



CITY COUNCIL AGENDA REPORT

MEETING DATE: OCTOBER 5, 2010

ITEM NUMBER:

SUBJECT: BUDGET ADJUSTMENT FOR CONTRACT BUILDING PLAN REVIEW AND INSPECTION SERVICES AND AUTHORIZATION TO AMEND PROFESSIONAL SERVICE AGREEMENTS

DATE: SEPTEMBER 23, 2010

FROM: DEVELOPMENT SERVICES DEPARTMENT

**PRESENTATION BY: KHANH NGUYEN, BUILDING OFFICIAL
KIMBERLY BRANDT, DIRECTOR**

FOR FURTHER INFORMATION CONTACT: KHANH NGUYEN (714) 754-5277

RECOMMENDATIONS:

1. Approve budget adjustment in the amount of \$125,000 from Development Services salary savings to the Engineering and Architectural account.
2. Authorize the Mayor to amend Professional Services Agreements (PSAs) approved in June 2010, for contract plan check and inspection services with the companies of Scott Fazekas & Associates Inc., Bureau Veritas, and CSG Consultants Inc., for the total amount not to exceed \$175,000 in the aggregate.

BACKGROUND/ANALYSIS:

The Development Services Department operations require the continued use of contract plan check and inspection services in order to provide building safety services in a timely and efficient manner. The on-going tenant improvement projects at South Coast Plaza, along with several major projects, such as The Crossing Sanctuary, Vons Shopping Center Remodel, In&Out, and Sonic Burger, will continue the need for specialized contract services into the foreseeable future.

Copies of the PSAs with each of the above firms are attached. Most service costs are recoverable and are designed as a percentage of the City's collected plan check fees leaving adequate coverage for the City's administrative cost of providing services.

FISCAL:

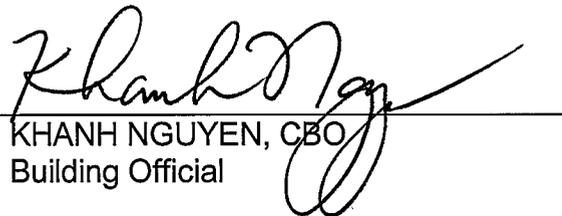
Funds would come from salary savings from the vacant Chief Plans Examiner and Senior Inspector positions.

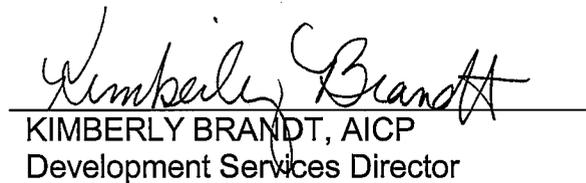
LEGAL AND RISK MANAGEMENT REVIEW:

The attached professional services agreements are those provided by the City Attorney and are "approved as to form". Additionally, the City's Risk Manager has approved all insurance provisions for compliance with City requirements.

CONCLUSION:

Use of contract plan check, inspection, and staffing services continues to be a cost effective means of providing required Building Safety services. The use of core City staff supplemented by contracts for required services is a common cost-effective practice for cities throughout the State.


KHANH NGUYEN, CBO
Building Official


KIMBERLY BRANDT, AICP
Development Services Director

DISTRIBUTION: City Manager
Assistant City Manager
Assistant Finance Director
City Attorney
City Clerk (2)
Staff (4)
File (2)

Attachments: Budget Adjustment Memorandum
Professional Services Agreement for Scott Fazekas & Associates
Professional Services Agreement for CSG Consultants
Professional Services Agreement for Bureau Veritas

File: 100510BldgSafetyPSAs	Date: 92310	Time: 2:00 p.m.
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City of Costa Mesa

Inter Office Memorandum

TO: BUDGET AND RESEARCH OFFICER

FROM: KIMBERLY BRANDT, DEVELOPMENT SERVICES DIRECTOR 

DATE: SEPTEMBER 23, 2010

SUBJECT: BUDGET ADJUSTMENT REQUEST

Please generate the following budget adjustment to fund a contract Combination Building Inspector:

From:
\$125,000 – Building Safety (18300) Account Number 501200 (Regular Salaries)
General Fund 101 - 20410

To:
\$125,000 – 530400 101 18300 20410 Engineering & Architectural

Our three building inspectors have each performed about 20 inspections per day over the last 6 months. That is well above the national average of 12 and County average of 14. We have a need for a full time contract Combination Building Inspector to carry us through this fiscal year and to provide needed coverage as our staff prepares for the new codes in 2011.

