



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Approval of Budget Modification No. 4 to Appropriate \$950,000 of Development Enterprise Reserves to Project 829571 - Fire Prevention Construction-Related Permitting.

BACKGROUND

On February 9, 2016, 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. Two fire protection engineer (FPE) positions were added to the Department of Public Safety ("DPS") and funds were appropriated to special projects to support contracts for on-call building inspection and fire inspection services.

Initial recruitment efforts to fill three vacant FPE positions did not result in the placement of employees and on January 24, 2017, Council approved RTC No. 16-1022 appropriating \$480,000 in Development Enterprise Fund Reserves to Project 829571 - Fire Prevention Construction-Related Permitting to increase available funding for the temporary personnel service agreements needed for fire protection system plan review and inspection services for new construction.

Due to growing development activity and continued staff vacancies, Council approved RTC No. 17-1135 on January 23, 2018 and appropriated an additional \$500,000 from the Development Enterprise Reserve to Project 829571 - Fire Prevention Construction-Related Permitting to further support the need for temporary personnel services.

On December 11, 2018, Council approved RTC No. 18-038 and appropriated an additional \$445,000 to Project 829571 - Fire Prevention Construction-Related Permitting to support temporary personnel services contracts. Additionally, this action delegated the authority to the City Manager to extend and amend the temporary personnel services agreement with Fire & Risk Alliance, LLC, DPS' primary contractor providing construction-related permitting services, as operationally necessary pending budget availability.

EXISTING POLICY

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 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.

DISCUSSION

Approval is requested for budget modification No. 4 to appropriate \$950,000 of Development Enterprise Reserves to Project 829571 - Fire Prevention Construction-Related Permitting for Department of Public Safety fire protection system plan review and inspection temporary personnel services.

Currently, one of four Fire Protection Engineer (FPE) positions remain vacant in the Department of Public Safety. Two of the FPEs are recent hires and are in training, which is being provided by the contractor. The third currently-employed FPE is underfilling the Assistant Fire Marshal position and has been in that role since December, 2018. Recruitment efforts have been ongoing, and until all staff vacancies can be filled and staff is fully trained, DPS will continue to rely on contractor services to meet the workload demands that have increased due to the robust construction activity the City is experiencing.

As staff vacancies become filled, the contractor's services will be phased out, allowing for new staff to be adequately trained and for services to continue uninterrupted. It is anticipated that the Agreement with Fire and Risk Alliance LLC will continue through December 31, 2020. This Agreement is funded entirely by project funds from Project 829571. Therefore, the Department of Public Safety is requesting a budget modification of \$950,000 to Project 829571 - Fire Prevention Construction-Related Permitting to cover the cost of contract services through December 31, 2020.

FISCAL IMPACT

DPS staff estimates approximately \$68,000 per month is needed to fund costs to support construction-related permitting activities through June of 2020. This amount will be reduced to approximately \$40,800 per month from July through December 2020 when it is expected that DPS will be fully staffed.

With elevated levels of development, there are sufficient revenues to fund this work. Additionally, the Fire Prevention operating budget will be underspent due to staff vacancies. \$140,978 is also available in Project 829751 from prior years that will offset the impact of temporary personnel services costs.

Budget Modification No. 4 has been prepared to appropriate \$950,000 in additional funding to Project 829571 - Fire Prevention Construction-Related Permitting.

	Budget Modification No. 4		
	FY 2019/20		
	Current	Increase (Decrease)	Revised
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Development Enterprise Fund			
<u>Expenditures:</u>			
Project 829751 - Fire Prevention	\$0	\$950,000	\$950,000
Construction-Related Permitting			

Reserves:

Development Enterprise Fund Reserve	\$47,643,428	(\$950,000)	\$46,693,428
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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

Approve Budget Modification No. 4 in the amount of \$950,000 in Development Enterprise Fund Reserves to provide additional funding for fire protection system plan review and inspection temporary personnel services in Project 829751 - Fire Prevention Construction-Related Permitting.

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Reviewed by: Timothy J. Kirby, Director of Finance
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager