



AGENDA REPORT

Meeting Date: July 19, 2016
Item Number: E-14
To: Honorable Mayor & City Council
From: Raj Patel, Community Development Assistant Director
Subject: APPROVAL OF A PURCHASE ORDER FOR JLEE ENGINEERING, INC. TO PROVIDE PLAN REVIEW SERVICES AND OTHER AS-NEEDED CONSULTING SERVICES IN THE AMOUNT OF \$700,000 FOR FISCAL YEAR 2016-17 FOR THE SERVICES DESCRIBED
Attachments: 1) Agreement No. 403-14
2) Amendment 1, Agreement No. 357-15

RECOMMENDATION

Staff recommends that the City Council approve a purchase order to provide plan review services and other as-needed consulting services in the amount of \$700,000 for fiscal year 2016-17. There are two funding sources for this requested purchase order, \$375,000 from City Council-approved department budget and \$325,000 from developers' direct cost for expedited services.

INTRODUCTION

On August 5, 2014, City Council approved a three-year agreement (No. 403-14) and a purchase order with JLee Engineering, Inc for a total not-to-exceed amount of \$700,000 for FY2014-15. On July 21, 2015, City Council approved Amendment No. 1 (No. 357-15) to this agreement increasing the consideration amount for a total not-to-exceed amount of \$2.1 million from FY2014-15 until its final year of 2016-17 with an annual distribution of \$700,000.

On June 8, 2016, City Council approved a budget of \$475,000 to fund professional plan review engineering consulting services needed by the Community Development Department. Three Hundred Seventy Five Thousand dollars (\$375,000) of this approved budget will be used for the consulting services to be provided by JLee Engineering, Inc. and \$100,000 will be used for as-needed professional consulting services from other consultants. Separate agreements and purchase orders with these

other consultants will be developed as the need for other consulting services are identified.

DISCUSSION

Due to changes and additions to the State building codes, including anticipated increases in development plan reviews; it is necessary for the Community Development Department's plan review program to seek outside consulting services to accommodate increases in demand and to streamline development review services provided to the public, as necessary to meet development review turn-around times without substantial increase in department staffing.

Professional consulting services were not solicited from consultants other than JLee Engineering, Inc. Community Development Department has maintained technical code engineering service relationship with JLee Engineering, Inc. since 2007. Their professional rates have been held firm since inception of the Agreement in 2007. In addition to their intimate knowledge of the City's local code amendments as they apply to development plan review services, JLee Engineering, Inc. has installed the City's licensed plan review software plan review program e.g. ProjectDox by Avolve on their database to facilitate the plan review application process. JLee Engineering, Inc. has consistently provided high level of service to the City and its customers with its complete engineering and plan review services, Building, all trades, and Green Building code standards.

In addition, staff is requesting that City Council approve a purchase order in the amount of \$700,000 to allow JLee Engineering, Inc. to continue to provide professional plan review engineering consulting services for FY2016-17.

FISCAL IMPACT

Three hundred seventy five thousand dollars (\$375,000) of the requested change order amount of \$700,000 for FY2016-17 is from the Council approved budget for Community Development Department offset by plan check and permit revenues. Three hundred twenty five thousand dollars (\$325,000) is paid by developers as they request expedited plan review services at direct cost and no appropriation is requested.

Susan Healy Keene, AICP

Approved by:



Attachment 1

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND JLEE ENGINEERING, INC. TO PROVIDE PLAN REVIEW SERVICES AND OTHER AS-NEEDED CONSULTING SERVICES

NAME OF CONSULTANT: JLEE Engineering, Inc.

RESPONSIBLE PRINCIPAL OF CONSULTANT: Jae Lee, President

CONSULTANT'S ADDRESS: 430 S. Garfield Avenue, Suite 301
Alhambra, CA 91801
Attention: Jae Lee, President

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: Susan Healy Keene, AICP, Director of
Community Development

COMMENCEMENT DATE: July 1, 2014

TERMINATION DATE: June 30, 2017

CONSIDERATION: Not to exceed \$700,000.00 and based on the rates set forth in Exhibit B

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND JLEE
ENGINEERING, INC. TO PROVIDE PLAN REVIEW SERVICES AND
OTHER AS-NEEDED CONSULTING SERVICES

THIS AGREEMENT is made by and between the City of Beverly Hills (hereinafter called "CITY"), and JLEE Engineering, Inc. (hereinafter called "CONSULTANT").

