



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

FROM: City Administrator

SUBJECT: A Resolution of the City Council of the City of Commerce authorizing staff to issue a 30-day notice of contract termination for building and safety and public works inspection services to Los Angeles County, and authorizing staff to award a contract to Transtech Engineers for building and safety and public works inspection services effective at the expiration of the 30-day notice period

MEETING DATE: August 6, 2018

RECOMMENDATION:

Adopt a Resolution authorizing staff to issue a 30-day notice of contract termination for building and safety and public works inspection services to Los Angeles County, and authorizing staff to award a contract to Transtech Engineers for building and safety and public works inspection services effective at the expiration of the 30-day notice period.

BACKGROUND/ANALYSIS:

Los Angeles County's Building and Safety Division currently provides contract services to the City of Commerce. This includes building plan check and inspection services. In 2013 an organizational study of the then Commerce Community Development Department was conducted. One of the study's focus areas was the City's Building and Safety Division. Analysis was undertaken, interviews of staff and members of the public were conducted and ultimately recommendations were prepared addressing Building and Safety, as well as the rest of the Department. Specifically, the study recommended evaluating the staffing of the City's Building & Safety operation.

Following completion of the organizational study, the City's Administration Department began implementing recommendations contained therein. This included, among other things, renaming the Department (now Public Works & Development Services) and redirecting the Department's focus. As staff continued to implement measures set forth in the study, it was determined to be an appropriate time to address the issue of Building and Safety Services especially as it related to customer service, responsiveness, and turnaround periods.

On March 22, 2018, staff released a request for statements of qualifications for select City services, including Building and Safety. Submittals were due to no later than April 20,

2018. Upon receipt of nine proposals, staff reviewed each submittal and selected four consulting firms to be interviewed including Transtech Engineers, Los Angeles County Department of Public Works, Interwest Consulting Group, and Bureau Veritas North America. The interview process was completed on July 3, 2018. At the conclusion of the interview process, Transtech Engineers was rated as the top candidate.

Among other things, highlights of the Transtech proposal include significantly reduced turnaround times for plan checking construction documents that includes electronic plan checks, expedited plan check service (at the applicant's expense), increased office hours for a City Building Official, staffing structures for timely responses, a two-week transition plan at no cost to the City, and an estimated 10 to 12% reduction in monthly billing costs.

Transtech and City staff has worked to develop a transition plan, a copy of which is attached to this staff report. If the City Council adopts the subject resolution, Transtech will formally assume responsibility for building and safety services on September 6, 2018.

ALTERNATIVES:

1. Approve staff recommendation
2. Reject staff recommendation
3. Provide further direction to staff

FISCAL IMPACT:

The City generally budgets upward of \$500,000 annually for Building & Safety Services. Staff anticipates a monthly reduction of 10 to 12% in costs related to these services.

RELATIONSHIP TO STRATEGIC GOALS:

The issue before the Council is consistent with Economic Growth Guiding Principle 2 of the City's 2016 Strategic Plan. This Principle calls for ensuring the City's development services are continually streamlined, efficient, customer focused and responsive to efficiently support local economic growth.

Recommended and Prepared by: Maryam E. Babaki, P.E., Director of Public Works & Development Services

Reviewed by: Vilko Domic, Finance Director

Approved as to form: Noel Tapia, City Attorney

Respectfully submitted: Edgar P. Cisneros, City Administrator

ATTACHMENTS:

1. Resolution
2. Services Agreement
3. Transtech Response to SOQ
4. Fee Analysis
5. Transition Plan