

## ITEM 4.13

### **CITY MANAGER'S REPORT DECEMBER 9, 2019, CITY COUNCIL REGULAR MEETING**

**ITEM:** APPROVE TASK ORDER NO. 16 WITH 4LEAF, INC., FOR PROFESSIONAL SERVICES IN THE BUILDING DIVISION

**RECOMMENDATION:** Adopt Resolution Approving Task Order No. 16 to the Master Professional Consulting Services Agreement with 4Leaf, Inc., for Professional Services and Related Budget Amendment

---

#### **SUMMARY:**

On September 21, 2015, City Council approved a Master Agreement with 4Leaf, Inc., (4Leaf) to provide professional services in the Building Division. Since then, an Amendment and a series of Task Orders have been approved to provide various professional services within the Building Division. Due to continued increase in construction activity related to capital improvement, private land development, residential, commercial and industrial projects, staff requested a proposal from 4Leaf to provide continued professional services in the Building Division.

Staff is requesting City Council to consider approval of Task Order No. 16 with 4Leaf, Inc., on a time and material basis with a not to exceed amount of \$400,000 and a related budget amendment. Task Order No. 16 will be fully funded by revenue received from permit fees collected at the issuance of building permits.

#### **BACKGROUND:**

On September 21, 2015, City Council approved a Master Agreement with 4Leaf to provide professional services in the Building Division. On May 13, 2019, City Council approved Amendment No. 2 extending the Master Agreement to June 30, 2021. The Master Agreement with 4Leaf allows staff to issue task orders to align with increased construction activity that exceeds staff resources. The ability to use the services of outside consultants makes it possible to continue providing timely response times to our residents, businesses and developers. The table depicted on the next page provides a summary of Task Orders approved to date.

**CITY MANAGER'S REPORT** **PAGE 2**  
**DECEMBER 9, 2019, CITY COUNCIL REGULAR MEETING**  
**APPROVE TASK ORDER NO. 16 WITH 4LEAF, INC. FOR PROFESSIONAL**  
**SERVICES IN THE BUILDING DIVISION**

Task Order No.	Date Approved	Description
1	09/21/15	Staff Augmentation Services
2	09/21/15	Plan Check Services
3	07/18/16	Plan Check Services
4	10/17/16	Plan Check Services
5	12/05/16	Inspection Services
6	06/19/17	Plan Check Services
7	06/19/17	Inspection Services
8	01/29/18	Chief Building Official Services
9	06/11/18	Chief Building Official Services
10	06/21/18	Inspection Services
11	10/08/18	Plan Check Services
12	05/13/19	Inspection Services
13	05/13/19	Staff Augmentation Services
14	09/21/19	Chief Building Official Services
15	10/14/19	Professional Services

**REASON FOR RECOMMENDATION:**

Additional professional services are needed in the Building Division to keep up with the continued increase in construction activity related to capital improvement, private land development, residential, commercial and industrial projects. The ability to use the services of outside consultants makes it possible to continue providing timely response times to our residents, businesses and developers.

**FISCAL IMPACT:**

Task Order No. 16 with 4Leaf, Inc., will be on a time and material basis with a not to exceed amount of \$400,000. Task Order No. 16 will be fully funded from plan check fees collected at the issuance of a building permit and will only be paid when revenue has been received. Funds approved in the Building Division budget for fiscal year 2019-2020 is insufficient to cover the unexpected increase in construction activity, staff is requesting a budget amendment to the adopted budget for the Building Division to offset the additional expenses. The budget amendment is as follows:

Increase Revenue

2015-50-30-323-01-00                      \$75,500

Increase Expenditures

2015-50-30-420-01-00                      \$75,500

**CITY MANAGER'S REPORT**  
**DECEMBER 9, 2019, CITY COUNCIL REGULAR MEETING**  
**APPROVE TASK ORDER NO. 16 WITH 4LEAF, INC. FOR PROFESSIONAL**  
**SERVICES IN THE BUILDING DIVISION**

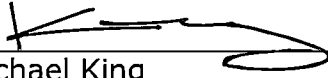
**PAGE 3**

**ATTACHMENTS:**

- A. Resolution Approving Task Order No. 16 with 4Leaf, Inc., for Professional Services in the Building Division and Related Budget Amendment
- B. Task Order No. 16 for Professional Services in the Building Division dated December 9, 2019

**CITY MANAGER'S REPORT**  
**DECEMBER 9, 2019, CITY COUNCIL REGULAR MEETING**  
**APPROVE TASK ORDER NO. 16 WITH 4LEAF, INC. FOR PROFESSIONAL**  
**SERVICES IN THE BUILDING DIVISION**