RECITALS

A. CITY desires to have certain services and/or goods provided as set forth in Exhibit A (the "Scope of Work"), attached hereto and incorporated herein.

B. CONSULTANT represents that it is qualified and able to perform the Scope of Works.

NOW, THEREFORE, the parties agree as follows:

Section 1. CONSULTANT's Scope of Work. CONSULTANT shall perform the Scope of Work described in Exhibit A in a manner satisfactory to CITY and consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. CITY shall have the right to order, in writing, changes in the Scope of Work. Any changes in the Scope of Work by CONSULTANT must be made in writing and approved by both parties. The cost of any change in the Scope of Work must be agreed to by both parties in writing.

Section 2. Time of Performance. CONSULTANT shall commence its services under this Agreement upon receipt of a written notice to proceed from CITY. CONSULTANT shall complete the performance of services by the Termination Date set forth above and/or in conformance with the project timeline established by the City Manager or his designee.

Section 3. Compensation.

(a) Compensation. CITY agrees to compensate CONSULTANT for the services and/or goods provides under this Agreement, and CONSULTANT agrees to accept in full satisfaction for such services, a sum not to exceed the Consideration set forth above and more particularly described in Exhibit B, attached hereto and incorporated herein, based on the hourly rates set forth in Exhibit B.

(b) Expenses. The amount set forth in paragraph (a) shall include reimbursement for all actual and necessary expenditures reasonably incurred in the performance of this Agreement (including, but not limited to, all labor, materials, delivery, tax, assembly, and installation, as applicable). There shall be no claims for additional compensation for reimbursable expenses.

(c) Additional Services. CITY may from time to time require CONSULTANT to perform additional services not included in the Scope of Services. Such requests for additional services shall be made by CITY in writing and agreed upon by both parties in writing.

Section 4. Method of Payment. Unless otherwise provided for herein, CONSULTANT shall submit to CITY a detailed invoice, on a monthly basis or less frequently, for the services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period and the amount due. Within 30 days of receipt of each invoice, CITY shall pay all undisputed amounts included on the invoice. CITY shall pay CONSULTANT said Consideration in accordance with the schedule of payment set forth in Exhibit B, attached hereto and incorporated herein.

Section 5. Independent Contractor. CONSULTANT is and shall at all times remain, as to CITY, a wholly independent contractor. Neither CITY nor any of its agents shall have control over the conduct of CONSULTANT or any of CONSULTANT's employees, except as herein set forth. CONSULTANT shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY.

Section 6. Assignment. This Agreement shall not be assigned in whole or in part, by CONSULTANT without the prior written approval of CITY. Any attempt by CONSULTANT to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

Section 7. Responsible Principal(s)

(a) CONSULTANT's Responsible Principal set forth above shall be principally responsible for CONSULTANT's obligations under this Agreement and shall serve as principal liaison between CITY and CONSULTANT. Designation of another Responsible Principal by CONSULTANT shall not be made without prior written consent of CITY.

(b) CITY's Responsible Principal shall be the City Manager or his designee set forth above who shall administer the terms of the Agreement on behalf of CITY.

Section 8 Personnel. CONSULTANT represents that it has, or shall secure at its own expense, all personnel required to perform CONSULTANT's Scope of Work under this Agreement. All personnel engaged in the work shall be qualified to perform such Scope of Work.

Section 9. Permits and Licenses. CONSULTANT shall obtain and maintain during the Agreement term all necessary licenses, permits and certificates required by law for the provision of services under this Agreement, including a business license.

Section 10. Interests of CONSULTANT. CONSULTANT affirms that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the Scope of Work contemplated by this Agreement. No person having any such interest shall be employed by or be associated with CONSULTANT.

