



City of Rialto

Legislation Text

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For City Council Meeting [July 12, 2016]

TO: Honorable Mayor and City Council

APPROVAL: Michael E. Story, City Administrator

FROM: Robert G. Eisenbeisz, P.E., Public Works Director/City Engineer

Request City Council to 1) Extend the Contract with Lockwood Engineering Company on a month-to-month basis, not to exceed six months, 2) Authorize the Issuance of Purchase Orders in the amount of \$470,000 for the 2016/2017 Fiscal Year for "On-Call" Civil Engineering Plan Check and Related Engineering Services; and 3) Authorize the Issuance of Change Orders in the amount of \$361,634 for the 2015/2016 Fiscal Year for "On-Call" Civil Engineering Plan Check and Related Services.

(ACTION)

BACKGROUND:

The Public Works Department prepared Request for Proposals No. 13-027 (the "RFP") to solicit proposals from professional firms to provide civil engineering plan check and related services to the City. On January 10, 2013 the City released the RFP. 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. The terms of the contract made provisions to remain in full force and effect until June 30, 2016, with the option to extend the contract for two additional one-year terms thus extending the potential expiration date to June 30, 2018. A copy of the staff report and PSA with Lockwood is included as **Attachment 1**.

The initial Purchase Order issued under this agreement was for \$200,000. The City processed more land development projects during the course of the fiscal year causing an increase in the number of plans approved and permits issued within the City. On January 14, 2014 City Council approved an increase to Lockwood's Purchase Order in the amount of \$262,000 for anticipated Plan Check services needed through the end of the fiscal year. A copy of the staff report is included as **Attachment 2**.

On May 27, 2014, City Council approved the issuance of a purchase order for \$600,000 for the 2014/2015 fiscal year for "On-Call" Civil Engineering Plan Check and Related Services. Of that \$600,000 total, \$350,000 was allocated for Plan Check Engineering Services for land development projects; \$150,000 was approved for plan check and engineering activities related to various capital projects and the remaining \$100,000 was dedicated to staff augmentation and other related activities such as updating engineering standard plans. A copy of the staff report is included at **Attachment 3**.

Due to the increase in land development projects, on January 13, 2015 City Council approved an increase to the "On-Call" Civil Engineering Plan Checks and Related Services for private land development projects in the amount of \$300,000, increasing the budget for land development plan

checks and related services to \$650,000 for 2014/2015 fiscal year. A copy of the staff report is included as **Attachment 4**.

On May 20, 2015 City Council approved the issuance of a purchase order in the amount of \$900,000 for the "On-Call" Civil Engineering Plan Check and Related Services for 2015/2016 fiscal year. Of that \$900,000 total, \$650,000 was allocated for Plan Check Engineering Services for land development projects; \$150,000 allocated to Capital projects and \$100,000 for staff augmentation and related engineering activities. A copy of the staff report is included as **Attachment 5**.

Since the inception of the Lockwood On-Call Engineering Services, the City Council approved purchase authorizations of \$2,262,000, comprised of \$1,762,000 for plan check activities, \$300,000 for Capital Improvement engineering services and \$200,000 for staff augmentation. The revenue received to offset plan check services for the three years is \$2,304,372. See the **Table 1** below for detailed breakdown of services provided by Lockwood.

Table 1- Summary of Lockwood Contract

Type	Council Approved Date	FY2013/2014	FY2014/2015	FY2015/2016	Grand Total
CIP	5/27/2014		\$ 150,000.00		\$ 150,000.00
	5/20/2015			\$ 150,000.00	\$ 150,000.00
CIP Total			\$ 150,000.00	\$ 150,000.00	\$ 300,000.00
Plan Check	5/14/2013	\$ 200,000.00			\$ 200,000.00
	1/14/2014	\$ 262,000.00			\$ 262,000.00
	5/27/2014		\$ 350,000.00		\$ 350,000.00
	1/13/2015		\$ 300,000.00		\$ 300,000.00
	5/20/2015			\$ 650,000.00	\$ 650,000.00
Plan Check Total		\$ 462,000.00	\$ 650,000.00	\$ 650,000.00	\$1,762,000.00
Staff Augmentation	5/27/2014		\$ 100,000.00		\$ 100,000.00
	5/20/2015			\$ 100,000.00	\$ 100,000.00
Staff Augmentation Total			\$ 100,000.00	\$ 100,000.00	\$ 200,000.00
Grand Total		\$ 462,000.00	\$ 900,000.00	\$ 900,000.00	\$2,262,000.00
Plan Check Revenue (Actuals) *		\$ 419,910.50	\$ 846,024.13	\$1,038,437.45	\$2,304,372.08
Plan Check Revenue Over/(Under)		\$ (42,089.50)	\$ 196,024.13	\$ 388,437.45	\$ 542,372.08
<i>* Budgeted Revenue for FY2015/2016 is \$1,746,000</i>					

