



**DATE:** February 1, 2022

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT:** Adopt a Resolution Authorizing the City Manager to Execute Amendment No. 7 to the Professional Services Agreement with CSG Consultants, Inc., for Private Development Review Services in the Amount of \$130,000 for a Total Not-To-Exceed Amount of \$1.7 million

## **RECOMMENDATION**

That Council adopts a resolution (Attachment II) authorizing the City Manager to execute Amendment No. 7 to the Professional Services Agreement (PSA) with CSG Consultants, Inc., (CSG) for private development plan check review and related services, increasing the amount by \$130,000 for a total not-to-exceed contract amount of \$1,700,000.

## **SUMMARY**

The City entered into a PSA with CSG on November 18, 2016 to assist with development review. CSG has extensive experience in providing professional services for private development projects in the Bay Area. CGS has provided these services for large scale projects in the City, such as SoHay, Lincoln Landing, and Parcel Group 3 and 5, specifically in the planning and entitlement stages of projects. Due to staff vacancies and continued significant private development workload, staff is requesting an additional amendment to continue receiving these services.

## **BACKGROUND**

Public Works staff is responsible for reviewing grading plans, subdivision maps, improvement plans, and soils and geological reports for private development projects. Due to staff vacancies and significant private development workload, the City entered into a PSA with CSG on November 18, 2016, to provide these plan review services. On September 19, 2017<sup>1</sup>, Council approved Amendment No. 1, increasing the original PSA amount by an additional \$425,000, for a total amount of \$500,000, and extending the term to June 30, 2018. Amendment No. 2, which was approved on May 22, 2018<sup>2</sup>, increased the total of the

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<sup>1</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=3162138&GUID=76EC45C9-E156-4AFB-9E60-B0AB0C27AE83&Options=&Search=>

<sup>2</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=3508589&GUID=F517F5A6-7470-4B64-BE2A-26D7C5726EAC&Options=&Search=>

PSA to \$680,000 and extended the PSA to December 31, 2018. Amendment No. 3, which was approved on January 8, 2019, extended the PSA to June 30, 2019. On June 25, 2019<sup>3</sup>, Council approved Amendment No. 4, for a total PSA amount of \$880,000 and extended the PSA to June 30, 2020. On September 22, 2020<sup>4</sup>, following Amendment No. 5 approval, the agreement was extended to June 30, 2021 for a total PSA amount of \$1,200,000. On July 06, 2021<sup>5</sup>, Council approved Amendment No. 6 for a total PSA amount of \$1,570,000 and extended the PSA to June 30, 2022.

## **DISCUSSION**

The current PSA with CSG for development plan check and review services expires on June 30, 2022; however, because of the extended need for CSG services, the PSA amount of \$1,570,000 is estimated to be fully expended by February 2022. Furthermore, due to staff vacancies in the Public Works & Utilities and Development Services Departments, and significant private development workload, staff anticipates that these services will continue to be required through the end of FY22. CSG's advanced knowledge and experience in private development projects, along with their familiarity with the City's Municipal Code and development requirements, have assisted City staff in processing development projects.

As such, staff requests approval of Amendment No. 7 to increase the contract amount by \$130,000, for a not-to-exceed amount of \$1.7 million, to fund the required services through the end of the fiscal year.

## **ECONOMIC IMPACT**

This PSA aims to facilitate timely development in the City, which impacts and improves the local economy.

## **FISCAL IMPACT**

This item will have some impact to the General Fund. Given that the private consultant's hourly rates are typically much higher than City staff's rates in comparable positions, the consultant's fees are not currently fully recovered through charges to projects. However, staff anticipates that most of these expenses will be offset by charges to developers.

Staff will be evaluating the current approach taken in current charging practices for development review and will adjust accordingly in order to reduce the impact on the General Fund.

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<sup>3</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=3993701&GUID=84297268-7A43-4F53-8674-B64A2D980093&Options=&Search=>

<sup>4</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=4646744&GUID=BEF0434E-91CC-40BB-8BBB-AE2E500B3CE1&Options=&Search=>

<sup>5</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=5018122&GUID=65E9EA51-514A-43E0-A1E4-3BF3177C01A2&Options=&Search=>

## **STRATEGIC ROADMAP**

This agenda item supports the Strategic Priority to Grow the Economy by providing professional services to the Development Services and Public Works & Utilities

Departments by assisting in finalizing planning on redevelopment of six remaining parcel groups. Specifically, this item relates to the implementation of the following:

Project 5, Part 5a:           Finalize planning on redevelopment of six remaining parcel groups

This agenda item also supports the Strategic Priority to Improve Infrastructure. Specifically, this item relates to the implementation of the following:

Project 10:                   Investigate major municipal building upgrade needs  
Project 11, Part 11b:       Upgrade and maintain Airport infrastructure and facilities

By receiving professional services from CSG, the City is taking steps to improve infrastructure within the City. This achievement occurs through reviewing and conditioning large developments projects to improve Hayward's utilities and street improvements including but not limited to traffic calming initiatives.

## **PUBLIC CONTACT**

No public contact has been made related to this amendment.

## **NEXT STEPS**

If Council approves this request, the City Manager will execute Amendment No. 7 to the PSA with CSG to increase the PSA amount to \$1.7 million in a form approved by the City Attorney.

*Prepared by:*               Manny Grewal, Management Analyst  
                                      Kathy Garcia, Deputy Director of Public Works

*Recommended by:*       Alex Ameri, Director of Public Works

Approved by:



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Kelly McAdoo, City Manager