



Legislation Details (With Text)

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Title: Request City Council to authorize the issuance of Purchase Orders in the amount of \$600,000 for the 2014/2015 fiscal year with Lockwood Engineering Company for "On-Call" Civil Engineering Plan Check and Related Services.
(ACTION)
Sponsors:
Indexes:
Code sections:
Attachments: [PSA-Lockwood Engineering Plan Check Services Executed](#)

Date	Ver.	Action By	Action	Result
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For City Council Meeting

TO: Honorable Mayor and City Council

APPROVAL: Michael Story, City Administrator

FROM: Marcus L. Fuller, P.E., P.L.S., Public Works Director/City Engineer

Request City Council to authorize the issuance of Purchase Orders in the amount of \$600,000 for the 2014/2015 fiscal year with Lockwood Engineering Company for "On-Call" Civil Engineering Plan Check and Related Services.
(ACTION)

BACKGROUND:

On May 14, 2013, City Council approved the Professional Services Agreement (PSA) with Lockwood Engineering Company (Lockwood) for "On-Call" Civil Engineering Plan Check and Related Services. Pursuant to the PSA, the services are to be provided with an initial term of three years, with two one-year optional extensions, and states:

The term of this Agreement shall commence on May 15, 2013. Unless earlier terminated under the terms of this Agreement, this Agreement shall continue in full force and effect until June 30, 2016. At the sole discretion of the City, upon written notice to Consultant, the term of this Agreement may be extended for two additional one-year terms. Said notice shall be delivered prior to June 30, 2017, for the initial one-year extension (if granted); and prior to June 30, 2018, for the final one-year extension (if granted).

Further, Section 2.1 "Maximum Contract Amount" of the PSA was written to reflect the "on-call" nature of the services to be provided, in that there is no expressly defined scope of work or cost. This fact is reflected in Section 2.1 of the Agreement, which states:

City and Consultant hereby acknowledge and agree that the scope of services required by this Agreement is subject to fluctuation due to factors controlling the pace of development within the City of Rialto beyond City's control; and no guarantee of the volume of plan-check and related services required of Consultant under the terms of this Agreement is made by the City. The annual level of plan-check activity or related services required by this Agreement is unknown, and may significantly increase or decrease from year to year. In acknowledgement of the unknown volume of plan-check and related services required hereunder, City and Consultant hereby acknowledge and agree that there shall be no specific "Maximum Contract Sum."

A copy of the PSA with Lockwood is included as **Attachment 1** for reference.

ANALYSIS/DISCUSSION:

In the 2013/2014 fiscal year, more than 20 different development projects were subject to plan check review through the "on-call" agreement with Lockwood. Pursuant to the PSA, Lockwood also providing "on-call" engineering design services for smaller capital improvement projects, which are approved by City Council on a project by project basis throughout the fiscal year. Staff is satisfied with the "on-call" services provided by Lockwood throughout the 2013/2014 fiscal year, and recommends the services continue for the 2014/2015 fiscal year pursuant to the terms of the PSA.

Plan Check Engineering Services

The first year of the "on-call" agreement expires June 30, 2014. Staff requests that the City Council authorize issuance of a Purchase Order to Lockwood Engineering Company in the amount of \$350,000 for the 2014/2015 fiscal year for the second year of the initial three year term of the "on-call" agreement for plan check and related engineering services. This amount is consistent with the budget recommended in the 2014/2015 fiscal year budget, reflecting an increase in economic development activity requiring plan check services in the next year.

Capital Project Engineering Services

Since the award of the "on-call" PSA with Lockwood, the process to design and award smaller capital improvement projects, (i.e. design cost less than \$50,000), has been streamlined and projects have been delivered timely and efficiently. In the 2013/2014 fiscal year, Lockwood provided "on-call" engineering design services on various capital projects like the Cactus Avenue Widening, Cedar Avenue Sidewalk (Safe Routes to School Cycle 10), Eucalyptus Avenue Widening, Foothill Boulevard at Cactus Avenue Traffic Signal Modification, Etiwanda Sidewalk Improvements, and the Pepper Avenue Widening (Shamrock Street to Madrona Street).

The 2014/2015 fiscal year budget for Capital Expenditure is approximately \$10 Million. Staff anticipates that a reasonable amount of engineering design service will be required for some of these capital projects. Staff recommends that the City Council authorize issuance of a second Purchase Order to Lockwood Engineering Company in the amount of \$150,000 for "on-call" engineering design services for capital improvement projects and related services. As needed, staff will require and approve proposals from Lockwood to perform these engineering design services utilizing the Purchase Order for the specific capital projects. Funding for this Purchase Order will be limited to budgeted funds associated with capital improvement projects.

Miscellaneous Services

From time to time, the City has miscellaneous engineering service needs that are one-time and on

occasion requires services from Lockwood. For example, this past year the City's Standard Plan Manual required updating, and through the "on-call" PSA with Lockwood, the City requested Lockwood to review and update the Standard Plan Manual. It is anticipated that there may be some similar service requests for the 2014/2015 fiscal year, and staff request that City Council approve issuance of a Purchase Order in the amount of \$100,000 for miscellaneous engineering services with Lockwood. Examples of future services that may be required include updating standard plans for landscape and irrigation system requirement for Landscape and Lighting District and Benchmark Circuit Reestablishment. As needed, staff will request and approve proposals from Lockwood to perform these miscellaneous engineering services utilizing the Purchase Order.

ENVIRONMENTAL IMPACT:

Engaging design professionals is not a "Project" as defined by the California Environmental Quality Act (CEQA). Pursuant to Section 15378(a), a "Project" means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. According to Section 15378(b), a Project does not include: (5) Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

GENERAL PLAN CONSISTENCY:

This action is consistent with Guiding Principle 3A in the General Plan:

Our City government will lead by example, and will operate in an open, transparent, and responsive manner that meets the needs of the citizens and is a good place to do business.

LEGAL REVIEW:

The City Attorney has reviewed and approved the staff report.

FINANCIAL IMPACT:

Funding for the requested Purchase Orders with Lockwood Engineering Company are recommended as part of the 2014/2015 fiscal year budget, as outlined in Table 1 below:

Engineering Services	Account No	Total
Plan Check Services	010-500-7262-2011	\$350,000.
Capital Project Services	Various Capital Projects	\$150,000.
Miscellaneous Services	010-500-7262-2011 010-500-7265-2011	\$100,000.
	TOTAL	\$600,000.

Table 1

Implementation of the "on-call" agreement is on a "pass-through" basis, whereby the City collects plan check fees from a developer sufficient to cover the plan check fees to be paid to Lockwood. Upon receipt of payment from a developer, plan check revenues will be recognized in General Fund Account No. 010-400-4262-7629, which will offset the expenditure for plan check services to be paid from the General Fund Account No. 010-500-4262-2011.

Capital project services are charged directly to the capital project as services are required, paid from funds previously budgeted specifically for the capital project.

Miscellaneous services are requested as needed for efficient delivery of the City's Engineering Program, and requires General Fund funding.

Budget for these services is included in the proposed 2014/2015 fiscal year budget.

RECOMMENDATION:

Staff recommends that the City Council, subject to final approval of the 2014/2015 Fiscal Year Budget, authorize the issuance of Purchase Orders in the amount of \$600,000 to Lockwood Engineering Company for the 2014/2015 fiscal year for "on-call" civil engineering plan check and related services.