



## Legislation Text

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**File #:** 17-007, **Version:** 1

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*Report Prepared by: Kim Espinosa, Planning Manager, Development Services Department*

**SUBJECT:** Amendments to Professional Services Agreements with Interwest Consulting Group, CSG Consultants Inc., and 4-Leaf Inc. for Building Services

### REPORT IN BRIEF

The City Council will consider approving amendments to Professional Services Agreements with three consultants for planning and building services.

### RECOMMENDATION

**City Council** - Adopt a motion:

- A. Approving the 2<sup>nd</sup> Amendment to the Agreement for Professional Services with Interwest Consulting Group, Inc., to provide as needed building services in an amount not to exceed an additional \$80,000; and,
- B. Approving the 1<sup>st</sup> Amendment to the Agreement for Professional Services with CSG Consultants, Inc., to provide as needed building services in the amount not to exceed an additional \$25,000; and,
- C. Approving the 1<sup>st</sup> Amendment to the Agreement for Professional Services with 4-Leaf, Inc., to provide as needed building services in the amount not to exceed an additional \$5,000; and,
- D. Authorizing the Finance Officer to make the necessary budget adjustments; and,
- E. Authorizing the City Manager to execute the above agreements.

### ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, as modified by City Council; or,
3. Deny; or,
4. Refer to staff for reconsideration of specific items (to be addressed in Council motion); or,
5. Continue the item to a future City Council meeting (date and time to be specified in motion).

### AUTHORITY

Charter of the City of Merced, Section 200.

### CITY COUNCIL PRIORITIES

Not Applicable

## **DISCUSSION**

In May 2016, the City Development Services Department entered into a \$27,000 professional services contract with Interwest Consulting, Inc. for building and planning services. The City's Assistant Chief Building Official had taken a position for one year with the City Fire Department. Staff for middle management and oversight within the Inspection Services Division was needed, and Interwest was able to provide the City with the services of Richard Graves, who has extensive experience as a building official, in that capacity.

In October 2016, the City Council approved the 1<sup>st</sup> Amendment to the contract in the amount of an additional \$85,000 to extend Mr. Graves' time with the City. At the end of December, Director of Development Services/ Chief Building Official David Gonzalves left the City, so it is necessary to extend the contract so Mr. Graves can stay through at least the end of June 2017. A 2<sup>nd</sup> Amendment to the contract in the amount of \$80,000 has been prepared which will increase the total contract amount to \$192,000 (Attachment 1).

In addition, the Inspection Services Division has experienced a significant increase in the number of permits in just the first six months of the year and has almost reached the revenue estimates for the entire fiscal year. There is a need to increase the amount of the contracts with two other consultants, CSG and 4-Leaf, to provide the services of a temporary Development Services Technician as well as additional plan checking services to deal with the increased number of permits. An additional \$25,000 will be needed for CSG Consultants, Inc. (for a total of \$45,000), and an additional \$5,000 for 4-Leaf, Inc. (for a total of \$25,000). Contract amendments have been prepared and can be seen at Attachments 2 and 3.

## **IMPACT ON CITY RESOURCES**

These contracts will be funded by utilizing savings in salary and benefits for vacant positions in the Inspection Services Division of the Development Services Department as well as over \$200,000 in increased revenue from building permit applications.

## **ATTACHMENTS**

1. 2nd Amendment to Professional Services Agreement with Interwest Consulting Group, Inc.
2. 1st Amendment to Professional Services Agreement with CSG Consultants, Inc.
3. 1st Amendment to Professional Services Agreement with 4-Leaf, Inc.