

CITY OF SANTA ROSA  
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL  
FROM: WILLIAM ROSE, SUPERVISING PLANNER  
PLANNING AND ECONOMIC DEVELOPMENT  
SUBJECT: THIRD AMENDMENT TO PROFESSIONAL SERVICES  
AGREEMENT NUMBER F001494 WITH METROPOLITAN  
GROUP, INC.

AGENDA ACTION: RESOLUTION

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RECOMMENDATION

It is recommended by the Planning and Economic Development Department that the Council, by Resolution, 1) waive the competitive selection procedures in Council Policy 600-01 as in the best interests of the City, and 2) approve the Third Amendment to Professional Services Agreement Number F001494 with Metropolitan Group, Inc. for Planning agency staff contract services, extending the term of the Agreement to March 31, 2020 and increasing compensation by \$100,000 for a total contracted amount not to exceed \$700,000.

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EXECUTIVE SUMMARY

This resolution authorizes the approval of the Third Amendment to Professional Services Agreement Number F001494 with Metropolitan Group, Inc. (M Group) for planning agency staff contract services, extending the term of the Agreement to March 31, 2020 and increasing compensation by \$100,000 for a revised total contract amount not to exceed \$700,000.

BACKGROUND

The Planning Division of the Planning and Economic Development Department (PED) is responsible for current and long-range planning. As a result of increased permit activity over the past few fiscal years, PED has relied on consultants to augment planning services, including but not limited to, the facilitation and processing of housing projects and cannabis-related projects.

On August 31, 2017, the PED entered into a Professional Services Agreement (F001494) for \$100,000 with M Group for agency staffing assistance in the Planning Division's Development Review section. The contract provides consultant City Planners

FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT –  
METROPOLITAN GROUP, INC.  
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and Senior Planners as needed to assist City staff in reviewing planning-related permit applications. The First Amendment to the Agreement was approved by Council on December 5, 2017, to increase compensation by \$400,000 for a revised total contract do not exceed amount of \$500,000 and extend the term of the Agreement. The Second Amendment was executed on November 2, 2018, for an additional \$100,000 with funding already appropriated in the FY 2018-19 budget, bringing the total contracted not to exceed amount to \$600,000.

PRIOR CITY COUNCIL REVIEW

1. On December 5, 2017, the City Council (Council) amended the FY 2017-18 budget to approve additional funding to PED to obtain consultants to assist with the current work load; and approved the First Amendment to Professional Services Agreement F001494 with M Group for an additional \$400,000 for a revised contract not to exceed amount of \$500,000.
2. On March 12, 2019, the Council amended the FY 2018-19 budget to approve additional funding to PED to obtain consultants to assist with the current work load, with \$200,000 appropriated for Planning.

ANALYSIS

1. Amending the existing Agreement with M Group will allow PED to continue using a City Planner or Senior Planner for the review of Planning applications, allowing projects to move through the permitting process as expeditiously as possible and address the backlog of housing and cannabis applications.
2. This Third Amendment will increase funding and extend the term as follows:
  - a. Increasing compensation by \$100,000 (for a total contracted amount not to exceed \$700,000);
  - b. Extending term to March 31, 2020
3. Council Policy 600-01 requires a competitive process prior to selection and award of professional services agreements. Article 4.1.2 of Council Policy 600-01 states that the City Council may waive this process if the Council finds it is in the best interests of the City to do so.
4. The competitive process required by Council Policy 600-01 includes the execution of a Request for Proposals (RFP) that is sent out to multiple agencies and the required receipt of at least three proposals from which a selection can be made. Planning staff has consistently executed RFPs for plan review assistance in concert with this policy, the most recent RFP having been conducted in June 2017. In response, only two firms submitted proposals, M-Group and Land Logistics, Inc. Receiving only one or two proposals for plan review services is a

typical result in the last several RFPs due to competing jurisdictions and limited plan review consultant services available. Planning firms are limited in the number of staff that are available and trained to perform the work. Due to the extent of the City's plan review workload, staff moved forward with both M-Group and Land Logistics, Inc in order to sufficiently meet the demand for plan review services.

5. Staff believes it is in the best interests of the City to enter into an amendment with M Group without engaging the competitive process as specified under Policy 600-01 because M Group possesses the expertise and knowledge that is required with the City's General Plan, Zoning Code, internal processing and plan review procedures, and PED's public and counter support activities. In addition, its budget, timeline, and scope of work have been deemed acceptable by PED. Last, all funds necessary to support the contract have already been appropriated by the City Council.

#### FISCAL IMPACT

Funding for this item is included in the department's FY 2018-19 budget, and there is no additional impact to the General Fund.

#### ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project 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, pursuant to CEQA Guideline section 15378.

#### BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

#### NOTIFICATION

Not applicable.

#### ATTACHMENTS

Resolution / Exhibit A: Third Amendment to Professional Services Agreement No. F001494 with M-Group

#### CONTACT

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