




Office of the City Manager

CONSENT CALENDAR  
November 14, 2006

To: Honorable Mayor and  
Members of the City Council

From:  Phil Kamlarz, City Manager

Submitted by: Dan Marks, Director, Planning and Development Department

Subject: Contract: Plan Checking Services

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute an amendment to contract number 6538B with Linhart Peterson Powers Associates (LP2A) and contract number 6533A with Telesis Engineers for plan checking services to increase each contract amount by \$60,000 for a total amount not to exceed \$420,000 for LP2A and \$300,000 for Telesis and to extend the term from January 1, 2007 to March 1, 2007.

FISCAL IMPACTS OF RECOMMENDATION

Fees paid to the Permit Service Center Fund cover the cost of plan check, inspection and special services for the Building and Safety Division. Funding for the department's plan check contracts is a baseline budget item (833-8602-463-3038), set at \$120,000 for FY'07. The service is used only on an as-needed basis and the cost of the contracted service and overhead is fully recovered in fees for service.

The Contract Management System number for the LP2A amendment is HAERV and the Telesis Engineers amendment is A7MSN.

CURRENT SITUATION AND ITS EFFECTS

The City requires owners and contractors to obtain building permits prior to construction. The City must provide a plan review before most permits can be issued and provide filed inspections of completed work to ensure code compliance. The City is also developing and implementing programs to mitigate structural seismic hazards that require special engineering expertise and guidance.

Flexibility to respond to varying levels of construction activity is needed. Exceptional expertise outside of that of staff is also needed, particularly for large or complicated projects or other code related special projects. Otherwise, plan checks and inspections would become backlogged; special expertise would have to be contracted on a case-by-case basis causing delays in obtaining the services.

The City maintains contracts with two consultants to provide services to the building and Safety division on as-needed basis. The current contracts run until the end of this calendar year, and more time is needed to complete the Request for Proposal process for the contracts for the next two-year period. The authorized amount for the current contracts was increased on both consultants' contracts by an amendment approved in October 2005 and on LP2A, again, in March 2006. A combination of factors has led to the situation where the authorized amount will likely be reached prior to the end of the term.

These factors include the following:

- Construction activity has continued at high levels.
- Numerous large, complicated projects have been plan checked, with single projects using more than \$30,000 apiece.
- In the face of high demand for inspections, unplanned staff shortages for field inspections, due to illnesses and an unexpected resignation and other factors, resulted in over \$65,000 being expended for contract inspectors.
- About \$10,000 has been expended for development of standards and guidelines for the new Soft Story seismic assessment program.
- Engineering reports required by the Soft Story ordinance have begun to be received and sent to the consultants for review.

Although the inspector shortage has been remedied, the department is continuing to experience high plan check activity, including several large projects, and to develop seismic mitigation standards. The amended authorization levels will soon be reached, and the term may expire prior to completion of the contracting process for the next term. The contractors have been providing timely and cost effective services that flexibly meet the needs of the City.

#### BACKGROUND

The Planning and Development Department has established performance measures that provide benchmarks for permit services including plan checking and inspections. The department has maintained contracts for outside plan check services to ensure reasonable turnaround times for customers since 1992. The contracts also provide:

- Temporary staff for field inspection services,
- Technical assistance on an as-needed basis for Code development, such as for seismic mitigation programs,
- Geo-technical review by a qualified engineer,
- Review for unique projects such as Iceland and the Brower Center,
- Accelerated plan checks upon request and payment of special fee by the applicant.

Because the use of the service depends on the number and complexity of building projects that private parties choose to build, it has been common for the City to amend the contracts during the term to increase the authorized amount.

In response to the City's release of a Request for Proposal (RFP) for plan checking services (Specification No.05-10022-C), a total of five proposals were received and reviewed by a

committee of Planning and Development Department staff. Proposals were judged on five criteria outlined in the RFP, with LP2A and Telesis Engineers receiving the highest rankings. On December 14, 2005, the City Council adopted Resolution 62,756-N.S. authorizing the contract with the two vendors for a term ending January 1, 2007. On September 27, 2005, the authorized amount for the two-year term was increased by the Council to \$240,000 for each vendor, and, on March 21, 2006, to \$360,000 for LP2A. (Since the beginning of the current contract, LP2A has become a subsidiary of BureauVeritas.)

