



CITY COUNCIL AGENDA REPORT

MEETING DATE: MARCH 15, 2011

ITEM NUMBER:

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

DATE: MARCH 2, 2011

FROM: FIRE DEPARTMENT/DEVELOPMENT SERVICES DEPARTMENT

PRESENTATION BY: KIRK DOMINIC, INTERIM FIRE CHIEF

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

RECOMMENDATIONS:

1. Authorize the Mayor to amend Professional Services Agreements (PSAs) approved in October 2010, to include contract fire system plan check and inspection services in addition to contract building 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 \$205,000 in the aggregate.
2. Approve budget adjustment #11-016 in the amount of \$30,000 to reallocate general fund appropriations within the Fire Department to the Engineering and Architectural account for contract fire system plan check and inspection services.

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. Part of that service includes plan check and inspection of fire systems such as sprinklers and alarms. Historically fire system reviews and enforcement have been performed by Costa Mesa Fire Prevention staff.

With the recent staff reduction in Fire Prevention, coupled with the new California Residential Code that mandates sprinkler systems in all new residential buildings, Fire Prevention has a need for outside consultants to provide timely fire system reviews and inspections.

Copies of the PSAs with each of the above firms are attached. The service costs are recoverable and are designed as a percentage of the City's collected plan check and

inspection fees leaving adequate coverage for the City's administrative cost of providing services.

FISCAL:

The attached budget #11-016 reallocates \$30,000 to the Engineering and Architectural account from the Fixed Asset – Office Furniture account within the Fire Department General Fund budget. The original budgeted costs were associated with moving Fire Prevention personnel from Fire Station #1 to the 5th floor of City Hall. These funds are no longer needed for that purpose.

LEGAL REVIEW:

The attached professional services agreements are those provided by the City Attorney and are "approved as to form".

CONCLUSION:

Use of contract plan check, inspection, and staffing services continues to be a cost effective means of providing required Building Safety and Fire Prevention 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, CEO
Building Official


KIRK DOMINIC
Interim Fire Chief


KIMBERLY BRANDT, AICP
Development Services Director

DISTRIBUTION: Chief Executive Officer
Assistant Chief Executive Officer
Assistant Finance Director
City Attorney
City Clerk (2)
Staff (4)
File (2)

Attachments: Budget Adjustment #11-016
Professional Services Agreement for Scott Fazekas & Associates
Professional Services Agreement for CSG Consultants
Professional Services Agreement for Bureau Veritas

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

This Amendment is made and entered into this ____ day of March, 2011 (“Effective Date”) by and between the City of Costa Mesa, a municipal corporation (“City”) and BUREAU VERITAS, 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 expires on June 30, 2010; and

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

WHEREAS, the amount budgeted for the fourth extension is inadequate and was revised on October 5, 2010; and

WHEREAS, the revised amount budgeted for the fourth extension is still 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 Scott Fazekas & Associates), the total amount not to be exceeded is Two Hundred Five Thousand Dollars (\$205,000) 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: _____

BUREAU VERITAS



Signature

Date: 3/2/11

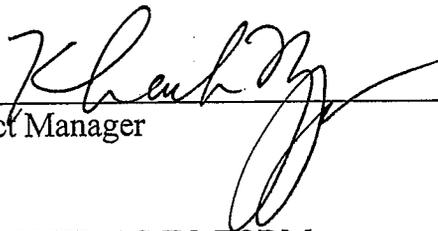
Roy Stephan Vice President

Name and Title

ATTEST:

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

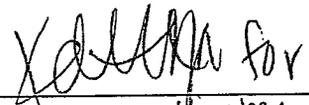
APPROVED AS TO CONTENT:



Project Manager

Date: 3/1/11

APPROVED AS TO FORM:



City Attorney - Fimberg Hall Bartow

Date: 2/24/11

EXHIBIT C



City of Costa Mesa
Building Plan Check and Inspection Services

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	\$65
Inspector/Plans Exam IV	\$130
Inspector/Plans Exam III	\$120
Inspector/Plans Exam II	\$110
Inspector/Plans Exam I	\$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	\$108
SR. Admin Assistant	\$90
AA III / Contracts Splst.	\$75
Admin Assistant II	\$70
AA I/Clerical II/Facilities	\$65
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.