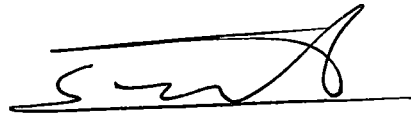
**APPROVALS:**

  
\_\_\_\_\_  
Michael King  
Director of Public Works


11-20-19  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Cari James  
Finance & Administrative Services Director

11-25-19  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

11-20-19  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

11-27-19  
\_\_\_\_\_  
Date

**RESOLUTION NO. 19-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP APPROVING TASK ORDER NO. 16 TO THE MASTER PROFESSIONAL CONSULTING SERVICES AGREEMENT WITH 4LEAF, INC., FOR PROFESSIONAL SERVICES AND RELATED BUDGET AMENDMENT**

**WHEREAS**, the City requires contract professional services to keep pace with ongoing development; and

**WHEREAS**, 4Leaf, Inc. has the qualifications necessary to provide additional professional services in the Building Division services; and

**WHEREAS**, City Council approved a Master Agreement with 4Leaf, Inc. for professional services in September 2015; and

**WHEREAS**, City Council approved Amendment No. 2 extending the Master Agreement through June 30, 2021; and

**WHEREAS**, staff is requesting Council approve Task Order No. 16 to provide additional professional services on a time and material basis with a not to exceed amount of \$400,000; and

**WHEREAS**, Task Order No. 16 will be fully funded by revenue received from construction permit fees collected at the issuance of building permits; and

**WHEREAS**, sufficient funds were not allocated in the adopted Fiscal Year 19/20 Budget, and staff is requesting the following budget amendment:

<u>Increase Revenue</u>	
2015-50-30-323-01-00	\$75,500
<u>Increase Expenditures</u>	
2015-50-30-420-01-00	\$75,500

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop does hereby approve Task Order No. 16 for professional services in the Building Division and related budget amendment.

The foregoing resolution was passed and adopted this 9<sup>th</sup> day of December 2019, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

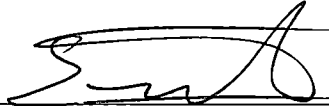
Sonny Dhaliwal, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

---

Teresa Vargas, City Clerk



---

Salvador Navarrete, City Attorney

**CITY OF LATHROP  
TASK ORDER NO. 16**

**PURSUANT TO MASTER CONSULTING AGREEMENT DATED  
SEPTEMBER 21, 2015 WITH 4LEAF, INC.**

**TO PROVIDE PROFESSIONAL SERVICES IN THE BUILDING DIVISION**

**THIS TASK ORDER NO. 16** dated for convenience this 9<sup>th</sup> day of December 2019 is by and made and entered into by and between **4LEAF, Inc.** ("CONSULTANT") and the CITY OF LATHROP, a California municipal corporation ("CITY");

**RECITALS:**

**WHEREAS**, on September 21, 2015, CONSULTANT entered into a Master Agreement with the CITY, and parties approved an extension of the term to June 30, 2021 pursuant to Amendment No. 2 dated May 13, 2019 ("AGREEMENT") by which the CONSULTANT has agreed to provide Building Division Professional Services; and

**WHEREAS**, CONSULTANT is specially trained, experienced, and competent to provide professional building services, which are required by this agreement; and

**WHEREAS**, CITY selected the CONSULTANT pursuant to said qualifications; and

**WHEREAS**, CONSULTANT is willing to render such professional building services, as hereinafter defined, on the following terms and conditions;

**NOW, THEREFORE**, CONSULTANT and the CITY agree as follows:

**AGREEMENT**

(1) **Incorporation of Master Agreement**

This Task Order hereby incorporates by reference all terms and conditions set forth in the Master Agreement for Consulting Services for this project, unless specifically modified by this Task Order.

(2) **Scope of Service**

CONSULTANT agrees to perform professional building services in accordance with the scope of work and fee proposal provided in Exhibit "A" to this Task Order No, 16. CONSULTANT agrees to diligently perform these services in accordance with the upmost standards of its profession and to the CITY'S satisfaction.

CITY OF LATHROP – TASK ORDER NO. 16 WITH 4LEAF INC. FOR PROFESSIONAL SERVICES IN THE BUILDING DIVISION

(3) **Effective Date and Term.**

The effective date of this Agreement is **December 9<sup>th</sup>, 2019**, and it shall terminate no later than **June 30, 2020**.

(4) **Compensation**

CITY hereby agrees to pay CONSULTANT on a time and material basis with a not to exceed amount of **\$400,000** for the professional building services. CONSULTANT shall be paid any uncontested sum due and payable within thirty (30) days of receipt of billings containing all information pursuant to Paragraph 5 below. Compensation for any task must be equal to or less than the percentage of task complete. In no event shall CONSULTANT be entitled to compensation for work not included in Exhibit "A", unless a written change order or authorization describing the extra work and payment terms has been executed by CITY's authorized representative prior to the commencement of the work.

