



City of Rialto

Legislation Text

File #: 21-0889, **Version:** 1

For City Council Meeting [December 14, 2021]

TO: Honorable Mayor and City Council

APPROVAL: Marcus Fuller, City Manager

FROM: Michael Tahan, Interim Public Works Director

Request City Council to Authorize an Increase to the Annual Budget for On-Call Construction Management, Inspection and Materials Testing Services from \$100,000 to \$300,000.

(ACTION)

BACKGROUND

An important function of the Public Works Department is to perform construction management and inspection related to permitted work within the public right-of-way, City-approved private land development projects, and Capital Improvement Program (CIP) projects. The City Engineer has the responsibility to ensure that construction of public improvements is performed in accordance with City standards and in compliance with City-approved plans and specifications.

ANALYSIS/DISCUSSION

The City of Rialto entered into an agreement with Transtech Engineers, Inc. for "On-Call" Construction Management and Inspection services on June 11, 2019. The term of the agreement was a one (1) year with two additional one-year optional extensions. At the time the agreement was approved, the annual budget established for construction management and inspection services was originally set at \$100,000 annually.

Transtech Engineers, Inc. is continuously providing construction management and inspection services for a number of privately developed projects in Rialto. A list of the projects constructed and requiring the services provided by Transtech is provided on **Table1**.

Table 1 - Land Development Projects

Record Number	Project Title	Status
PPD 2018-0036	Beyond Foodmart	Active
PPD 2018-0059	Ayres Hotel	Active
PPD 2018-0061	Beyond Foodmart	Active
PPD 2018-0062	Century Communities	Active
PPD 2018-0105	Power Property Plus Mobile	Active
PPD 2019-0035	Patriot Development	Active
PPD 2019-0057	CDRE Holdings, LLC	Active
PPD 2020-0005	Cedar Villas	Active
PPD 2020-0015	Orbis Warehouse	Active
PPD 2021-0001	Rialto Self Storage	Active
PPD 2021-0010	Richmond Homes	Active
PPD 2021-0021	Coronado Stone	Active
TR20205	Lennar Homes of California	Active
TR20206	Lennar Homes of California	Active
TR20208	Lennar Homes of California	Active
TR20209	Lennar Homes of California	Active

Based on the increasing amount of development activity throughout Rialto, it is necessary to increase the annual budget for these services from \$100,000 to \$300,000. These services are paid for by permit fees collected from developers and is a pass-through contract and not a direct cost to the City.

ENVIRONMENTAL IMPACT

The requested City Council action 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 this staff report.

FINANCIAL IMPACT

Operating Budget Impact

With ongoing development activity, the City requires Transtech Engineers, Inc. to perform inspection services for private development projects.

Budget is available from FY 2021/22 in General Fund Engineering Services Account No. 010-500-7262-2011 that will be carried forward in FY 2021/22 for the requested for the First Amendment to the PSA with Transtech Engineers, Inc.

Implementation of the “on-call” agreement for development permits in is on a “pass-through” basis, whereby the City collects inspection fees sufficient to cover the inspection costs. Upon receipt of payment from an applicant, inspection fees for inspection services are recognized in General Fund-Engineering Services Account No. 010-400-7262-7613/7614/7652. These revenues will offset the expenditures.

Capital Improvement Budget Impact

There is no impact to the Capital Improvement Budget.

Licensing

Prior to execution of the PSA amendment, the vendor shall renew their business license and pay a Business License tax at the rate of \$354, as well as Administration and State fees.

RECOMMENDATION

Staff recommends that the City Council an Increase to the Annual Budget for On-Call Construction Management, Inspection and Materials Testing Services from \$100,000 to \$300,000.