



DATE: April 14, 2015

CATEGORY: Consent

DEPT.: Community Development

TITLE: **Amendment to Contracts for Outside Plan Checking and Inspection Services**

RECOMMENDATION

1. Increase appropriations \$100,000 in the Community Development Department, Development Services Fund, for fire plan checking and inspection contract services. (Five votes required)
2. Authorize the City Manager to execute an amendment to increase consultant contract for outside fire plan checking and inspection services with AON Fire Protection Engineering Corporation from \$125,000 to \$225,000 for July 1, 2014 through June 30, 2015.

BACKGROUND

Over the past 17 years, the Building Inspection Division has outsourced its structural, Fire, and Building Code services to consulting firms. Contracting with professional firms allows the Building Inspection Division the flexibility to respond and manage the development workload as it fluctuates. Consultants have been necessary to maintain quick turnaround times for plan checking and inspection services, maintaining a customer service level that is expected by the City's businesses and developers and is required under State law.

On June 24, 2014, Council authorized building inspection and fire plan checking and inspection contract services with the following companies for the following amounts totaling \$1,450,000:

- Shums Coda Associates (SCA) – Building and Fire Services \$650,000
- CSG Consultants, Inc. – Building Services \$150,000
- Hughes & Associates, Inc. – Fire Services \$125,000

- O'Brien Code Consultants – Building Services \$400,000
- AON Fire Protection Engineering Corp. – Fire Services \$125,000

On December 9, 2014, Council authorized building inspection and fire plan checking and inspection contract services to be increased \$1,400,000, resulting in contract amounts totaling \$2,940,000 as follows:

- Shums Coda Associates (SCA) – Building and Fire Services \$1,800,000
- CSG Consultants, Inc. – Building Services \$150,000
- Hughes & Associates, Inc. – Fire Services \$295,000
- O'Brien Code Consultants – Building Services \$400,000
- AON Fire Protection Engineering Corp. – Fire Services \$125,000
- ESH Consultants – Fire Services \$170,000

ANALYSIS

Development activity continues to be very high. The support provided by outside firms allows the Building Inspection Division to manage numerous commercial and residential projects in the City.

Staff evaluated the current contracts, including the projected workload for the remainder of this fiscal year, and is anticipating the need to increase the AON Fire Protection Engineering Corporation contract by \$100,000 for a new total of \$225,000. These contract adjustments are being submitted to the City Council for approval as they exceed the \$100,000 contract limit established by City Council Policy A-10. Building services are fully cost recovered from plan checking and permit fees paid by developers.

The term of these contracts is within the fiscal year that runs from July 1, 2014 through June 30, 2015 with a 30-day notice prior to termination. The amount encumbered for consultant contracts is in line with last year's contract amounts.

The Building Inspection Division currently has two vacancies – Chief Building Official and Plan Check Engineer. Until the positions are filled, functions performed through contract services will allow the Division to continue to meet development demands.

FISCAL IMPACT

Of the \$2,000,000 included in the Fiscal Year 2014-15 Adopted Budget for building inspection and fire plan checking and inspection contract services, \$1.45 million was used for contract services previously approved by Council on June 24, 2014, leaving a balance of \$550,000. After these initial contracts were established, an additional fire contract was created in August 2014 with ESH Consultants in the amount of \$90,000, leaving a balance of \$460,000.

On December 9, 2014, Council authorized an increase to the contract amounts for SCA, ESH Consultants, and Hughes & Associates an additional \$1,400,000, which required an increase of \$940,000. This was offset by \$200,000 in salary savings, and an increase in appropriations of \$740,000.

Staff is proposing to increase the contract amount for AON Fire Protection Engineering Corporation for an increase in appropriations of \$100,000.

Building services are budgeted separately and are fully cost recovered from plan checking and permit fees paid for by the developer. There is a sufficient balance available to fund the requested \$100,000, which would be repaid by developers.

ALTERNATIVES

1. Do not increase contract amount.
2. Provide other direction to staff.

PUBLIC NOTICING – Agenda posting.

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