



REEDLEY CITY COUNCIL

- Consent
Regular Item
 Workshop
 Closed Session
 Public Hearing

ITEM NO: 8

DATE: August 28, 2018

TITLE: APPROVE AND AUTHORIZE THE CITY MANAGER TO SIGN AGREEMENTS WITH THREE CONSULTING FIRMS TO PERFORM ON-CALL PROFESSIONAL SERVICES FOR THE COMMUNITY DEVELOPMENT DEPARTMENT:

- A: 4Leaf, Inc.
B: Interwest Consulting Group
C: Rincon Consultants, Inc.

SUBMITTED: Rob Terry 
Community Development Director

APPROVED: Nicole R. Zieba 
City Manager

RECOMMENDATION

Approve and authorize the City Manager to make non-substantive changes to the attached draft agreements, and sign final agreements with three separate consulting firms to perform on-call professional services for the Community Development Department, as notated below:

- A. 4Leaf, Inc. – Draft Professional Services Agreement for Plan Check Services
- B. Interwest Consulting Group – Draft Professional Services Agreement for Plan Check Services
- C. Rincon Consultants, Inc. – Draft Consultant Planning Services Agreement

EXECUTIVE SUMMARY

The Community Development Department is responsible for highly technical and complex assignments associated with the approval and development of structures within the community. To complete such activities, specialized certifications, technical, legal and/or environmental expertise are required. With a limited staff and specific certifications and/or specializations often required, employing the services of on-call consulting firms in the appropriate manner can have several customer service and cost benefits.

On-call consulting contracts allow for maximum flexibility, efficiency and accountability within the Department by:

- Allowing for required certified reviews and analysis to take place in accordance with government regulations without having to maintain high-dollar staff with specialized certifications
- Typically delivering results to applicants in a shorter amount of time during periods of high workload
- Maintaining payment by the applicant in accordance with the fee schedule
- Allowing for review and approval by the City Manager prior to non-standard work being performed

The Community Development Department is seeking to enter into on-call contracts with three consulting firms to continually focus on efficient customer service; including 4Leaf, Inc. for plan check services, Interwest Consulting Group for plan check services, and Rincon Consulting, Inc. for environmental analysis. Each agreement would terminate June 30, 2020, allowing staff to analyze consultant performance and recommend changes to contract terms or service providers, as appropriate.

BACKGROUND

The Community Development Department is made up of the Planning and Building Divisions. Each division is responsible for highly technical and complex assignments associated with the approval and development of structures within the community. To complete such activities, specialized certifications, technical, legal and/or environmental expertise are required. When specialty certifications, staff workloads and/or capacity impact the ability to accommodate development-responsive activities, on-call consultant assistance can be utilized to ensure that the Department remains fully capable of operating with maximum efficiency, and consistent focus on timely processing and excellent customer service. The bulk of such services can also be delivered within the existing fee schedule maintained by the City, and any non-standard activity requiring the approval of the City Manager prior to action being taken.

Within the Building Division, plan check and review activities are required for architectural, structural, electrical, plumbing, mechanical, fire, energy, accessibility, green building, and other plan sets. Codes applicable to Federal, State and local ordinances and regulations must be applied to each plan set, with the local agency responsible for oversight of this inclusion and notation. Large industrial facilities can require specialized review. Plan sets that include medical facilities require a specialized review certification that fall under the Office of Statewide Health Planning and Development 3 Clinic Requirements, often referred to as OSHPD3. Completion of these services requires a certified reviewer to comply with State codes. Both 4Leaf, Inc. and Interwest Consulting Group have submitted proposals to provide on-call plan check activities for the City of Reedley on a per-project basis. Staff desires to maintain contracts with both firms given their varying plan check certifications and staffing expertise, allowing for assignment to the most appropriate party at any given time. Each agreement would sunset June 30, 2020, allowing staff to analyze consultant performance, and recommend changes to contract terms or service providers, as appropriate.

