



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: OCTOBER 6, 2020**

FROM: COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT **WARDS: ALL**

SUBJECT: SIXTH AMENDMENT TO THE PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH CSG CONSULTANTS, INC., FOR THE TEMPORARY EMPLOYMENT SERVICE NEEDS OF THE BUILDING & SAFETY DIVISION TO INCREASE THE ANNUAL COST FROM \$100,000 TO \$300,000 PER FISCAL YEAR IN ACCORDANCE WITH PURCHASING RESOLUTION 23256, SECTION 702 (G); REVISED TOTAL CONTRACT AMOUNT OF \$1,140,000 – SUPPLEMENTAL APPROPRIATION

ISSUE:

Approve the Sixth Amendment to the Professional Consultant Services Agreement with CSG Consultants, Inc. for the temporary employment service needs of the Building & Safety Division to increase the annual cost from \$100,000 to \$300,000 per fiscal year, for a total contract amount of \$1,140,000.

RECOMMENDATIONS:

That the City Council:

1. Approve the Sixth Amendment to the Professional Consultant Services Agreement with CSG Consultants, Inc. to increase the annual cost from \$100,000 to \$300,000 per fiscal year in accordance with Purchasing Resolution 23256, Section 702(g), for a total contract amount of \$1,140,000;
2. Authorize a supplemental appropriation in the amount of \$200,000 to the Grants and Restricted Programs Fund General Plan Professional Service account 2810201-421000 from the General Plan Surcharge Reserve account 2810201-299203; and
3. Authorize the City Manager, or his designee, to execute the Sixth Amendment to the Professional Consultant Services Agreement with CSG Consultants, Inc., including making minor and non-substantive changes.

BACKGROUND:

On April 21, 2020, the City Council approved the Fifth Amendment to the Professional Consultant Services Agreement with CSG Consultants, Inc. (CSG) for the temporary employment service

needs of the Building & Safety Division. The City Council action extended the agreement an additional two years through June 30, 2022, for a sum not to exceed \$100,000 annually, and a total contract amount of \$740,000.

Initially hired in the spring of 2014, CSG Consultants is a leading government support services firm in California, and across the country. The vendor provides critical support to our development services team in the One Stop Shop, including building plan check and inspection services on an “as needed” basis. Typically, the Building & Safety Division utilizes CSG professional services when short staffed (due to vacancies, recruitments, leave, etc.) or when experiencing high volumes of development activity that may exceed our internal resource capacity.

DISCUSSION:

The Building & Safety Division is currently experiencing a significant shortage of plan check staff during a busy time in the construction industry. Three of six plan check positions are or will be vacant soon, due to a suspension of recruitment (Senior Plan Check Engineer) or due to pending retirement. That equates to fifty percent of the Building & Safety Divisions’ plan check unit, and a combined 65 years of experience and institutional knowledge. To navigate through the transition period, the Building & Safety Division must increase the utilization of professional contract services to help offset the loss of our internal resources and to maintain adequate plan check service levels to the maximum extent possible.

A reduction in staffing levels coincided with a record setting July (2020), where the team received more plan check submittals, inspections and requests for permits than a year ago. Accordingly, the Building & Safety Division began outsourcing a significant volume of building plan check to CSG in July 2020, who completes plan check services off site, including paper plan submissions and electronic plan check. With the significant increase in contract services, the current agreement is insufficient to cover the volume of plan check needed through the remainder of the fiscal year and beyond, should the vacancies remain. The Building & Safety Division also utilizes CSG staff for professional building inspection services when service levels remain high.

The current shortage in staffing resources has placed a tremendous burden on remaining staff and has impacted our ability to successfully service customers in a timely and efficient manner. This has caused a pause in the award-winning Streamline Riverside program. For example, building plan check is experiencing delays of up to two weeks beyond the typical plan check turnaround time, slowing construction progress in the City which negatively impacts economic development. This includes the limited outsourcing of plan check services through CSG Consultants at this time, given the financial limitations set in the current agreement. Expedited after hour plan check, a voluntary program, has been suspended as well. With this CSG amendment, Streamline Riverside program elements can be restored to their original award-winning levels within a period of 2 to 4 weeks allowing the team to catch up with a backlog and respond in a world-class, timely manner.

CSG Consultants has agreed to the same pricing for temporary services as established within the current agreement for the two-year term, which is exempt from competitive procurement and complies with Purchasing Resolution 23256, Section 702 (g) which states, “When Services can be Procured from a Contractor who offers the same or better price, terms and conditions as the Contractor previously offered as the Lowest Responsive Bidder under Competitive Procurement or negotiations conducted by the City or another public agency, provided that, in the opinion of the Manager, it is in the best interests of the City to do so”. At the conclusion of the Sixth Amendment

on June 30, 2022, the Community & Economic Development Department will issue a new Request for Proposal (RFP) for these professional services, as needed.

The Purchasing Manager concurs that the recommendation is in compliance with Purchasing Resolution 23256, Section 702(g).

FISCAL IMPACT:

The Sixth Amendment to the Professional Consultant Services Agreement with CSG Consultants, Inc. is for an annual expenditure up to \$300,000 for fiscal years 2020/21 and 2021/22. There are sufficient funds in the Grants and Restricted Programs Fund General Plan Surcharge Reserve account 0000101-299203 for the supplemental appropriation of \$200,000 for FY 2020/21. As adopted by the Council, the General Plan Surcharge fund is described to include "General Plan Maintenance, Update and Implementation, including Specific Plans, Zoning Code Amendments and Related Activities." Related activities include streamlining the review of projects and the implementation of the Building Code.

Prepared by:	David Welch, Community & Economic Development Director
Certified as to	
availability of funds:	Edward Enriquez, Chief Financial Officer/City Treasurer
Approved by:	Rafael Guzman, Assistant City Manager
Approved as to form:	Gary G. Geuss, City Attorney

Attachment:	Sixth Amendment to the Professional Consultant Services Agreement with CSG Consultants, Inc.
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