

REPORT TO THE CITY COUNCIL

City of Salinas, California

DATE: September 20, 2016

FROM: Megan Hunter, Director
Community Development Department

BY: Joseph DeSante, Building Official

SUBJECT: **MASTER SERVICE AGREEMENTS FOR PROFESSIONAL
SERVICE FIRMS PROVIDING TECHNICAL PERMITTING
AND INSPECTION SUPPORT**

RECOMMENDATION:

It is recommended that the City Council approve a resolution authorizing the City Manager to enter into Professional Services Agreements with CSG Consultants, 4Leaf, Willdan, and Bureau Veritas North America for the 2016 – 2017 fiscal year in order to provide technical permitting and inspection services to the City's Permit Center.

DISCUSSION:

The Community Development Department has utilized three of these consulting firms to augment the capacity of the Permit Center for many years. CSG has been assisting the City since 2000, Willdan since 2007, and 4Leaf beginning in 2012. Staff also identified Bureau Veritas North America as another firm that provides similar services and is proposing that the firm is included among those with agreements. These firms have extensive knowledge and experience in providing technical services to building departments throughout multiple jurisdictions in California. The firms provide services and staff specifically tailored to manage the development process and can provide all levels of inspection and plan review support, CAsp services, engineering, code enforcement, code development, and customer service. All contract staff hold the required certifications to conduct the assigned duties.

The City is committed to local contracting. Unfortunately, staff have not been able to identify qualified local firms that provide these type of services. Over this fiscal year, Community Development Department staff will work more diligently to promote and identify local firms that can meet the Department's profession service needs.

The Master Service Agreements with CSG Consultants, 4Leaf, Willdan, and Bureau Veritas North America will allow the Permit Services and Code Enforcement Divisions to be nimble and flexible by using contract support to address staffing shortfalls or to assist as workload ramps up. Scalable resources are the driver for the Master Service Agreements and help the Permit Center respond to applications in a timely manner.

Although the Permit Services Division has been gradually able to fill vacancies, staff are new and still undergoing training. To fill this knowledge gap, the Division has been able to use the more experienced

contract workforce on larger and more complex projects such as the construction of a new JC Penney's Store at Northridge Mall. The City also has an opening for a Senior Plan Check Engineer. When filled, this Engineer will be able to conduct the structural plan review. Until then, the City must rely on these firms to provide this technical service.

The careful use of these contractors allows the Department to stay on top of the "ups and downs" of development without having to hire staff when busy and lay-off staff when work subsides. Instead we are able to use these contractors to stabilize this work flow and maintain existing staff while remaining budget conscious. Additionally, the City can assign specific contract staff to focus on certain projects without the loss or the inability to address the normal workload of the Permit Center.

The costs of past service agreements have been \$375,000 for FY 13/14 and \$400,000 for FY 14/15. Last fiscal year, the Department expended \$365,915 for these services. For FY 16/17, the Master Service Agreements would be limited to a combined amount of \$425,000. Although this is higher than in past years, activity in the Permit Center has grown exponentially and the Department must be prepared to respond in a timely manner to foster economic development. Given past history, we do not anticipate expending the full amount budget.

ISSUE:

Shall the City Council approve a resolution authorizing the City Manager to enter into Professional Services Agreements with CSG Consultants, 4Leaf, Willdan, and Bureau Veritas North America to provide technical permitting and inspection services to the Community Development Department?

FISCAL IMPACT:

There is no immediate fiscal impact associated with the approval of the Master Services Agreements. Costs associated with the Firms will be realized with the collected permit fees. Funds have been budgeted for these professional services.

TIME CONSIDERATIONS:

The City currently has several development projects under review. Approval of the Master Services Agreements will ensure the timely and cost effective completion of these projects.

ALTERNATIVES/IMPLICATIONS:

Council may elect not to adopt the resolution to enter into agreements with CSG Consultants Inc., 4Leaf Inc., Willdan, and Bureau Veritas North America Inc. and direct staff on how to proceed.

CITY COUNCIL GOALS:

The City Council's approval of the proposed resolution is consistent with the City Council's goals of Economic Diversity and Prosperity and more specifically the objective of enhancing Permit Center Operations. Providing efficient and timely permitting and inspection services is critical in reducing the costs of development and fostering a positive economic development climate.

CONCLUSIONS:

It is recommended that the City Council adopt the attached resolution authorizing the City Manager to enter into Master Services Agreement(s) with CSG Consultants Inc., 4Leaf Inc., Willdan and Bureau Veritas North America, Inc. in order to provide technical permitting and inspection services for the City of Salinas Community Development Department on an as-needed basis.

As outlined above, these agreements are needed to provide efficient and timely permitting and inspection services to the community in order to foster economic development. Without these agreements, customer service and efficiency would suffer, which could negatively impact economic growth.

Attachments:
Resolution
Consultant Cost Proposals

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