

# Agenda Report

October 25, 2021

**TO:** Honorable Mayor and City Council

**FROM:** Planning & Community Development Department

**SUBJECT: AUTHORIZATION TO ENTER INTO CONTRACTS WITH JASON ADDISON SMITH CONSULTING SERVICES INC. (DBA JAS PACIFIC) AND J LEE ENGINEERING INC. FOR BUILDING AND FIRE PLAN REVIEW SERVICES**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the action proposed herein is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15061(b)(3) (General Rule); and
2. Authorize the City Manager to enter into a contract for Plan Review Services following a competitive selection process, pursuant to Pasadena Municipal Code Section 4.08.047 for an amount not to exceed \$950,000 or a three-year period, whichever occurs first, with Jason Addison Smith Consulting Services Inc. (DBA JAS Pacific); and
3. Authorize the City Manager to enter into a contract for Plan Review Services following a competitive selection process, pursuant to Pasadena Municipal Code Section 4.08.047 for an amount not to exceed \$950,000 or a three-year period, whichever occurs first, with J Lee Engineering Inc.; and
4. Authorize the City Manager to extend each contract for up to two additional one-year periods not to exceed \$300,000 per year.

## **BACKGROUND:**

The City's Planning & Community Development Department and Fire Department review construction plans for all new construction within 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 multiple outside consultants, on an as-needed basis, to augment internal staff resources which allows for additional flexibility in the distribution of plan check workloads and to meet plan check turn-around times; rather than hiring permanent full-time staff which may not be necessary over a longer period of time.

The City has contracted with multiple outside consultants for plan review services. Since 2004, the City of Pasadena has awarded six professional services contracts.

Contracted plan examiners have demonstrated they meet the City's high customer service standard and are readily available to address any questions or concerns. It is beneficial to have contracts in place with two additional plan review consultants to ensure fluctuating demand does not exhaust the capacity of a single firm, and in the event the consultant cannot perform their services as contracted; leading to a delay in turnaround for review.

Following a competitive selection process, on October 19, 2020, the City Council authorized a three-year contract to Scott Fazekas and Associates and True North Compliance Services, Inc. in the amount of \$300,000, for each contract. Due to the unanticipated volume of work that continued through the pandemic and the reduction of plans sent for consultant review which led to a significant backlog for both fire plan review and building plan review, the Department brought forth an amendment to the existing contracts; On August 2, 2021, the City Council authorized an amendment to both contracts to increase the total not to exceed amount from \$300,000 to \$1,425,000.

Plan review services consultants have historically charged a percentage of the plan review collected by the City; the percentage varies based on the valuation of the permit. Since the amendment was authorized in August of 2021, the Department requested both Scott Fazekas and True North to charge their services at an hourly rate, as it would be more cost effective for the Department. True North agreed to charge hourly for their services; while Scott Fazekas is unwilling to invoice at an hourly rate for services. The Department has since stopped sending new plan reviews to Scott Fazekas.

The City recovers sufficient plan review revenues to cover the contracted expenses, administrative and overhead costs. In FY 2021, \$2,580,446 in Building Plan Review fees was collected via the Building Fund; with \$1,095,361 in Fire Plan Review fees collected via the Building Fund. As of October 2021, approximately \$842,266 in plan review fees have been collected via the Building and Fire Funds.

Since January 2021, a total of 6,189 plan checks were submitted for building and fire plan review (3,302 building plan checks and 2,887 fire plan checks); with 105 of the 6,189 plans received sent out for consultant review. Moreover, between both building and fire, there are currently 137 overdue plan checks due to the backlog. In comparison, in 2019, a total of 3,730 plan checks were submitted for building and fire review, with 877 of the total plan checks being sent out for consultant review.

Given the backlog and continued demand to send building and fire plans out for review, a Request for Proposals (RFP) for plan review services was issued on August 26, 2021 with eighteen (18) proposals received by the proposal due date, provided below:

<b>Firm</b>	<b>Score</b>
J Lee Engineering Inc.	75
Jason Addison Smith (JAS Pacific)	73
True North Compliance	72
CSG Consultants	65
TRB & Associates	62
Bureau Veritas	60
BPR Consulting Group	60
4 Leaf Inc.	59
Willdan Engineering	58
Interwest Group	56
West Coast Code Consultants Inc.	55
M6 Consulting Inc.	54
Transtech Engineers Inc.	52
VCA Code	52
Infrastructure Engineers	50
Hi Tech Era Inc.	43
IMEG Corporation	40

To be considered for selection, proposals were to demonstrate substantial knowledge and experience in completing plan reviews for public and private development projects, verifying compliance with California Building Standards Code, California Fire Code, Pasadena Municipal Code, and other related codes and ordinances applicable to development projects in the City of Pasadena. Proposals were also to demonstrate cost-effectiveness, have expertise in building construction and building codes, ability to provide high quality plan review services, and meet the City's expected plan review turnaround times.

A panel of staff evaluated proposals based on the criteria set forth in the RFP, and in accordance with the City's competitive selection process for professional services. Based on staff's analysis of the proposals received, J Lee Engineering Inc. and Jason Addison Smith Consulting Services Inc. were determined to be the most qualified to perform the required services for the City.

As such, it is recommended that contracts be awarded to both consultants for plan review and fire plan review services in the amount not to exceed \$950,000 per consultant, for an initial three year term, with two optional one-year renewals subject to City Manager approval.

**COUNCIL POLICY CONSIDERATION:**

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

**ENVIRONMENTAL ANALYSIS:**

This project is exempt from CEQA review pursuant to CEQA Guidelines Section 15061(b)(3) (General Rule). The contract award is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to the provisions of CEQA.

**FISCAL IMPACT:**

The proposed contracts with J Lee Engineering Inc. and Jason Addison Smith Consulting Services Inc. will not have a fiscal impact to the City's General Fund. The proposed contract expense is \$950,000 per year, with the option for two additional one-year extensions. FY 2022 Operating Budget includes \$1,100,000 appropriations in the Building Fund for contract services, and expenses are paid from fees generated to the Building Fund from building and fire plan check revenues.


Respectfully submitted,

  
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Attachments: (1)

Attachment A: Evaluation Summary