



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Authorization to Amend Temporary Personnel Services Agreement with Fire & Risk Alliance, LLC (F19-051) and Approval of Budget Modification No. 11 in the Amount of \$445,000.

REPORT IN BRIEF

Approval is requested to amend the existing personnel services agreement with Fire & Risk Alliance, LLC for fire protection system plan reviews and inspection services for new construction. The Fire & Risk Alliance, LLC contract amount will increase by \$600,000 to a new not-to-exceed amount of \$1,475,000. Approval is also requested to delegate authority to the City Manager to increase the not-to-exceed amount and to extend the contract for one additional one-year period, if operationally necessary, with both actions subject to available budgeted funding.

EXISTING POLICY

Pursuant to Chapter 2.08.040 of the Sunnyvale Municipal Code, Council approval is required for the procurement of goods and services exceeding \$100,000 in any one transaction.

Pursuant to Sunnyvale Charter Section 1305, at any meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by affirmative votes of at least four members so as to authorize the transfer of unused balances appropriated for one purpose to another, or to appropriate available revenue not included in the budget.

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 it 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, City Council approved RTC No. 15-0988 appropriating funds to add staff positions in the departments of Community Development, Public Works and Public Safety to respond to the workload needs for development and environmental review, construction permitting and construction inspections. Additionally, funds were appropriated to support contracts for on-call building inspection and fire inspection services. Two fire protection engineer (FPE) positions were added to the Department of Public Safety and contracts were executed with 4Leaf, Inc., Jensen-Hughes, Inc. and Fire & Risk Alliance, LLC.

Initial recruitment efforts to fill two vacant FPE positions did not result in the placement of employees and on January 24, 2017, City Council approved RTC No. 16-1022 appropriating additional Development Enterprise Fund Reserves to the temporary personnel service agreements for fire

protection system plan review and inspection services for new construction. The following temporary personnel service agreements were amended and increased through that action:

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

Due to growing development activity and continued staff vacancies, City Council approved RTC No. 17-1135 on January 23, 2018 and amended the temporary personnel services agreement with Fire & Risk Alliance, LLC, increasing it by \$500,000 to a new not-to-exceed amount of \$875,000.

To date, four of five fire protection engineer (FPE) positions remain vacant in the Department of Public Safety. Recruitment efforts have been ongoing, and until the vacancies can be filled, staff will need to continue relying on temporary personnel to meet ongoing workload demands. Based on a review of expenditures during the last 12 months, DPS staff estimates approximately \$50,000 per month is needed to support these efforts through December 2019. Staff is requesting to add \$600,000 to Fire & Risk Alliance's existing contract, bringing the new not-to-exceed contract amount to \$1,475,000.

Therefore, the Department of Public Safety is requesting to amend the temporary personnel services agreement with Fire & Risk Alliance, LLC, to extend the contract term and increase it by \$600,000 to a new not-to-exceed amount of \$1,475,000.

FISCAL IMPACT

Funding for development related services is provided in the Development Enterprise Fund. With elevated levels of development there are sufficient revenues to fund this work. While the Department of Public Safety is requesting to add \$600,000 to the Fire & Risk Alliance, LLC Agreement, staff is only requesting a budget modification in the amount of \$445,000. There is currently \$155,000 available in Project 829751 which will be used to support the increase to the Fire & Risk Alliance, LLC Agreement. Additionally, the Fire Prevention operating budget will be underspent due to staff vacancies, offsetting the impact of this contract.

Budget Modification No. 11 has been prepared to appropriate additional funding to the Fire Prevention Services special project for continued supplemental staffing.

Budget Modification No. 11 FY 2018/19

	Current	Increase/ (Decrease)	Revised
Development Enterprise Funds			
<u>Expenditures</u>			
Project 829751 - Fire Prevention	\$1,330,000	\$445,000	\$1,775,000
Construction-Related Permitting			

Reserves

Development Enterprise Reserve	\$35,284,051	(\$445,000)	\$34,839,051
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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. 11 in the amount of \$445,000 in Development Enterprise Fund Reserves to provide additional funding for fire protection system plan review and inspection services; and 2) Authorize the City Manager to execute the Fifth Amendment, in substantially the same form as Attachment 1 to the report, to extend the term through December 31, 2019 and to increase the not-to-exceed contract amounts for the existing temporary personnel services agreement with Fire & Risk Alliance, LLC from \$875,000 to \$1,475,000; and 3) Delegate authority to the City Manager to increase the not-to-exceed amount and to extend the contract for one additional one year period, if operationally necessary, with both actions subject to available budgeted funding.

Prepared by: Gregory S. Card, Purchasing Officer
Reviewed by: Timothy J. Kirby, Director of Finance
Reviewed by: Phan S. Ngo, Director of Public Safety
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Draft Amendment to Temporary Personnel Services Agreement