



**CONSENT CALENDAR**

**Agenda Item # 2**

**AGENDA REPORT SUMMARY**

**Meeting Date:** May 25, 2021

**Subject:** Amendment Number 2 to the existing Agreement between the City of Los Altos and TRB+Associates for Plan Review and Inspection Services

**Prepared by:** Lorrie Tanguay, Department Support Specialist

**Reviewed by:** Jon Biggs, Community Development Director

**Approved by:** Brad Kilger, Interim City Manager

**Attachment(s):**

1. TRB + Associates Contract Amendment Number 2

**Initiated by:**

Staff

**Previous Council Consideration:**

October 2019 (Extended contract for two additional years)

**Fiscal Impact:**

Increase plan check expenditures equate to more revenue to the City as all fees charged to the City by TRB + Associates are paid in advance by applicants submitting building permit applications and paying the required plan check fee. A portion of this plan check fee is retained by the City and the remainder is used to pay the charges by TRB + Associates.

**Environmental Review:**

This agreement amendment has been assessed in accordance with the California Environmental Quality Act (Cal. Pub. Res. Code, § 21000 et seq.) (“CEQA”) and the State CEQA Guidelines (14 Cal. Code Regs. § 15000 et seq.) and is categorically exempt from CEQA under CEQA Guidelines, § 15061(b)(3), which exempts from CEQA any project where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. Authorizing the Interim City Manager to sign an amendment to an existing agreement for building code plan check services will not be an activity with potential to cause significant adverse effect on the environment because it is related to the organizational or administrative activities of the City and will not result in direct or indirect physical changes in the environment, and therefore is exempt from CEQA.

**Policy Question(s) for Council Consideration:**

- Shall the existing Agreement with TRB + Associates be amended so that expenditure limits in the Agreement meet actual plan check expenses.

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**Reviewed By:**

City Manager

City Attorney

Finance Director

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**Subject:** Contract Amendment Approval

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**Summary:**

Staff has found that expenditures for plan review services resulted in expenditures that exceeded the limits of the agreement with TRB + Associates for Fiscal Year 20 (FY-20) due to the higher than projected level of construction and permit activity in the City during that period. This agreement amendment request brings the authorized expenditure amount in line with the realized plan review costs. These plan review costs are fully funded by those applying for building permits and paying the plan check fee at the time the applications are submitted to the City.

**Staff Recommendation:**

Approve amendment number 2 to the Agreement between the City of Los Altos and TRB + Associates and authorize the Interim City Manager to sign the amendment to the agreement in an amount not to exceed 29,671.69, for a total agreement amount of \$979,671.69.

**Purpose**

This requested amendment brings the agreement in line with actual expenditures for FY-20.

**Background**

Since 2008, the Building Division has utilized outside building permit plan check services to evaluate the plans and documents submitted with construction permit applications. In 2016, the City entered into a three-year agreement with TRB+Associates for these outside plan check services. The term of the agreement was three years with expenditures expected at \$190,000 per year, for a total agreement amount of \$570,000. There was one amendment to the agreement approved by the City Council in 2019 for \$380,000 (\$950,000 total), which provided for an additional two years of plan check consulting services.

**Discussion/Analysis**

This amendment request corrects expenditures above the limit in the agreement for FY-20 and is the first of two requests being considered by the City Council at its May 25, 2021 meeting (second amendment request will provide funding for plan check services during the current fiscal year FY-21). The expenditure above the agreement limit was to cover the cost for the plan check services provided by TRB + Associates and is reflection of the permit activity the City was experiencing during FY-21.

An additional allocation of \$29,671.69 is being requested to cover these plan check services. All the expenditures for this agreement have been covered by the plan check fees paid by applicants when they submit a building permit application; therefore, the fees are collected prior to the City incurring any plan check costs. The City retains a portion of this plan check fee to cover the cost of administrative overhead and the other portion is used to pay for the outside plan check costs. Once the plan check is complete, a building permit fee is paid by the applicant at the time the building permit is issued.



**Subject:** Contract Amendment Approval

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If approved by the City Council, the agreement amendment will be routed to the appropriate representatives, including the Interim City Manager and City Attorney, for signature.

**Options**

- 1) Approve Agreement Amendment Number 2 with TRB + Associates for an additional amount of \$29,671.60 for professional plan review services.

**Advantages:** Brings expenditure limit in the agreement in line with actual expenditures

**Disadvantages:** None identified

- 2) Decline approval Agreement Amendment Number 2

**Advantages:** None identified

**Disadvantages:** Agreement expenditure amount will not reflect actual plan check cost to the City for FY 20.

**Recommendation**

The staff recommends Option 1 as the City needs to approve the contract.



<b><u>Project Name</u></b>				
<b><u>Project Number</u></b>				
<b><u>Consultant</u></b>	TRB+ASSOCIATES			
<b>Contract/ Amendment</b>	<b>Date</b>	<b>Contract/ Amendment (\$)</b>	<b>Exhibits</b>	<b>Content</b>
<b>Original Contract</b>	12/2/2016	570,000.00		<b>Scope of Services &amp; Fee Schedule</b>
<b>Amendment No. 1</b>	10/10/2019	380,000.00		<i>Term of Contract/Compensation</i>
<b>Amendment No. 2</b>		29,671.69		<i>Compensation</i>
<b>Contract/ Amendment Amount to Date</b>		<i>979,671.69</i>		

Submitted for review by:

Department: \_\_\_\_\_ By: \_\_\_\_\_ Date: \_\_\_\_\_

**AMENDMENT No. 2**  
**TO THE AGREEMENT BETWEEN**  
**THE CITY OF LOS ALTOS, CALIFORNIA**  
**AND**  
**TRB+ASSOCIATES**  
**FOR PLAN REVIEW AND INSPECTION SERVICES**

**THIS AMENDMENT No. 2**, made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_ 2021, **TO THE ORIGINAL AGREEMENT** made and entered into on December 2, 2016, by and between CITY OF LOS ALTOS, a municipal corporation, hereinafter referred to as "**CITY**," and TRB+ASSOCIATES, hereinafter referred to as "**CONSULTANT**."

**RECITALS**

**WHEREAS**, on December 2, 2016 CITY and CONSULTANT entered into an agreement for consulting services ("Agreement") for residential and commercial plan review and inspections services and

**WHEREAS**, CONSULTANT is an independent consultant providing similar professional services to numerous other cities; and

In consideration of the covenants, conditions and promises hereinafter contained, to be kept and performed by the parties hereto, CITY and CONSULTANT hereby agree that the following sections of the aforesaid Agreement dated December 2, 2016, are amended to read as follows:

3. Section 4, **COMPENSATION**, is amended to add the following sentence to the end of the paragraph:

"Compensation for plan review and inspections services as described shall be increased an additional \$29,671.69 to cover plan review services incurred for the 2019/2020 fiscal year."

4. All other terms of the original Agreement dated December 2, 2016 which are not in conflict with the provisions of this Second Amendment, shall remain unchanged and in full force and effect. In case of a conflict in the terms of the Agreement and this Second Amendment, the provisions of this Second Amendment shall control.

**CITY OF LOS ALTOS:**

APPROVED AS TO CONTENT

By: \_\_\_\_\_  
Jon Biggs, Community Development Director

APPROVED AS TO FORM

By: \_\_\_\_\_  
Jolie Houston, City Attorney

AGREED

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Brad Kilger, Interim City Manager

**CONSULTANT:**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Todd Bailey, President