



DATE: June 14, 2016

CATEGORY: Consent

DEPT.: Public Works

TITLE: **Amend Professional Services
Contract with Hatch Mott
MacDonald**

RECOMMENDATION

1. Appropriate \$300,000 from the development revenues received in the Development Services Fund in excess of budget to the Public Works Land Development Engineering Operating Budget. (Five votes required)
2. Authorize the City Manager to amend the existing professional services contract with Hatch Mott MacDonald for an additional \$300,000 for land development engineering services, and an additional \$64,000 for traffic engineering services through June 30, 2017, for a total contract amount of \$709,000.

BACKGROUND

In recent years, to keep pace with increasing development activity, the Public Works Department has contracted with an outside engineering firm, Hatch Mott McDonald (HMM) for certain land development-related plan checking and traffic engineering services. Contracting for outside services allows the flexibility to manage the development workload as it fluctuates. Consultants have been necessary to maintain standard turnaround times for plan checking services, maintaining a customer service level that is expected by the City's businesses and developers and is required under State law. In recent years, specialized services such as plan checking have been performed by consulting firms so that Public Works staff has additional time for project management and day-to-day contact with developers and Community Development Department staff. This has allowed staff to process a dramatically higher number of development reviews with a relatively smaller increase in staffing.

On December 8, 2015, the City Council authorized the City Manager to execute a professional services contract with HMM, in an amount of \$250,000 for land development engineering services and \$95,000 for traffic engineering services, for a total amount of \$345,000.

ANALYSIS

Staff has evaluated the anticipated workload through the remainder of the calendar year and recommends increasing the HMM contract in the amount of \$364,000 for additional plan checking and traffic engineering services. Factors influencing this analysis include:

- In addition to a relatively high baseline work load, several major developments are now being submitted, including Charleston East and 400 San Antonio Road and other development projects anticipated to be approved by Council in June 2016 are expected to submit construction documents this summer;
- Revenue from development fees have increased with the high level of activity. The recommended budget adjustment for the contract amendment has been recovered from Public Works plan check and permit fees paid by developers.

The recommended increase will allow the Public Works Land Development and Traffic Engineering Sections to maintain a high quality of development review, in the time frames required, as the development workload continues at a high level.

FISCAL IMPACT

An additional \$300,000 is requested to be appropriated from the Development Services Fund as a budget adjustment to the Public Works Land Development Engineering Section (account number 223600), to be used for an amendment to an existing contract with HMM. This requested increase has been fully cost recovered from Public Works plan checking and permit fees. The requested amendment would also add increased funding of \$64,000 for Traffic Engineering Services: \$50,000 from the General Fund (account number 223751), \$9,000 from the Shoreline Community Fund (account number 223770), and \$5,000 from the Development Services Fund (account number 223760). If the recommended action is approved, the total HMM contract funding will be \$709,000.

ALTERNATIVES

1. Do not increase appropriations or authorize a contract amendment.
2. Provide other direction to staff.

PUBLIC NOTICING – Agenda posting.

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EA/TS/7/CAM
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