



**DATE:** July 21, 2020

**TO:** Mayor and City Council

**FROM:** Director of Development Service

**SUBJECT:** Adopt a Resolution Authorizing the City Manager to Negotiate and Execute Agreements with Five Consulting Firms, for an Amount Not to Exceed the Total FY21 Budget Appropriation of \$330,000 (Development Services) and \$50,000 (Fire Department), to Provide Plan Check, Inspection and Permit Technician Services

**RECOMMENDATION**

That Council adopts a resolution (Attachment II) authorizing the City Manager to negotiate and execute Agreements with five consulting firms to provide plan check, building inspection, and permit technician services for an amount not to exceed the FY21 Development Services Department approved operating budget appropriation of \$330,000, and Fire Department approved operating budget appropriation of \$50,000.

**SUMMARY**

The City currently has executed agreements with four outside consulting firms to augment Development Services Department Building Division staff by providing plan check, inspection, and permit technician services. The terms of these agreements are due to expire in the next 30 days.

The Fire Department also performs plan check review related to the issuance of permits that are currently handled by permanent Fire staff. There is a need to provide additional capacity for plan review by utilizing outside consultants for assistance.

A Request for Proposals (RFP) was advertised on May 27, 2020 to solicit bids from interested firms to provide On-Call Plan Check and Inspection Services. The Scope of Work was expanded to include plan check services for the Fire Department.

Staff seeks Council approval authorizing the City Manager to negotiate and execute new agreements with five firms for these services.

## **BACKGROUND**

The City of Hayward has maintained agreements with multiple firms to provide plan check and inspection services to support customer demand that exceeds the availability or workload capacity of Building Division staff. These firms also offer Permit Technician personnel at an hourly rate to cover long-term absences of permanent staff in the Permit Center. Retaining several firms under contract who are available to respond on short-notice also provides the City the flexibility of utilizing qualified firms or persons that are best suited based on a specific area of specialization and availability of personnel.

On May 27, 2020, a RFP was released for the purposes of soliciting proposals to provide plan check and building inspection services. The Scope of Work was expanded to include Fire plan check to allow the departments the flexibility to augment staff as necessary. Prior to the June 18<sup>th</sup> deadline, nine firms submitted proposals that were considered responsive and complete. Services provided were evaluated individually, and selections were based on price, experience, availability to provide on call service, and turn-around times. Each proposal was reviewed by both Building and Fire staff, and the following firms were selected:

- West Coast Code Consultants
- 4 Leaf Inc.
- Shums Coda Associates
- Independent Code Consultants
- CSG Consultants

## **DISCUSSION**

The Development Services Department currently employs 3.0 full time positions who are responsible for both commercial and residential plan review for building permit submittals. The Development Services Department also currently employs 6.0 full time positions who perform residential and commercial building inspections to ensure safety and compliance with the current 2019 California Building Code. The department has also supplemented the inspection staff with an 80% contract inspector since FY13 to cover building inspections in Area 4.

The Fire Department has one Fire Protection Engineer and a Staff Captain who perform plan check review related to building, planning, and fire permits. Agreements will include services for fire plan check services and will be utilized as needed to supplement workload or provide coverage during long-term absences of permanent staff responsible for plan check review.

The approach toward managing plan review applications disperses the workload between City staff and consultants and provides the flexibility to augment staff as necessary to cover increases in permit applications and long-term absences of permanent staff. Agreements with multiple outside firms also allow staff to assure large projects, such as complex

commercial and industrial projects or subdivisions that involve multiple sets of plans, can be reviewed, and inspected in a timely manner.

## **STRATEGIC ROADMAP**

This agenda item supports the Strategic Roadmap Priority to Combat Climate Change. Specifically, this item relates to the implementation of the following project:

Project 8      Adopt and Implement the 2019 Building & Fire Code

## **FISCAL IMPACT**

The cost of contracting consultants related to Building plan check and inspection services is offset by the fees paid by the permit applicant. Fees for plan check review are collected at the time plans are submitted while inspection fees are collected at the time the permit is issued. Fees for plan check and inspection services related to building permits are calculated based on valuation as outlined in the current Master Fee Schedule. Costs for plan check and inspection fees incurred by the consultants shall not exceed the plan check and inspection fees collected for permits by the City. Consultants are hired for review or inspection services on a per project basis; therefore, there is no General Fund impact to the City should the quantity of permit applications requiring plan check and inspection either increase or decrease.

The Fire Department also collects fees for plan check review as outlined in the Master Fee Schedule. An appropriation of \$50,000 has been approved in the FY21 Operating Budget for the purpose of plan check by outside consulting firms.

## **NEXT STEPS**

Upon Council approval of this resolution, staff will prepare for signature Professional Services Agreements with West Coast Consultants (WC3); 4Leaf, Inc.; Shums Coda Associates; Independent Code Consultants; and CSG, Consultants.

*Prepared by:*                 Jade Kim, Management Analyst II

*Recommended by:*        Laura Simpson, Director of Development Services  
  Garrett Contreras, Fire Chief

Approved by:



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Kelly McAdoo, City Manager