



DATE: September 22, 2020

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Adopt a Resolution Approving Amendment No. 5 increasing the Professional Services Agreement with CSG Consultants Inc., for Development Review Services, Extending the Date of the Agreement and Authorizing an Increase in the Amount of \$320,000 for a Total Not-To-Exceed \$1,200,000

RECOMMENDATION

That Council adopts a resolution (Attachment II) authorizing the City Manager to execute Amendment No. 5 to the Professional Services Agreement (Agreement) with CSG Consultants, Inc., (CSG) for Private Development Plan Check Review and Related Services, extending the date of the agreement and authorizing an increase in the amount of \$320,000 for a total not-to-exceed contract amount of \$1,200,000.

SUMMARY

The City entered into an Agreement with CSG on November 18, 2016, to assist with development review. 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 an Agreement with CSG on November 18, 2016, to provide these plan review services on a temporary basis. On September 19, 2017, Council approved Amendment No. 1, increasing the original \$75,000 Agreement amount by an additional \$425,000, for a total Agreement amount of \$500,000, and extending the Agreement to June 30, 2018. Amendment No. 2, which was approved on May 22, 2018, increased the total of the Agreement to \$680,000 and extended the Agreement to December 31, 2018. Amendment No. 3, which was approved on January 8, 2019, extended the Agreement to June 30, 2019. On June 25, 2019¹,

¹ <https://hayward.legistar.com/LegislationDetail.aspx?ID=3993701&GUID=84297268-7A43-4F53-8674-B64A2D980093&Options=&Search=>

Council approved amendment No. 4, for a total Agreement amount of \$880,000 and extended the Agreement to June 30, 2020.

DISCUSSION

The current Agreement with CSG for Development Review Services expired on June 30, 2020 and due to the extended need for CSG services, the Agreement amount of \$880,000 has been nearly expended. Due to staff vacancies in Public Works & Utilities and Development Services Department, and significant private development workload, staff anticipates that these services will be required through the end of FY2021. Staff requests approval of Amendment No. 5 to extend the term of the Agreement to June 30, 2021, and to increase the Agreement amount by \$320,000. The Public Works & Utilities and Development Services Departments will share this cost, as both departments receive professional services through this Agreement. Approximately 17% of this cost will be provided by the Development Services Department.

ECONOMIC IMPACT

This Agreement facilitates timely development in the City, which impacts and improves the local economy.

FISCAL IMPACT

This amendment would increase the Agreement's not-to-exceed amount from \$880,000 to \$1,200,000 for Development Review Services. An increase to the Public Works – Engineering and Transportation Administration budget in the amount of \$320,000 for this amendment was approved in the FY2021 Budget. 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. Staff anticipates that most of the expenses will be offset by charges to developers.

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

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 is through reviewing and conditioning large developments projects to improve Hayward's utilities, 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 an amendment to the agreement with CSG to increase the Agreement amount to \$1,200,000 and extend the term to June 30, 2021.

Prepared by: Kathy Garcia, Deputy Director of Public Works

Recommended by: Alex Ameri, Director of Public Works

Approved by:



Kelly McAadoo, City Manager