ANALYSIS/DISCUSSION:

In the 2015/2016 fiscal year, around 60 different development projects were subject to plan check review through the "on-call" agreement with Lockwood. Pursuant to the PSA, Lockwood also provided "on-call" engineering design services for smaller capital improvement projects, throughout the fiscal year, as well as staff augmentation.

Table 2- Summary of Lockwood Services for FY2015/2016

FY2015/2016 Lockwood PO	General Ledger Account Number	City Council Approved	Current Proposal	Variance
Development	010-500-7262-2011	\$ 650,000.00	\$ 865,692.50	\$(215,692.50)
Capital Projects	various capital	\$ 150,000.00	\$ 180,989.00	\$ (30,989.00)
Staff Augmentation	010-500-7262-2011	\$ 100,000.00	\$ 214,952.50	\$(114,952.50)
Totals		\$ 900,000.00	\$ 1,261,634.00	\$ (361,634.00)

Table 2 above shows the status of the Council approved Purchase Order for Lockwood for fiscal Year 2015/2016. Development activities have exceeded the budget of \$650,000 by \$215,692. Some development activities span multiple years, fees are collected in prior years and service by Lockwood was incurred in the current year. Revenues collected exceed expenditures for services provided. A detailed list of development plan checking services provided in Fiscal Year 2015/2016 is included in **Attachment 6**.

Council approved \$150,000 for “on-call” engineering design services for smaller capital improvement projects, used on a project-by-project basis throughout the fiscal year. Current capital activities are estimated at \$180,989, which exceeds the approved amount by \$30,989. Table 3 below itemizes the design services and project management services provided by Lockwood for capital projects.

Table 3- Capital Project Engineering Services by Lockwood

Capital Projects Engineering Services	Amount
Alder Avenue	\$ 14,800.00
Alder Avenue Phase 2	\$ 24,800.00
Maple Avenue Widening	\$ 21,100.00
UPRR Bridge Grant ROW	\$ 7,136.00
<i>Staff Augmentation-Project Manager*</i>	\$ 82,795.00
Bloomington Median Landscape	\$ 12,800.00
Frisbee Park Survey	\$ 3,700.00
In-N-Out Parking Lot	\$ 9,208.00
PE Trail & Werner Elem Gate	\$ 4,650.00
TOTAL PO COMMITTED	\$ 180,989.00
Less Council Authorized Amount	\$ 150,000.00
Remaining PO	\$ (30,989.00)

**Staff Augmentation- Project Manager List of Capital Projects*

Bud Bender Park Rehabilitation

Cultural Center & Museum Exterior Painting

Police Annex Secure Equipment Storage Facility

Parks Concession & Restroom Upgrade {include surface ADA}

Design of Frisbie Park

Design of Cactus/Randall Park

Valley Boulevard/ Cactus Avenue/ Linden Avenue Widening

Randall Street Widening: from Riverside to Cactus

Lastly, additional staff augmentation has been provided by Lockwood to assist the Engineering Department with traffic engineering services to review development traffic impact analyses, scoping agreements and, review of development impacts on infrastructure improvements such as storm drain

systems, provide response to traffic evaluation inquiries, and as needed provide support for capital projects. As shown in **Table 2**, staff augmentation exceeded the approved contract amount by \$114,952 primarily driven by the high volume of development activities that occurred during the year requiring additional service by Lockwood staffing. During FY2015/2016, Public Works was recruiting staff to fill vacancies in its engineering division. This amount is offset by salary savings from open positions while recruiting.

Staff is satisfied with the “on-call” services provided by Lockwood throughout the 2015/2016 fiscal year, and recommends the services continue in FY 2016/2017 not exceed six months, while proposals for these services are being solicited.