The funds will come from salary savings from the vacant Senior Building Inspector and Chief Plans Examiner positions.

Thank you for your assistance.

cc City Manager

**AMENDMENT NUMBER FIVE
TO PROFESSIONAL SERVICES AGREEMENT
FOR BUILDING PLAN CHECK AND INSPECTION**

This Amendment is made and entered into this ____ day of October, 2010 (“Effective Date”) by and between the City of Costa Mesa, a municipal corporation (“City”) and SCOTT FAZEKAS & ASSOCIATES, INC, a California corporation (“Consultant”).

WHEREAS, Consultant and City entered into an agreement on July 6, 2006, for Consultant to provide plan checking and inspection services on an as-needed basis to support new large development projects and special programs in the City as described herein below; and

WHEREAS, the term of Consultant and City’s original Agreement expired on June 30, 2007; and

WHEREAS, the original proposal contained a provision for five (5) additional one (1) year extensions at City’s option; and

WHEREAS, the first extension was exercised and expired on June 30, 2008; and

WHEREAS, the second extension was exercised and expired on June 30, 2009;
and

WHEREAS, the third extension was exercised and expired on June 30, 2010; and

WHEREAS, the fourth extension was exercised and expires on June 30, 2011; and

WHEREAS, the amount budgeted for the fourth extension is inadequate; and

WHEREAS, the amount of compensation which originally contained an allocation of Five Hundred Thousand Dollars (\$500,000.00) needs to be changed to reflect the actual amount budgeted.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Paragraph 2.1. Compensation, shall be amended to read, “Consultant shall be paid in accordance with the fee schedule set forth in Exhibit “C,” attached hereto and made a part of this Agreement (the “Fee Schedule”). Because the services to be performed under this Agreement are on an “as needed” basis in conjunction with agreements with other consultants (CSG Consultants, Inc. and Bureau Veritas), the total amount not to be exceeded is One Hundred Seventy-Five Thousand Dollars (\$175,000) in the

aggregate. The City's Finance Department will be responsible for tracking the associated payments to insure that the amount budgeted for these services is not exceeded.

2. All terms not herein defined shall have the same meaning and use as set forth in the Agreement.
3. All other terms, conditions, and provisions of the Agreement not in conflict with this Amendment and previous Amendments, shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have set their hand by their duly authorized representatives as of the day and year first above written.

CITY OF COSTA MESA,
A municipal corporation

Mayor of the City of Costa Mesa

Date: _____

SCOTT FAZEKAS & ASSOCIATES, INC.



Signature

Date: 9/24/10

Scott R. Fazekas, President/CFO.
Name and Title

ATTEST:

City Clerk and ex-officio Clerk
of the City of Costa Mesa

APPROVED AS TO CONTENT:



Project Manager

Date: 9-22-10

APPROVED AS TO FORM:

Kimberly Hall Barlow
City Attorney

Date: 9/21/10

Section 6 - Proposed Fees

PLAN REVIEW

The traditional approach in proposing building plan check fees is to apply a percentage to the revenue collected by the agency for plan review fees. Using the City's chart to establish the plan check fee, SFA proposes to charge eighty-five percent (85%) of the established plan check fees for the scope of work requested.

If SFA is reviewing duplicate or identical plans on a project, the proposed fee is fifteen percent (15%) of the plan review fee collected after the initial model is checked at the prescribed rate.