Assistance with additional activities, such as building inspection and administrative support, are also included within each proposal, with the same per-project or hourly rate fee structure. While staff does not anticipate utilizing such services at this time, the inclusion of them into an on-call contract would allow for an efficient response to workload or project-specific needs in a timely manner. All assistance would be provided on a per-project basis with an approved

scope of work submitted to the Community Development Director for review, and approval provided by the City Manager before any activities would commence. Costs for any such services would be the responsibility of the applicant, in accordance with the current fee schedule.

Within the Planning Division, review and analysis associated with the California Environmental Quality Act (CEQA) is a major function. Much of the required analysis can be completed in-house; however, analysis that includes significant research for impacts, environmental findings, mitigation requirements, etc. demands considerable time and resources, which is extremely difficult to accommodate with limited staff while working within the vigorous public review and approval requirements associated with CEQA – all while still processing additional applications and projects, and responding to citizens in a timely manner. Rincon Consultants, Inc. has submitted a Letter of Interest to provide on-call environmental and planning services to the City of Reedley on a per-project basis, specific to the environmental application submitted/required. The agreement would sunset June 30, 2020, allowing staff to analyze consultant performance, and recommend changes to contract terms or the service provider, as appropriate.

A cost schedule for additional environmental and planning assistance options was also provided. Similar to Building Division services, any assistance would be provided on a per-project basis with an approved scope of work submitted to the Community Development Director for review, and approval provided by the City Manager prior to any activity taking place. Costs for any such services would be the responsibility of the applicant.

Utilizing consultant services in the appropriate manner has several customer service and cost benefits, allowing staff to be more responsive to applicant needs in a timely and efficient manner with maximum flexibility, efficiency and accountability by:

- Allowing for required certified reviews and analysis to take place in accordance with government regulations without having to maintain high-dollar staff with specialized certifications
- Typically delivering results to applicants in a shorter amount of time during periods of high workload
- Maintaining payment by the applicant in accordance with the fee schedule
- Allowing for review and approval by the City Manager prior to non-standard work being performed

FISCAL IMPACT

There is no negative fiscal impact to the City given that the costs of service are determined per-project, and are paid by the applicant needing the analysis/review in accordance with the adopted fee schedule. It should be noted that the Planning Division has identified one fee that needs to be adjusted to account for the varying flexibility in the analysis that may be required under this activity (Mitigated Negative Declarations). As such, staff will be returning to Council at a future date to address this singular fee.

PRIOR COUNCIL ACTIONS

No prior actions have been taken by the City Council in regards to this matter.

ATTACHMENTS

1. 4Leaf, Inc. – Draft Professional Services Agreement
2. Interwest Consulting Group – Draft Professional Services Agreement

3. Rincon Consultants, Inc. – Draft Consulting Planning Services Agreement

Motion: _____

Second: _____

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this 4TH day of SEPT., 2018 (the effective date) by and between The City of Reedley, hereinafter referred to as "CITY", and Interwest Consulting Group Inc., hereafter referred to as "INTERWEST".

IN CONSIDERATION of the covenants to hereinafter set forth, the parties hereto mutually agree as follows:

ARTICLE 1 SCOPE OF SERVICES

1.1 Description of Services

The term of this agreement shall begin on the effective date, and shall end on June 30, 2020. INTERWEST shall perform general building department services including plan review, building inspection and other related services as directed by the and on behalf of the CITY as identified in the attached EXHIBIT "A" Scope of Services.

1.2 Schedule of Work

Upon receipt of written Notice to Proceed from CITY, INTERWEST shall perform with due diligence the services requested by the CITY and agreed to by INTERWEST.

ARTICLE 2 COMPENSATION

2.1 Payment Address

All payments due INTERWEST shall be paid to:

Interwest Consulting Group Inc.
1171 W. Shaw Avenue, Suite 102
Fresno, CA 93711

2.2 Terms of Compensation

Terms of compensation are as stipulated in the attached EXHIBIT "B" Project Fees.

INTERWEST will submit invoices monthly for the work completed in the previous month. INTERWEST shall perform such services and be paid for such services in accordance with the fees for services identified in the Proposal for Professional Building Official, Plan Check and Building Inspection Services on an As-Needed Basis.

