

**AGENDA REPORT
REQUEST FOR CITY COUNCIL ACTION**

DATE: 11/7/2018

TO: Honorable Mayor and City Council Members

FROM: Fire Department

SUBJECT:

City Council consideration of Amendment No. 1 to Professional Services Agreement with Interwest Consulting Group, Inc. for Plan Check and Inspection Services and corresponding change order.

RECOMMENDED ACTION:

That the City Council:

1. Authorize the Fire Department to approve the First Amendment to the Professional Services Agreement with Interwest Consulting Group, Inc. for Fire Plan Check Services, amending the scope of services to include inspection services as an exception to bidding pursuant to Corona Municipal Code (CMC) Section 3.08.140 (e), increase compensation to \$160,000 per fiscal year, and extend the agreement term through June 30, 2021.
2. Authorize the City Manager or the Fire Chief to execute the First Amendment to the Professional Services Agreement with Interwest Consulting Group, Inc. in the amount of \$160,000 per fiscal year and to approve necessary change orders or amendments within a given fiscal year up to the amount provided by the Corona Municipal Code Section 3.08.070(i) pursuant to Ordinance No. 2790.
3. Authorize the Purchasing Manager to issue a change order increasing Purchase Order B190332 to \$75,500 for the remainder of Fiscal Year 2018-19 and issue subsequent Purchase Orders in the amount of \$160,000 for Fiscal Year 2019-20 and 2020-21.
4. Authorize the City Manager or the Fire Chief to negotiate and execute up to two (2) one-year agreement renewals, under the terms provided for in this report and the agreement and in a form approved by the City Attorney.

5. Authorize an appropriation of \$50,500 from the General Fund's available fund balance to the Fire Department's operating budget and an estimated revenue increase of \$70,500 for the remainder of Fiscal Year 2018-19.

ANALYSIS:

As a result of competitive bid RFP 17-057CA, the City of Corona entered into a Professional Services Agreement with Interwest Consulting Group, Inc. to provide supplemental staffing for the Fire Department. Supplemental staff services allow the Fire Department to conduct all required plan check services.

The Fire Department seeks to amend the Professional Services Agreement to include inspection services in the scope of services. Interwest Consulting Group, Inc.'s staff have knowledge and familiarity of the City's building and fire code requirements allowing them to quickly dispatch a team to complete inspection services on projects currently in the construction phase.

Historically, one and two-family homes were not required to install fire sprinklers. The adoption of the 2010 California Fire Code changed this requirement, calling for all one and two-family homes to install fire sprinklers. This has led to an increase in workload that exceeds the Fire Department's current staffing levels. The Department is currently unable to accommodate timely project inspections due to these low staffing levels.

A study conducted by the Fire Department demonstrated that over the next 18 months, the City anticipates an additional 537 individual overhead fire sprinkler plan check and inspection submittals. Each submittal requires a minimum of three separate inspections per address: rough inspection, flush, and final inspection. The inclusion of inspection services in the scope of services offers the Fire Department the opportunity to achieve expedited compliance.

Fees for plan check and inspections are issued in accordance with the City's adopted fee schedule. The current fees collected per address are \$380. The revenue collected will offset the budget request for this change order. It is anticipated that the hours required to conduct these inspection is approximately 1300hrs. Mileage was included in the analysis to reflect the additional cost.

For the remainder of Fiscal Year 2018-19, it is estimated that 209 fire sprinkler plans will be submitted, which will require an estimated 506 hours of inspection. Based on those figures, the Fire Department is requesting a budget appropriation of \$50,500, which will result in increased revenues estimating \$70,500.

18-Month Period		Remaining of FY1819 (Est. 7-Months)	
Fire Sprinkler Plans	537	Fire Sprinkler Plans	209
Current Fee (per address)	\$380	Current Fee (per address)	\$380
Inspection Hours	1,300	Inspection Hours	506
Inspection Rate (per hour)	\$95	Inspection Rate (per hour)	\$95
Mileage	\$5,907	Mileage	\$2,297

The Professional Services Agreement is a two-year agreement, July 1, 2017 through June 30, 2019, with two additional one-year extensions. The Fire Department estimates that an additional \$35,500 in funds are needed for the remainder of Fiscal Year 2018-19. Thereafter, compensation shall be \$160,000 per fiscal year.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

The consulting services do not negatively impact the General Fund, as the City collects fire permit fees from project proponents based on the City's adopted fee schedule to cover the costs associated with the review of plan checks and inspection services.

GENERAL FUND	
Budget Workshop May 23, 2018 – Est. Revenue Over Expenditures	\$6,626,911
Previously approved budget adjustments (net) – Note 1	(6,038,909)
Revised Estimated Revenue Over Expenditures	\$588,002
Interwest Consulting – Fire Department Appropriation	(50,500)
Fire Sprinkler Plans – Revenue Increase	70,500
Revised Estimated Revenue Over Expenditures	\$608,002
Estimated Budget Balancing Measures Reserve 06/30/18	\$20,645,252
Estimated FY 2018-19 Change in Budget Balancing Measures	608,002
Estimated Budget Balancing Measures Reserve 6/30/19	\$21,253,254

Note 1 – includes additional General Fund items on the Nov. 7, 2018 Council Agenda.

ENVIRONMENTAL ANALYSIS:

No environmental review is required because the proposed action is not a project governed by the California Environmental Quality Act.

PREPARED BY: CINDI SCHMITZ, FIRE MARSHAL

REVIEWED BY: BRIAN YOUNG, FIRE CHIEF

REVIEWED BY: SCOTT BRIGGS, ON BEHALF OF CITA LONGSWORTH,
PURCHASING MANAGER

REVIEWED BY: KIM SITTON, FINANCE MANAGER

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE
SERVICES DIRECTOR

REVIEWED BY: MICHELE NISSEN, ASSISTANT CITY MANAGER

SUBMITTED BY: DARRELL TALBERT, CITY MANAGER

Attachments:

Professional Services Agreement with Interwest Consulting Group, Inc
Amendment No. 1