SFA will not charge for rechecks unless the plans are incomplete or revised for which the City would collect additional fees from the applicant as well. The City would then have the funds to reimburse SFA. Additional services outside the main scope of review would be charged at a rate of \$95.00 per hour or as mutually agreed upon based on the salary rate of the employee.

HOURLY CONTRACT EMPLOYEE FEES

The following rates are based on the presumption that a professional services agreement requiring E & O insurance will be used. If a different format is used, the fees may be subject to consideration. These rates are for staff positions in the event such arrangements are decided to be established in addition to plan check consulting services.

For the positions listed in the RFP, the hourly rates are listed as follows to allow for comparison of Proposals. The rates, which indicate a range of billing rates, are based on payroll rates of the employees and the term of employment anticipated.

Building Counter Technician	\$35.00 - \$45.00
Combination Building Inspector	\$45.00 - \$60.00
Housing Code Inspector	\$40.00 - \$55.00
Municipal Code Enforcement Officer	\$40.00 - \$55.00
Office Support Specialist	\$30.00 - \$45.00
Grading Inspector	\$45.00 - \$60.00
Infrastructure Inspector	\$45.00 - \$60.00
Plan Checker	\$50.00 - \$65.00
Plan Check Engineer	\$75.00 - \$100.00

Additional positions are subject to mutually agreed upon rates when so requested by the City.

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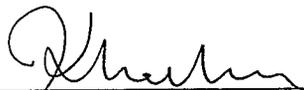
IN WITNESS WHEREOF, the Parties hereto have set their hand by their duly authorized representatives as of the day and year first above written.

CITY OF COSTA MESA,
A municipal corporation

Mayor of the City of Costa Mesa

Date: _____

CSG CONSULTANTS, INC.



Signature

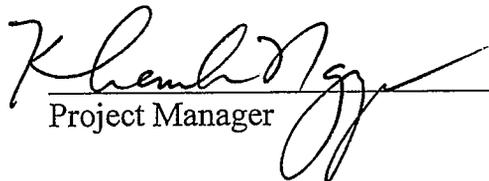
Date: 9/23/2010

KHOA DUONG, V.P.
Name and Title

ATTEST:

City Clerk and ex-officio Clerk
of the City of Costa Mesa

APPROVED AS TO CONTENT:



Project Manager

Date: 9-22-10

APPROVED AS TO FORM:

Kimberly Noel Barlow
City Attorney

Date: 9/21/10

PROPOSED FEE SCHEDULE

Service	Fee
Building Plan Review	85% of the plan review fee as calculated per CBC Table 1-A
Grading Plan Review	85% of the City plan review fee
Expedited Plan Review	To be negotiated
Combination Inspector	\$55.00 per hour (City provides vehicle) \$60.00 per hour (CSG provides vehicle)
Grading Inspector	\$60.00 per hour (City provides vehicle) \$65.00 per hour (CSG provides vehicle)

**AMENDMENT NUMBER FIVE
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WHEREAS, Consultant and City entered into an agreement on July 6, 2006, for Consultant to provide plan checking and inspection services on an as-needed basis to support new large development projects and special programs in the City as described herein below; and

WHEREAS, the term of Consultant and City’s original Agreement expired on June 30, 2007; and

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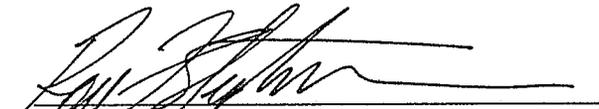
IN WITNESS WHEREOF, the Parties hereto have set their hand by their duly authorized representatives as of the day and year first above written.

