

# Agenda Report

June 22, 2015

**TO:** Honorable Mayor and City Council

**FROM:** Planning and Community Development Department

**SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH SCOTT FAZEKAS AND ASSOCIATES, INC. FOR AN AMOUNT NOT TO EXCEED \$1,350,000; AND AUTHORIZATION TO ENTER INTO A CONTRACT WITH CSG CONSULTING, INC. FOR AN AMOUNT NOT TO EXCEED \$1,350,000**

## **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 Scott Fazekas and Associates, Inc. for an amount not to exceed \$1,350,000 for a three-year period, 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 Consulting, Inc. for an amount not to exceed \$1,350,000 for a three-year period, 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 \$450,000 per contractor, per year, provided all terms and conditions remain unchanged.

## **BACKGROUND:**

The Planning and Community Development Department's Building & Safety Division reviews construction plans for all new construction in the City. The demand for these services fluctuates over time in response to a variety of factors. To meet peak demand for plan check services, the City has traditionally contracted with outside consultants to

augment internal staff resources instead of hiring permanent full-time staff, which may not be necessary over a longer period of time.

On September, 22, 2014 the City Council authorized an amendment to the existing contract with Scott Fazekas and Associates, increasing the contract amount from \$600,000 to \$1,200,000. At this time, Council was also advised that staff intended to undertake a new competitive selection process prior to the termination of the current contract period. This would allow the City to secure the services of multiple plan check consultants allowing for additional flexibility in the distribution of plan check workloads.

Consultant Selection

Consistent with the City's competitive selection process, on January 28, 2015, the City released a Request for Proposals for plan check consulting services that closed on February 17, 2015. The Request for Proposals (RFP) was posted on the City's Purchasing Division's website to provide opportunities to potential consultants to provide contracted plan checks services.

The following (11) firms submitted proposals:

<u>Firm</u>	<u>Score</u>
• Scott Fazekas and Associates Inc. (Irvine)	86
• CSG Consultants Inc. (Santa Ana)	84
• EsGil Corporation (San Diego)	79
• Bureau Veritas North America Inc. (Costa Mesa)	76
• J Lee Engineering Inc. (Alhambra)	72
• Transtech Engineers Inc. (Chino)	71
• Hayer Consultants Incorporated (Lakewood)	69
• PBS Engineers Inc. (Glendora)	68
• JAS Pacific Inc. (Upland)	65
• VCA Code Group (Orange)	62
• Willdan Engineering (Industry)	62

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 conducted site visits to ensure selected consultants had the necessary resources to ensure an excellent customer service experience for Permit Center customers. Scott Fazekas and Associates and CSG Consulting 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 contract in place with Scott Fazekas and Associates for plan check services. Scott Fazekas and Associates has provided quality personnel that work effectively under direction of City staff, performing needed plan check in a timely manner. Contracted plan checkers have embraced the City's high customer service standard, providing quality counter service to customers; and readily available via

email/phone to address any questions or concerns. Since 2004, the City of Pasadena has awarded three contracts to Scott Fazekas and Associates (2004-2008, 2008-2012, 2012-2016), total expended to date on these multiple contracts is \$3,072,238.

CSG demonstrated it has highly qualified personnel with the ability to provide plan check services for Building, Mechanical, Plumbing, Electrical, Green, Energy and other related local, State and Federal codes and regulations. Furthermore, CSG has the resources to meet our desired turnaround times, which include plan pick-up within 24 hours of notification; 2-week turn around for initial plan check on medium projects; and 4-week turn around for initial plan check on large projects. CSG had not previously provided plan check services to the City. Staff also verified references with other cities that have projects of comparable scale, the results were commendable.

Scott Fazekas and Associates and CSG charge a percentage of the plan check fee collected, the percentage varies based on the valuation of the building permit. The percentage charged by both consultants is equal. The City recovers sufficient plan check revenues to cover contracted expenses, administrative and overhead costs.

It is recommended to award a three year contract to Scott Fazekas and Associates in the amount of \$1,350,000; and award a three year contract to CSG Consulting in the amount of \$1,350,000. The existing contract with Scott Fazekas and Associates is set to expire in February, 2016 will be terminated. The not to exceed \$1,350,000 three-year contracts are based on an estimated \$450,000 annual allocation per consultant.

The FY 2015 Budget, includes a \$900,000 appropriation for contracted plan check, the FY 2016 Budget Request includes a request for a \$900,000 appropriation. It will be necessary to have contracts in place with two plan check consultants to ensure fluctuating demand does not exhaust the capacity of a single firm, and lead to a delayed turnaround for plan check.

#### **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:**

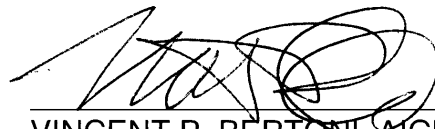
This project is exempt from CEQA review pursuant to State CEQA Guidelines Section 15301 (Existing Facilities). The exemption covers the repair, maintenance, or minor alteration of exiting public or private facilities, involving negligible or no expansion of the use. Section 15301 (b) 3 specifically identifies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

**FISCAL IMPACT:**

The proposed 3-year contracts with Scott Fazekas and Associates and CSG Consulting have a combined fiscal impact of up to \$2,700,000. Funds for the contractual amount would not be encumbered until purchase orders are established. Annual purchase orders for each of the contractors would be established, and the associated costs incurred would be paid out of approved budgeted appropriations from the Building Fund. The FY 2016 Budget Request includes a \$900,000 Building Fund appropriation for contracted plan check. No work would be authorized under this contract without the establishment of a purchase order identifying available funding and an appropriate scope.

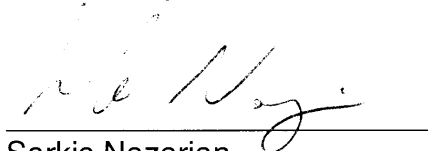
There are no anticipated impacts to other operational programs or capital projects as a result of this action.

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 (1):

Exhibit A – Evaluation Criteria for Plan Check Services