



City of Costa Mesa

Agenda Report

77 Fair Drive
Costa Mesa, CA 92626

File #: 22-708

Meeting Date: 6/7/2022

TITLE:

PROFESSIONAL SERVICES AGREEMENT FOR ON-CALL PLAN REVIEW, INSPECTIONS, AND STAFFING SERVICES

**DEPARTMENT: ECONOMIC AND DEVELOPMENT SERVICES
DEPARTMENT/BUILDING SAFETY DIVISION**

PRESENTED BY: ZIAD DOUDAR, BUILDING OFFICIAL

CONTACT INFORMATION: ZIAD DOUDAR, BUILDING OFFICIAL, (714) 754-5604

RECOMMENDATION:

Staff recommends the City Council:

1. Approve and authorize the City Manager and City Clerk to execute a five-year Professional Service Agreement (PSA) with each consulting firm listed below from July 1, 2022 - June 30, 2027 in substantially the form as attached and in such final form as approved by the City Attorney for on-call plan review, inspections, and staffing services:
 - 4Leaf, Inc.
 - Bureau Veritas, North America, Inc.
 - CSG Consultants, Inc.
 - Dennis Grubb & Associates, LLC
 - Interwest Consulting Group
 - Melad and Associates, Inc.
 - Scott Fazekas & Associates, Inc.
 - The Code Group, Inc.
2. Authorize the City Manager and City Clerk to execute future amendments with the above listed firms including any potential increases in compensation as long as the amendments are within the annual budget.

BACKGROUND:

In order to ensure a safe and high quality built environment for Costa Mesa residents and businesses, the Building Safety Division coordinates plan review, permit issuance and safety inspections for building construction and tenant improvement projects Citywide. While Building staff coordinate plan review and permit issuance, timely plan review is a shared responsibility among multiple departments including Building Safety, Planning, Engineering, Transportation and Fire Prevention. On average, Building staff process over 1,725 plan reviews, issue 1,300 building permits, and conduct over 17,000 inspections per year. In addition, Development Services staff serve

thousands of customers annually at our customer service counter and via phone and email, making it the busiest customer counter citywide.

Development Services, Fire, and Public Services Department operations require the use of contract plan check, inspection and staffing services in order to provide building safety and fire prevention services in a timely and efficient manner. In addition, due to the cyclical nature of construction activity, demand for plan review and inspection services can fluctuate from year to year. As such, the City generally retains professional plan review and inspection firms to supplement in-house staff services in order to meet customer demand and maintain City response times and service levels. On-call contract services are also used to provide specialized plan review or inspection services as needed.

The City's existing five-year agreements for building safety services expire on June 30, 2022. As such, the City began the Request for Proposal (RFP) process in February 2022. Development Services, Fire and Public Services Departments worked in a cooperative effort to draft a scope of work for this RFP. RFP 22-12 was released on March 1, 2022, a mandatory pre-proposal meeting was conducted on March 15, 2022 and proposals were due on March 31, 2022.

In order to ensure an objective selection process, an evaluation committee was assembled and all members evaluated proposals independently. The evaluation committee included representation from the Development Services, Fire and Public Services Departments.

ANALYSIS:

Based on the City's criteria and selection procedures set forth in the RFP, the evaluation committee recommended that agreements be awarded to the following firms:

- 4Leaf, Inc.
- Bureau Veritas, North America, Inc.
- CSG Consulting, Inc.
- Dennis Grubb & Associates, LLC
- Interwest Consulting Group
- Melad & Associates, Inc.
- Scott Fazekas & Associates, Inc.
- The Code Group, Inc. (VCA)

Under the proposed agreements, on-call consultants will provide inspections, plan review services and staff as needed at an hourly rate in accordance with their contracts.

The plan check service is typically subject to a City plan check fee charged to project applicants, which is based on the valuation of construction. For standard plan review, on-call plan check consultants receive up to 60 percent of City collected plan check fees, with the remainder covering a portion of City costs. Applicants may also request "expedited plan check service" where a plan check consultant provides accelerated plan check service for time sensitive projects. In such cases, the applicant pays a higher fee for accelerated service.

This contract is different than prior years in that it provides a comprehensive approach to the accelerated plan check service offered by the City in which all City departments participate including

Building, Engineering, Transportation and Fire Prevention. This approach will provide an interdepartmentally coordinated customer experience with consistent accelerated response times across City departments.

ALTERNATIVES:

An alternative to the recommended City Council action would be to not move forward with the contracts for on-call consulting services. Due to the volume of work and large number of projects currently being managed by Development Services, Fire and Public Services Department staff, the City's ability to provide timely inspections, plan check and permit processing services would be compromised and customers would experience significant delays.

FISCAL REVIEW:

Consultant services for plan check, inspection, and staffing services are utilized by the Development Services, Fire and Public Services Departments on an as-needed basis. The consultant's fees for plan check services are paid by project applicants. In FY 21-22, Development Services expended approximately \$558,000 on building safety on-call services. For FY 22-23, approximately \$418,000 has been budgeted. Use of contract services will be on an as needed basis.

LEGAL REVIEW:

The attached PSA's were prepared by the City Attorney's Office and the staff report has been reviewed and approved as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This item is administrative in nature.

CONCLUSION:

Staff recommends the City Council approve and authorize the City Manager and City Clerk to execute a five-year Professional Service Agreement (PSA) for as needed inspections, plan review, and staffing services, as well as future amendments to those agreements so long as such amendments are within the annual budget.