CITY OF COSTA MESA,
A municipal corporation

Mayor of the City of Costa Mesa

Date: _____

BUREAU VERITAS



Signature

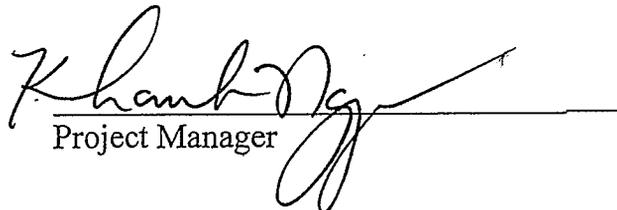
Date: 9/23/10

Ray Stephenson Vice President
Name and Title

ATTEST:

City Clerk and ex-officio Clerk
of the City of Costa Mesa

APPROVED AS TO CONTENT:



Project Manager

Date: 9-22-10

APPROVED AS TO FORM:

Kimberly Anne Barlow
City Attorney

Date: 9/21/10



Section 4 - Proposed Fees for Building Plan Check and Inspection Services

Plan Review Fees	Rates
Building Plan Review Services	85% Jurisdiction Collected Plan Check Fee*
Accelerated Building Plan Review/Services	TBD Prior to the Review

*Predicated on City maintaining an acceptable fee schedule

Schedule of Rates for Additional Professional Services

Community Development

Billing Title	Hourly Billing Rates
Building Official II	\$155
Deputy Building Official	\$140
Senior Inspector	\$90
Inspector	\$85
Inspector/Plans Exam IV	\$130
Inspector/Plans Exam III	\$120
Inspector/Plans Exam III	\$110
Inspector/Plans Exam II	\$105
Permit Technician III	\$90
Permit Technician II	\$75
Permit Technician I	\$70

Construction Management / Observation

Billing Title	Hourly Billing Rates
Resident Engineer II	\$160
Resident Engineer I	\$145
Construction Manager Dir	\$160
Construction Manager I	\$140
Construction Observer V	\$120
Construction Observer IV	\$115
Construction Observer III	\$90
Construction Observer II	\$80
Construction Observer I	\$75
Construction Technician	\$75

Program Management / Engineering

Billing Title	Hourly Billing Rates
Sr. Engineer II	\$145
Sr. Engineer I	\$140
Engineer V	\$130
Engineer IV	\$125
Engineer III	\$115
Engineer II	\$105
Engineer I	\$90
Engineering Asst II	\$85
Engineering Asst I	\$75
Specialist/Designer IV	\$140
Specialist/Designer III	\$130
Specialist/Designer II	\$120
Specialist/Designer I	\$110

Special Services / Administration

Billing Title	Hourly Billing Rates
Principal	\$230
Sr. Project Manager	\$175
Project Manager	\$160
Technician IV	\$105
Technician III	\$90
Technician II	\$75
Technician I	\$70
Administrative Mgmt	\$100
SR. Admin Assistant	\$90
AA III / Contracts Splst.	\$75
Admin Assistant II	\$70
AA I/Clerical II/Facilities	\$55
Clerical I	\$45

Professional Reimbursement

The hourly billing rates include the cost of salaries of the Bureau Veritas employees, plus sick leave, vacation, holiday and other fringe benefits. The percentage added to salary costs includes indirect overhead costs and fee (profit). All employees classified as "non-exempt" by the U.S. Department of Labor will be compensated at 1-1/2 times salary, as per state and Federal wage and hour laws. Billing rates will be calculated accordingly for these overtime hours.

Communication Fee

Project Labor Times 3.0% which includes telecommunications, faxes, standard U.S. Mail, mobile phones, and internet access and hardware.





Direct Expenses

Reimbursement for direct expenses, as listed below, incurred in connection with the work, will be at cost plus fifteen percent (15%) for items such as:

- Maps, photographs, reproductions, printing, equipment rental and special supplies related to the work.
- Consultants, soils engineers, surveyors, contractors, and other outside services.
- Rented vehicles, local public transportation and taxis, travel and subsistence.
- Specific telecommunications and delivery charges.
- Special fees, insurance, permits, and licenses applicable to the work.
- Outside computer processing, computation, and proprietary programs purchased for the work.

Reimbursement for employee-owned vehicles used in connection with the work will be at the current IRS per mile rate.

Other in-house charges for prints, reproductions and equipment use, etc. will be at standard company rates.

The foregoing Schedule of Charges is incorporated into the agreement for the services provided, effective January 3, 2006 through December 31, 2006, and will be adjusted thereafter.

