

## Agenda Item-No Attachments (PDF)

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### **REPORT TO COUNCIL**

#### **SUBJECT**

Authorization to Modify Existing Contracts for Temporary Personnel Placement Services for Plan Checkers and Building Inspectors (F14-72)

#### **REPORT IN BRIEF**

Approval is requested to modify existing temporary personnel placement services contract with 4-Leaf Inc. and Shums Coda Associates by extending the contracts for a one-year period. Approval is also requested to delegate authority to the City Manager to renew the contracts for three additional one-year periods, subject to the funding restrictions explained below.

#### **ENVIRONMENTAL REVIEW**

N/A

#### **BACKGROUND AND DISCUSSION**

In response to significantly increased building activity, Council approved a Budget Modification in August 2012 in the amount of \$933,760 to appropriate additional construction permitting revenue for contract/casual staff to augment staffing levels in the Building and Fire Prevention Divisions (RTC No. 12-192). Following this, a Request for Proposals (RFP) was conducted, and Council awarded three contracts for plan checkers, building inspectors and fire protection systems inspectors in November 2012 (RTC No. 23-260). The contracts were issued for \$200,000 each to the following firms: 4-Leaf Inc., Shums Coda Associates, and CSG Consultants, Inc.

At the time of the 2012 contract award, Council delegated authority to the City Manager to modify the contract amounts (up or down), not to exceed the total budget amount of \$933,760, and to renew the agreements for a period not-to-exceed one year. The one-year renewal option has been exercised, but there is still a need for temporary staffing, and there is sufficient funding from the 2012 appropriation for another year. The 4-Leaf contract has been utilized the most due to temporary staff availability and fit, so it will be increased by \$87,000 while the Shums Coda contract will be reduced by a like amount. The CSG contract will not be extended.

The agreement amendments in Attachment 1 make several modifications, including a one-year term extension, three additional one-year renewal periods subject to available funding, an increase in the not-to-exceed amount for 4-Leaf, a decrease in the not-to-exceed value for Shums Coda, and administrative changes to include Payroll Reporting Hours and Patient Protection and Affordable Care Act (ACA) requirements. Only the time extension and the additional renewal periods require Council approval (authority was already delegated to the City Manager to modify the contract amounts within the appropriation limit, and the changes to add ACA and other requirements are administrative in nature).

### **FISCAL IMPACT**

Budgeted funding is available in special project 829760 (Building Permitting), which was created specifically for this type of staff augmentation by appropriating additional construction permitting revenue. Unspent funds in the current fiscal year will be carried over to FY 2014/15. The current level of funding should be sufficient through next fiscal year, but it is likely that additional funding will be necessary if the services need to be continued beyond next fiscal year. Construction permitting revenue is expected to remain strong, and can be appropriated through Council approval as necessary to fund extended contract periods.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

### **RECOMMENDATION**

1) Approve modifications to existing contracts with 4-Leaf Inc. and Shums Coda Associates by extending for a one-year period, and 2) delegate authority to the City Manager to renew the contracts for three additional one-year periods within the appropriation limits for building permitting established in RTC No. 12-192. Funding in addition to the 2012 appropriation that may be required for contract renewal periods is contingent upon availability and Council approval.

Prepared by: Pete Gonda, Purchasing Officer

Reviewed by: Grace Leung, Director, Finance

Reviewed by: Teri Silva, Director, Human Resources

Reviewed by: Hanson Hom, Director, Community Development

Approved by: Robert A. Walker, Interim City Manager

### **ATTACHMENTS**

1. Draft Second Amendments to Service Agreements