Fire Plan Check and Inspection Fee Proposal

Fire Plan Check Inspection		Rates*
All Fire Plan Reviews	85% of the City's Collected Fee	
All Fire Inspections		\$100/hr

City of Costa Mesa will provide a Vehicle to perform all inspection activity.

Professional Reimbursement

The hourly billing rates include the cost of salaries if 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 1½ 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.

The foregoing Schedule of Charges Is incorporated into the agreement for the services provided, effective March 16, 2011 through June 30, 2011.



**AMENDMENT NUMBER SIX
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FOR BUILDING PLAN CHECK AND INSPECTION**

This Amendment is made and entered into this ___ day of March, 2011 ("Effective Date") by and between the City of Costa Mesa, a municipal corporation ("City") and CSG CONSULTANTS, 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

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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 (Bureau Veritas and Scott Fazekas & Associates), the total amount not to be exceeded is Two Hundred Five Thousand Dollars (\$205,000) 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.

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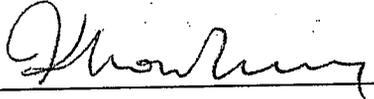
IN WITNESS WHEREOF, the Parties hereto have set their hand by their duly authorized representatives as of the day and year first above written.

CITY OF COSTA MESA,
A municipal corporation

Mayor of the City of Costa Mesa

Date: _____

CSG CONSULTANTS, INC.



Signature

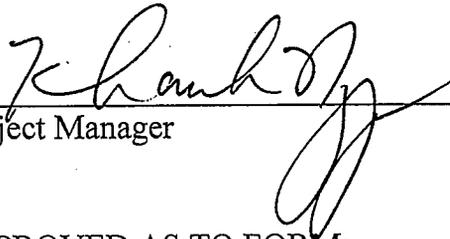
Date: 3/04/2011

KHOA DUONG, 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: 3/1/11

APPROVED AS TO FORM:

 for
City Attorney Kimberly Hall Barlow

Date: 2/24/11

EXHIBIT C

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)

CURRENT FIRE SERVICE FEE SCHEDULE
- MARCH 2011

Service	Fee
Fire Plan Review	\$90.00 per hour
Fire Inspector/Fire Marshal	\$70.00 per hour (City provides vehicle)

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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: _____

SCOTT FAZEKAS & ASSOCIATES

Scott H. Fazekas
Signature

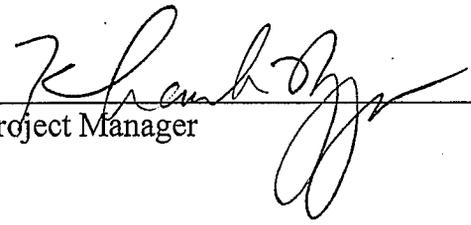
Date: 3-4-11

President/C.F.O.
Name and Title

ATTEST:

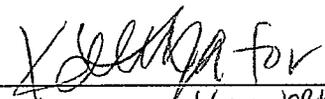
City Clerk and ex-officio Clerk
of the City of Costa Mesa

APPROVED AS TO CONTENT:


Project Manager

Date: 3/1/11

APPROVED AS TO FORM:


City Attorney / Kimbeny Hall Barlow

Date: 2/29/11

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.

Fire Prevention Fees

Fire Plan Review	\$100.00/hour
Fire Inspection	\$100.00/hour

Footnotes:

- 1) The same individual who performs the plan reviews will perform the inspections, however, if more consistent ongoing hours are needed an inspector who meets the City's approval may be selected at a lesser rate depending on their qualifications.
- 2) A two-hour minimum applies to plan check and inspections.