All invoices for services are considered to be due and payable upon receipt unless otherwise set forth in this Agreement. It is mutually agreed that payment to INTERWEST shall not be delayed for any reason during the execution of the scope of services. This would also include final payment upon completion of the scope of services by INTERWEST. Withholding of payment shall only be for cause and shall be as set forth in writing by the client within 10 calendar days of receipt of the invoice. Invoices not

contested within 10 calendar days are assumed to be accurate and acceptable to all parties, and all rights to withhold payment shall be forfeited after that time.

Each invoice will represent services completed during the prior month unless otherwise noted on the invoice. Payment not received within 30 days of the invoice date will be considered past due. All past due invoices will be subject to a 1.5 % per month late charge. If the invoice, including late charges due, is not paid in full within 60 days of the invoice date, INTERWEST may cease all services on the project and may commence the exercising of its legal remedies. These include, but are not limited to, mechanics' lien rights under applicable law.

ARTICLE 3 INDEMNIFICATION AND INSURANCE

3.1 Indemnification

INTERWEST will indemnify and hold harmless CITY, Its Boards and its officers and employees (collectively "CITY"), against any claim, loss or liability that CITY incurs to the extent caused by the negligent acts, errors or omissions of INTERWEST, its agents, officers, directors and employees, in performing any of the services under this Agreement.

In recognition of the relative risks and benefits of the services provided to both the CITY and INTERWEST, these risks have been allocated such that the CITY agrees, to the fullest extent permitted by law, to specific limits of liability. The aggregate limits of liability of INTERWEST, its agents, officers, directors and employees in performing any of the services under this Agreement arising from any and all cause or causes shall not exceed \$50,000. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless prohibited by law.

3.2 General Liability

INTERWEST shall at all times during term of the Agreement carry, maintain, and keep in full force and effect, a policy or policies of Comprehensive General Liability Insurance, with minimum limits of One Million (\$1,000,000.00) Dollars for each occurrence and in the aggregate, combined single limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by INTERWEST. Said policy or policies shall be issued by an insurer admitted to do business in the State of California and rated in Best's Insurance Guide with a rating of B++ or better.

3.3 Professional Liability

INTERWEST shall at all times during the term of this Agreement, carry, maintain, and keep in full force and effect a policy or policies of professional liability insurance with a minimum limit of one million (\$1,000,000.00) dollars. Said policy or policies shall be issued by an insurer admitted to do business in the State of California and rated in Best's Insurance Guide with a rating of B++ or better.

3.4 Worker's Compensation

INTERWEST agrees to maintain in force at all times during the performance of work under this Agreement worker's compensation insurance as required by the law. INTERWEST shall require any subcontractor similarly to provide such compensation insurance for their respective employees.

3.5 Certificate of Insurance

Upon execution of this Agreement, INTERWEST shall send the CITY a certificate of insurance showing that the aforesaid policies are in effect in the required amount. At all times during the term of this agreement, Interwest shall maintain on file with the CITY Clerk a certificate of insurance showing that the aforesaid policies are in effect in the required amounts. The comprehensive general liability policy shall include the CITY, its officers, and employees as additional insured.

ARTICLE 4 TERMINATION

4.1 Termination of Agreement

- (a) This Agreement may be terminated at any time, with or without cause, by either party upon sixty (60) days prior written notice.
- (b) In the event of termination or cancellation of this Agreement by INTERWEST or CITY, due to no fault or failure of performance by INTERWEST, INTERWEST shall be paid compensation for all services performed by INTERWEST, in an amount to be determined as follows; for work done in accordance with all of the terms and provisions of this Agreement, INTERWEST shall be paid an amount equal to the percentage of services performed prior to the effective date of termination or cancellation in accordance with the work items; provided in no event shall the amount which would have been paid to INTERWEST for the full performance of the services.