(5) **Notice to Proceed**

Prior to commencing work under this agreement, CONSULTANT shall receive a written "Notice to Proceed" from CITY. A Notice to Proceed shall not be issued until all necessary bonds and insurance have been received. City shall not be obligated to pay CONSULTANT for any services prior to issuance of the Notice to Proceed.

(6) **Signatures**

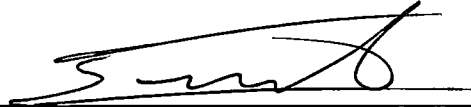
The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the CITY. This agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.



CITY OF LATHROP – TASK ORDER NO. 16 WITH 4LEAF INC. FOR PROFESSIONAL SERVICES IN THE BUILDING DIVISION

Approved as to Form:

City of Lathrop  
City Attorney

  
\_\_\_\_\_  
Salvador Navarrete 11-20-19  
Date

Recommended for Approval:

City of Lathrop  
Public Works Director

\_\_\_\_\_  
Michael King Date

Accepted By:

City of Lathrop  
390 Towne Centre Drive  
Lathrop, CA 95330

\_\_\_\_\_  
Stephen J. Salvatore Date  
City Manager

CONSULTANT:

**4 Leaf Inc.**  
**2126 Rheem Drive, Suite A**  
**Pleasanton, CA 94588**

Fed ID # 94-3393574  
Bus License # 20088

\_\_\_\_\_  
Signature Date

Kevin J. Duggan, President  
\_\_\_\_\_  
(Print Name and title)



## 2019-21 FEE SCHEDULE & BASIS OF CHARGES

For the City of Lathrop

All Rates are Subject to Basis of Charges

Plan Check Service	Fee for 1 <sup>st</sup> Review and two (2) subsequent rechecks	Hourly rate for onsite and/or greater than 3 reviews offsite (with authorization from Director):
<b>Life Health Safety, Structural, ADA Requirements and Title 24 Energy Requirements Plan Checks</b>	65% of City fee	\$125/hour structural \$95/hour non-structural
<b>Plumbing/Mechanical/Electrical Only Plan Checks</b>	40% of City fee	\$95/hour non-structural
<b>Structural Only Plan Checks</b>	40% of City fee	\$125/hour structural

**Additional Building Department Services**

Senior Combination Building Inspector .....	\$95/hour
Commercial Building Inspector .....	\$90/hour
Residential Building Inspector .....	\$80/hour
Training Building Inspector .....	\$70/hour
Code Enforcement.....	\$85/hour
Senior Permit Technician .....	\$70/hour
Permit Technician.....	\$65/hour
Administrative Support.....	\$60/hour
On-Site Plan Review Engineer.....	\$120/hour
On-Site Non-Structural Plans Examiner.....	\$90/hour
Fire Review.....	\$155/hour
Inspector of Record (including DSA or OSHPD) .....	\$135/hour
Public Works Inspector .....	\$145/hour
Interim Chief Building Official .....	\$130/hour
CASp Inspection.....	\$155/hour
Off-Site Project Manager .....	\$160/hour
Principal-in-Charge .....	\$185/hour
Hourly overtime charge per inspector .....	1.5 x hourly rate
Mileage (for inspections performed within the City).....	IRS Rate + 20%



### BASIS OF CHARGES

- All invoicing will be submitted monthly.
- Work is subject to 4-hour minimum charges unless stated otherwise. Services billed in 4-hour increments.
- 4LEAF assumes that these rates reflect the 2019-2021 contract period. 3% escalation for 2021 and 2022 is negotiable per market conditions.
- Overtime and Premium time will be charged as follows:
  - *Regular time (work begun after 5AM or before 4PM)* *1 x hourly rate*
  - *Night Time (work begun after 4PM or before 5AM)* *1.125 x hourly rate*
  - *Overtime (over 8 hour M-F or Saturdays)* *1.5 x hourly rate*
  - *Overtime (over 8 hours Sat or 1<sup>st</sup> 8 hour Sun)* *2 x hourly rate*
  - *Overtime (over 8 hours Sun or Holidays)* *3 x hourly rate*
- Overtime will only be billed with prior authorization of the Chief Building Official, Public Works Director, or other responsible designated City personnel.
- Expedited reviews will be charged at 1.4 times the plan review fee
- All work with less than 8 hours rest between shifts will be charged the appropriate overtime rate.
- Mileage, driven during the course of Lathrop Inspections will be charged at cost plus 20%.
- Payment due on receipt. All payments over 30 days will be assessed a 1.5% interest charge.
- Client shall pay attorneys' fees, or other costs incurred in collecting delinquent amounts.
- Client agrees that 4LEAF's liability will be limited to the value of services provided.
- 4LEAF will negotiate fees on a case by case basis for larger complex projects and projects deemed special by the City.

**PAGE LEFT  
INTENTIONALLY  
BLANK**