City's competitive selection process for professional services. Staff also interviewed proposed staff to ensure they had the necessary qualifications, experience and customer service skills that will meet the City's unique needs. JAS Consulting and CSG Consultants were determined to be the most qualified to perform

the required services for the City. Additional details on the scoring criteria and results are attached as Exhibit A.

The City currently has a \$70,000 contract in place with JAS Consulting for building inspections services, pending approval of the proposed award of contract, the existing contract will be terminated. JAS Consulting has provided the City quality personnel that work effectively under direction of City staff, performing needed residential and commercial inspections in a timely matter. Contracted inspectors have embraced the City's high customer service standard. Inspectors work with customers by explaining code requirements and maintain a solution oriented approach when addressing needed corrective measures.

CSG Consultants demonstrated it has highly qualified personnel with the ability to provide the necessary residential and commercial building inspections services. CSG Consultants had not previously provided contract building inspection services to the City. Staff also verified CSG's references with other comparable cities, the results were commendable.

It will be necessary to have contracts in place with two building inspection consultants to ensure fluctuating demand does not exhaust the capacity of a single firm, and lead to a delayed turnaround for building inspections.

It is recommended to award contracts to JAS Consulting and CSG Consultants in amounts not to exceed \$450,000 or three years, whichever occurs first; and authorize the City Manager to extend either or both contracts for up to two additional one-year periods in amounts not to exceed \$150,000 per contract, per year, provided all terms, pricing and conditions remain unchanged.

COUNCIL POLICY CONSIDERATION:

The proposed contract furthers City Council's strategic plan goals of ensuring public safety and increasing conservation and sustainability. Additionally, it furthers the City's mission to deliver exemplary services.

ENVIRONMENTAL ANALYSIS:

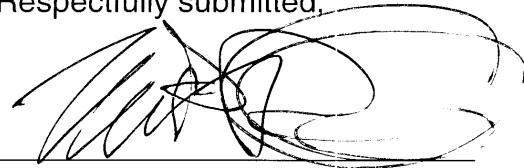
This project is exempt from CEQA review pursuant to State CEQA Guidelines Section 15301 (Existing Facilities). The exemption covers the repair, maintenance, or minor alteration of existing public or private facilities, involving negligible or no expansion of the use. Section 15301 (b) 3 specifically identifies existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails and similar facilities.

FISCAL IMPACT:

The proposed contracts with JAS Consulting and CSG Consultants have a combined fiscal impact of up to \$1,500,000, this amount includes the option for two additional one-year extensions. The FY 2016 Operating Budget includes a \$300,000 appropriation in the Building Fund for contract building inspection services.

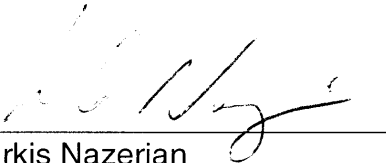
There are no anticipated impacts to other operational programs or capital projects as a result of this action.

Respectfully submitted,



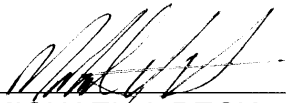
VINCENT P. BERTONI, AICP
Director of Planning and Community
Development Department

Prepared by:



Sarkis Nazerian
Building Official

Approved by:



MICHAEL J. BECK
City Manager

Attachment:

Exhibit A – Evaluation Matrix for Building Inspection Services