ARTICLE 5 OWNERSHIP OF DOCUMENTS

5.1 Ownership of Documents and Work Product

All plans, specifications, reports and other design documents prepared by INTERWEST pursuant to this Agreement are instruments of service, which shall be deemed the property of the CITY. CITY acknowledges and agrees that all plans, specifications, reports and other design documents prepared by INTERWEST pursuant to this Agreement shall be used exclusively on this Project and shall not be used for any other work without the written consent of INTERWEST. In the event CITY and INTERWEST permit the reuse or other use of the plans, specifications, reports or other design documents, CITY shall require the party using them to indemnify and hold harmless INTERWEST regarding any and all references to INTERWEST from the plans, specifications, reports and other design documents.

ARTICLE 6
GENERAL PROVISIONS

6.1 Fair Employment Practices/Equal Opportunity Acts

In the performance of this Agreement, INTERWEST shall comply with all applicable provisions of the California Fair Employment Practices Act (California Government Code Sections 12940-48) and the applicable equal employment provisions of the Civil Rights Act of 1964 (42 U.S.C. 200e-217), and the Americans with Disabilities Act of 1992 (42 U.S.C. § 11200, et seq.).

6.2 Legal Action

(a) Should either party to this Agreement bring legal action against the other, the case shall be brought in a court of competent jurisdiction in Orange County, California, and the party prevailing in such action shall be entitled to recover its costs of litigation, including reasonable attorneys' fee which shall be fixed by the judge hearing the case and such fee shall be included in the judgment.

(b) Should any legal action about the Project between CITY and a party other than INTERWEST require the testimony of INTERWEST when there is no allegation that INTERWEST was negligent, CITY shall compensate INTERWEST for its testimony and preparation to testify at the hourly rates in effect at the time of such testimony.

6.3 Assignment

This Agreement shall not be assignable by either party without the prior written consent of the other party.

Notwithstanding the above, INTERWEST may use the services of persons and entities not in INTERWEST'S direct employ, when it is appropriate and customary to do so. Such persons and entities include, but are not necessarily limited to specialized consultants.

6.8 Hazardous Materials

Unless otherwise provided in this Agreement, INTERWEST and its subconsultants and/or contractors shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to hazardous materials in any form at the site of the Project.

6.9 Titles

The titles used in this Agreement are for general reference only and are not part of the Agreement.

6.10 Extent of Agreement

This Agreement represents the entire and integrated Agreement between CITY and INTERWEST and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be modified or amended only by a subsequent written agreement signed by both parties.

6.11 Notices

All notice pertaining to this Agreement shall be in writing and addressed as follows:

If to INTERWEST:

Mr. Ron Beehler
Interwest Consulting Group Inc.
11613 Santa Clara Drive, Suite 100
Roseville, CA 95661

If to CITY:

Mr. Gary Higginbotham
Building Official
City of Reedley
1733 9th Street
Reedley, CA 93654

IN WITNESS WHEREOF, the parties hereto have executed this Agreement of the date and year first above written.

Interwest Consulting Group, Inc.

BY: 
Ron Beehler

Title: Director

Dated: 8-30-18

City of Reedley

BY: 

Title: City Mayor

Dated: 9/4/18

EXHIBIT - A

SCOPE OF SERVICES

Plan Processing Requirements

Upon receipt of plans and documents for review and approval including OSHPD3 plan review projects, Interwest will develop and furnish the Building Official with a complete and legible correction list for each plan review. When plans are deemed complete and in full code compliance, 2 sets of plans and corresponding documents will be stamped with Interwest Consulting Group's approval stamp and signed by our plans examiners. Both sets of completed documents will be returned to the county for final approval and distribution to the applicant.

All construction plans and other related documents will be reviewed for compliance with the following codes:

- ✓ *Architectural - Latest City Adopted Building and Residential Codes*
- ✓ *Structural - Latest City Adopted Building and Residential Codes*
- ✓ *Electrical - Latest City Adopted Electrical Code*
- ✓ *Plumbing - Latest City Adopted Plumbing Code*
- ✓ *Mechanical - Latest City Adopted Mechanical Code*
- ✓ *Fire - Latest City Adopted Fire Code*
- ✓ *Energy - Latest County Adopted Title 24 Energy Code*
- ✓ *Accessibility - Latest City Adopted Title 24 Accessibility Codes (State and Federal)*
- ✓ *Green Building - Latest City Adopted Green Building Code*
- ✓ *Other City Ordinances, Policies, Procedures*

Time of Performance

Interwest Consulting Group understands the need for prompt and timely services and works hard to accommodate any turn around schedule desired by our clients. Our typical turn-around is ten (10) working days for first reviews and five (5) working days for subsequent reviews. We propose plan review turn-around times for large and/or complex projects be within 15 working days for the first review and 10 working days for subsequent reviews as agreed to, based on the complexity of the project.