#### RATIONALE FOR RECOMMENDATION

The services provided by the consultants allow the Building and Safety Division to maintain a turnaround time for plan review that meets the City's performance requirements and the needs of the community. Consultants also provide special expertise when needed, such as for the soft story program. Consultants can be used flexibly when volume is higher than staff can handle or to maintain necessary services in the face of unforeseeable staff shortages. Without this help, the review time would be increased substantially, particularly on large and complex projects; and required specialized expertise would be lacking. The combination of factors described in the background section has led to the need to increase the authorized amount, and a short extension of the term is needed to guarantee adequate time to complete the Request For Proposal process for the next contract term. The current consultants have been providing quality service at competitive prices fully paid by fees.

#### ALTERNATIVE ACTIONS CONSIDERED

Take no action: The department would not be able to meet its plan check performance measures, and state mandated and other needed special expertise would not be available.

#### CONTACT PERSON

Joan MacQuarrie, Building & Safety Manager, 981-7441  
Daniel Lambert, Senior Management Analyst, 981-7406

Attachments:  
1: Resolution

RESOLUTION NO. -N.S.

AUTHORIZING THE CITY MANAGER TO EXECUTE AMENDMENTS TO CONTRACTS 6538B AND 6533A FOR PLAN CHECKING SERVICES

WHEREAS, on December 14, 2002, by Resolution No. 62,756 N.S., the City Council authorized contract 6538 with Linhart Peterson Powers Associates (LP2A) and contract no. 6533 with Telesis Engineers for Plan Checking Services, in an amount not to exceed \$120,000 for the period January 1, 2005 through January 1, 2007; and

WHEREAS, on September 27, 2005, by Resolution No. 63,065 N.S. increased the amount for each contract to a total amount not to exceed \$240,000 for the period January 1, 2005 through January 1, 2007; and

WHEREAS, on March 21, 2006, by Resolution No. 63,242 N.S. increased the amount for the LP2A contract to a total amount not to exceed \$240,000 for the period January 1, 2005 through January 1, 2007; and

WHEREAS, the City of Berkeley has utilized the services of private plan checking consultants since 1992 to provide expertise and the flexibility to respond to varying work demand; and

WHEREAS, there is, and will be, a continuing need for flexibility to provide timely plan review when City staff are not available to provide the required services within the timeframe established to meet the City's performance requirements; and

WHEREAS, the fees to be collected for future permit review will continue to pay the entire cost of the plan checking work done under the contract; and

WHEREAS, high construction activity and other factors including the need to develop codes for seismic retrofit and a past shortage of field personnel to perform inspections will soon expend the authorized amount of the contract although the original term runs until January 1, 2007; and

WHEREAS; additional time is needed to complete the Request For Proposal process for the next term; and

WHEREAS, the firms of Linhart Petersen Powers Associates (CMS#FP2V5) and Telesis Engineers (CMS#MSQLM) were selected through the competitive solicitation process (RFP Specification No.05-10022-C) to provide plan checking services for the Planning and Development Department; and

WHEREAS, the contractors have been providing timely and cost effective services and meeting the needs of the City; and

WHEREAS, the cost of the contracted service and overhead is fully recoverable in fees; and

WHEREAS, funding for the department's plan check contracts is a baseline budget item (833-8602-463-3038), set at \$ 120,000 for FY'07.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute an amendment to the contract with Linhart Peterson Powers and Associates for plan checking services to increase the contract amount by \$60,000 for a total amount not to exceed \$420,000 for LP2A and to extend the term from January 1, 2007 to March 1, 2007. A record signature copy of said contract to be on file in the Office of the City Clerk.

NOW THEREFORE, BE IT FURTHER RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute an amendment to the contract with Telesis to increase the contract amount by \$60,000 for a total amount not to exceed \$300,000 for Telesis and to extend the term from January 1, 2007 to March 1, 2007. A record signature copy of said contract to be on file in the Office of the City Clerk.