



# City of Sunnyvale

## Agenda Item-No Attachments (PDF)

---

File #: 16-1022, Version: 1

---

### **REPORT TO COUNCIL**

#### **SUBJECT**

Authorization to Amend Three Temporary Personnel Services Agreements for Fire Inspection Services (F17-061) and Approval of Budget Modification No. 26 in the Amount of \$480,000

#### **REPORT IN BRIEF**

Approval is requested for Budget Modification No. 26 in the amount of \$480,000 of Development Enterprise Fund Reserves to provide funding for additional temporary staffing assistance with fire protection system plan review and inspections. Approval is also requested to amend three existing temporary personnel services agreements for provision of these services as follows:

1. Increase 4Leaf, Inc. of Pleasanton, from \$75,000 to \$155,000;
2. Increase Fire & Risk Alliance, LLC of Mountain View, from \$175,000 to \$375,000; and
3. Increase Jensen Hughes, Inc. of Walnut Creek, from \$175,000 to \$375,000.

#### **EXISTING POLICY**

Pursuant to Chapter 2.08 of the Sunnyvale Municipal Code, Council approval is required for transactions exceeding \$100,000.

#### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378 (b) (4) in that is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

#### **BACKGROUND AND DISCUSSION**

On February 9, 2016, Council approved Budget Modification No. 17 (RTC 15-0988) providing funds to hire additional staff in the Community Development, Public Works and Public Safety Departments to respond to the workload needs for development and environmental review, construction permitting and construction inspections; and delegated authority to the City Manager to establish temporary on-call staffing contracts at levels greater than \$100,000 as necessary, within budget appropriation limits.

Following the approval of Budget Modification No. 17, temporary staffing contracts were executed with 4Leaf, Inc. (\$75,000), Fire & Risk Alliance, LLC (\$175,000), and Jensen Hughes, Inc. (\$175,000) for fire protection system plan review and inspection services.

The contracts were put in place to improve customer wait times and to help meet Public Safety’s performance goals to complete first round plan reviews within 21 days and second round plan reviews within 14 days. Additionally, supplemental staffing would assist with the heavy demand for construction inspections related to fire protection systems. The goal was to reduce the wait time for

inspections, minimize the reliance on contract inspectors and achieve Public Safety's longstanding performance goal of completing 90 percent of customer requests for next available fire safety inspection within two days of the request.

Two Fire Protection Engineers were also added to Public Safety's budgeted position allocation in FY 15/16 for a total of three positions. Since that time, the Departments of Public Safety (DPS) and Human Resources worked together to conduct ongoing recruitment efforts. To date, this ongoing recruitment effort has not yielded any candidates who have successfully completed the recruitment process. Therefore, staff has considered and worked on options in finding qualified candidates including compensation, review of the current background process, and outreach to qualified candidates. In the meantime, DPS continued to utilize temporary on-call staffing services. While these services assisted tremendously in decreasing inspection turn-around times to approximately one week, staff estimates that remaining budgeted funds related to staff vacancy savings will be fully expended by February 2017.

Without current staffing in place and to maintain improved performance and inspection times, Public Safety seeks to continue contracted services until the vacancies can be filled and workload demand stabilizes. Public Safety is requesting a budget modification to add funding to the current contracts. The agreement with 4Leaf, Inc. will increase from \$75,000 to \$155,000; the agreements with Fire & Risk Alliance, LLC and Jensen Hughes, Inc. will each be increased from \$175,000 to \$375,000. Depending on the success of the continued recruitment effort, the vacant positions may be filled within the next six to twelve months.

### **FISCAL IMPACT**

Public Safety pays approximately \$40,000 monthly for work performed by these three contractors. Staff recommends additional funding be appropriated from the Development Enterprise Fund Reserve to continue services for the remainder of the fiscal year. The Development Enterprise Fund accounts for development-related revenues as well as the expenses associated with providing development services. In recent years, with development activity at a very high level, revenue from development-related fees such as Building Permits, Fire Prevention Permits, and Plan Check Fees have continually exceeded projections.

Budget Modification No. 26 has been prepared to appropriate additional funding to the Fire Prevention Services special project for continued supplemental staffing.

#### **Budget Modification No. 26 FY 2016/17**

	<b>Current</b>	<b>Increase/ (Decrease)</b>	<b>Revised</b>
<b><u>Development Enterprise Fund Reserves</u></b>			
Development Enterprise Reserve	\$16,576,268	(\$480,000)	\$16,096,268
<b><u>Expenditures</u></b>			
Project 829751 - Fire Prevention Construction-Related Permitting	\$350,000	\$480,000	\$830,000

Funding Source: This project is funded by the Development Enterprise Fund

### **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 Budget Modification No. 26 in the amount of \$480,000 in Development Enterprise Fund Reserves to provide funding for fire protection system plan review and inspection services; and 2) authorize the City Manager to execute the amendments, in substantially the same form as Attachment 1 to the report, to increase the not exceed contract amounts for the existing temporary personnel services agreements as follows: a) 4Leaf, Inc. from \$75,000 to \$155,000; b) Fire & Risk Alliance, LLC from \$175,000 to \$375,000 and c) Jensen Hughes, Inc. from \$175,000 to \$375,000.

Prepared by: Pete Gonda, Purchasing Officer

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: Steve Drowniany, Acting Chief, Department of Public Safety

Reviewed by: Walter C. Rossmann, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

### **ATTACHMENTS**

1. Draft Agreement Amendments