The turn-around time for plan reviews will begin the day the documents are received in our office. Interwest Consulting Group will also accommodate special project plan review needs, such as fast-track or expedited reviews and phased plan reviews as agreed to, based on the complexity of the project and availability of staff.

Building Inspection Services

Interwest Consulting Group's staff of ICC certified inspectors has performed inspection services on a wide variety of construction projects including many large custom homes, new residential developments, commercial buildings, essential service buildings and industrial projects such as power plants and electrical wind turbines. When necessary for large or fast-track projects, multiple inspectors are available.

All inspection personnel provided for services will be ICC and/or CASp certified as required. Our inspectors are able to read, understand and interpret construction documents, truss drawings and calculations, prepare and maintain accurate records and reports, communicate effectively orally and in writing and work effectively with contractors, the public and county staff. Inspectors will possess knowledge of modern methods of construction, materials, tools and safety procedures utilized for building inspection.

Inspections performed by Interwest Consulting Group's inspectors will be performed in accordance with the City's adopted version of the California Building Code, California Residential Code, California Green Building Code, California Mechanical Code, California Plumbing Code and the California Electrical Code. Projects will also be inspected for conformance with the accessibility, noise and energy conservation requirements as mandated by State of California Title 24 and all applicable ordinances.

Interwest Consulting Group's inspectors will inspect projects for conformance with approved drawings and specifications which will include review of the permit documents to verify that onsite conditions are consistent with the approved documents for square footage, setbacks, heights and any other applicable conditions. At the completion of inspections, Interwest Consulting Group's inspectors will complete all necessary City forms and documentation as required to provide seamless service. Interwest's inspection staff will report directly to the Building Official or other City designated person.

EXHIBIT - B

FEES FOR SERVICES

Fees for Services

Interwest Consulting Group proposes the following fees for the various plan review and building inspection services:

- ✓ *Complete plan review services – 75% of the plan review fee per the current fee schedule adopted by the City*
- ✓ *Structural only plan review services – 50% of the plan review fee per the current fee schedule adopted by the City*
- ✓ *OSHPD3 plan review services – Hourly fee using the Schedule of Hourly Billing Rates below*
- ✓ *CASp plan review services – Hourly fee using the Schedule of Hourly Billing Rates below*
- ✓ *CASp inspection services – Hourly fee using the Schedule of Hourly Billing Rates below*
- ✓ *Fire plan review services – Hourly fee using the Schedule of Hourly Billing Rates Below*
- ✓ *Partial Reviews, preliminary reviews, foundation only, revisions to approved drawings, deferred submittals, etc. – Hourly fee using the Schedule of Hourly Rates Below*
- ✓ *Special Projects – Fees for special projects such as expedited projects, very large projects or city owned projects can be negotiated on a project by project basis.*
- ✓ *There is no charge for courier or shipping services*
- ✓ *Building inspection services – Hourly fee using the Schedule of Hourly Billing Rates below*

Schedule of Hourly Billing Rates

CLASSIFICATION	HOURLY BILLING RATE
Senior Plan Review Engineer	\$135
Senior Plans Examiner	95
CASp Plans Examiner / Inspector	95
Fire Prevention Engineer	135
Fire Plans Examiner	95
Building Inspections	88
Aministrative Support	60

Miscellaneous charges will include:

Mileage While Performing City Services Current IRS Vehicle Mileage Rate

Invoices for plan review projects are typically generated upon the conclusion of the first review. Hourly services are invoiced monthly. Mileage for personal vehicle use within the City will be charged at the current IRS vehicle mileage rate. Interwest Consulting Group will work with the City to supply all necessary billing information.