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.

Approval of this action also complies with the following City of Rialto General Plan Goals and Policies:

Goal 3-6: Require that all developed areas within Rialto are adequately served with essential public services and infrastructure.

Goal 4-1: Provide transportation improvements to reduce traffic congestion associated with regional and local trip increases.

Policy 4-1.1: Establish and maintain standards for a variety of street classifications to serve both local and regional traffic, including Major Arterial Highways, Major Arterials, Secondary Arterials, Collector Streets, and Local Streets.

Policy 4-1.20: Design City streets so that signalized intersections operate at Level of Service (LOS) D or better during the morning and evening peak hours, and require new development to mitigate traffic impacts that degrade LOS below that level. The one exception will be Riverside Avenue south of the Metrolink tracks all the way to the City’s southern border, which can operate at LOS E.

Policy 4-1.21: Design City streets so that unsignalized intersections operate with no vehicular movement having an average delay greater than 120 seconds during the morning and evening peak hours, and require new development to mitigate traffic impacts that increase delay above that level.

LEGAL REVIEW:

The City Attorney has reviewed and approved the staff report.

FINANCIAL IMPACT:

Development Plan Checking:

Implementation of the “on-call” agreement for development plan checking is on a “pass-through” basis, whereby the City collects plan check fees from applicants sufficient to cover the plan check fees paid to Lockwood and cover staff administrative costs related to the plan check process. Upon receipt of payment from applicants, plan check revenues will be recognized in General Fund Account No. 010-400-7262-7629, which will offset the expenditure for plan check services paid from the General Fund Account No. 010-500-7262-2011.

Fiscal Year 2016/2017 estimated revenues for plan checking services is \$1,240,000 based on prior year trends and list of known development (17 large developments) currently going through development review process. The plan checking services by Lockwood is budgeted at \$700,000. These amounts are included in the Adopted budget for FY 2016/2017.

Capital Engineering Services:

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

Miscellaneous Engineering Services:

Miscellaneous services and staff augmentation are requested as may be needed for efficient delivery of the City’s Engineering Programs and these activities require funding from the General Fund.

Funding for the requested Purchase Orders with Lockwood Engineering Company is as outlined in **Table 4** below:

Table 4- Summary for Lockwood Services for FY2016/2017 Budget

Engineering Services	Account No.	FY 2016/2017 BUDGET	FY 2016/2017 LOCKWOOD PO
Plan Check Services	010-500-7262-2011	\$700,000	\$350,000
Capital Project Services	Various Capital Projects	\$150,000	\$75,000
Miscellaneous Services	010-500-7265-2011	\$100,000	\$50,000
TOTAL		\$950,000	\$475,000

As previously discussed, Lockwood’s work related to Fiscal Year 2015/2016 have exceeded Council approved amount, see **Table 5** below. Sufficient budget is available and staff recommends an increase in the purchase order to Lockwood of \$361,634 to cover the FY2015/2016 activities.

Table 5- Summary for Lockwood Services for FY2015/2016 Budget

FY2015/2016 Lockwood PO	General Ledger Account Number	City Council Approved	Current Proposal	Variance	FY2015/2016 Budget for Lockwood
Development	010-500-7262-2011	\$ 650,000.00	\$ 865,692.50	\$(215,692.50)	\$ 882,000.00
Capital Projects	various capital	\$ 150,000.00	\$ 180,989.00	\$ (30,989.00)	\$ 190,000.00
Staff Augmentation	010-500-7262-2011	\$ 100,000.00	\$ 214,952.50	\$(114,952.50)	\$ 230,000.00
Totals		\$ 900,000.00	\$ 1,261,634.00	\$ (361,634.00)	\$1,302,000.00

RECOMMENDATION:

Staff recommends that the City Council:

- Extend the contract with Lockwood Engineering Company in FY 2016/2017 on a month to month basis, not to exceed six months, and
- Authorize the Issuance of Purchase Orders in the amount of \$475,000 for the 2016/2017 Fiscal Year for "On-Call" Civil Engineering Plan Check and Other Related Services, and
- Authorize the Issuance of Change Orders in the amount of \$361,634 for the 2015/2016 Fiscal Year for "On-Call" Civil Engineering Plan Check and Related Services.