Section 11. Insurance.

(a) CONSULTANT shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

(1) A policy or policies of Comprehensive General Liability Insurance, with minimum limits of Two Million Dollars (\$2,000,000) for each occurrence, combined single

limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by CONSULTANT.

(2) A policy or policies of Comprehensive Vehicle Liability Insurance covering personal injury and property damage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence combined single limit, covering any vehicle utilized by CONSULTANT in performing the Scope of Work required by this Agreement.

(3) Workers' compensation insurance as required by the State of California.

(4) Professional Liability Insurance. A policy or policies of Professional Liability Insurance (errors and omissions) with minimum limits of One Million Dollars (\$1,000,000) per claim and in the aggregate. Any deductibles or self-insured retentions attached to such policy or policies must be declared to and be approved by CITY. Further, CONSULTANT agrees to maintain in full force and effect such insurance for one year after performance of work under this Agreement is completed.

(b) CONSULTANT shall require each of its sub-contractors to maintain insurance coverage which meets all of the requirements of this Agreement.

(c) The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least a B+;VII in the latest edition of Best's Insurance Guide.

(d) CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect CITY may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, CITY may take out the necessary insurance and pay, at CONSULTANT's expense, the premium thereon.

(e) At all times during the term of this Agreement, CONSULTANT shall maintain on file with the City Clerk a certificate or certificates of insurance on the form set forth in Exhibit C, attached hereto and incorporated herein, showing that the aforesaid policies are in effect in the required amounts. CONSULTANT shall, prior to commencement of work under this Agreement, file with the City Clerk such certificate or certificates. The general and auto liability insurance shall contain an endorsement naming the CITY as an additional insured. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days prior written notice to CITY, and specifically stating that the coverage contained in the policies affords insurance pursuant to the terms and conditions as set forth in this Agreement.

(f) The insurance provided by CONSULTANT shall be primary to any coverage available to CITY. The policies of insurance required by this Agreement shall include provisions for waiver of subrogation.

(g) Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.

Section 12. Indemnification. CONSULTANT agrees to indemnify, hold harmless and defend CITY, City Council and each member thereof, and every officer, employee and agent of CITY, from any claim, liability or financial loss (including, without limitation, attorneys fees and costs) arising from any intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONSULTANT or any person employed by CONSULTANT in the performance of this Agreement.

Section 13. Termination.

(a) CITY shall have the right to terminate this Agreement for any reason or for no reason upon five calendar days' written notice to CONSULTANT. CONSULTANT agrees to cease all work under this Agreement on or before the effective date of such notice.

(b) In the event of termination or cancellation of this Agreement by CITY, due to no fault or failure of performance by CONSULTANT, CONSULTANT shall be paid based on the percentage of work satisfactorily performed at the time of termination. In no event shall CONSULTANT be entitled to receive more than the amount that would be paid to CONSULTANT for the full performance of the services required by this Agreement. CONSULTANT shall have no other claim against CITY by reason of such termination, including any claim for compensation.

Section 14. CITY's Responsibility. CITY shall provide CONSULTANT with all pertinent data, documents, and other requested information as is available for the proper performance of CONSULTANT's Scope of Work.

Section 15. Information and Documents. All data, information, documents and drawings prepared for CITY and required to be furnished to CITY in connection with this Agreement shall become the property of CITY, and CITY may use all or any portion of the work submitted by CONSULTANT and compensated by CITY pursuant to this Agreement as CITY deems appropriate.

Section 16. Changes in the Scope of Work. The CITY shall have the right to order, in writing, changes in the scope of work or the services to be performed. Any changes in the scope of work requested by CONSULTANT must be made in writing and approved by both parties.

Section 17. Notice. Any notices, bills, invoices, etc. required by this Agreement shall be deemed received on (a) the day of delivery if delivered by hand during the receiving party's regular business hours or by facsimile before or during the receiving party's regular business hours; or (b) on the second business day following deposit in the United States mail, postage prepaid to the addresses set forth above, or to such other addresses as the parties may, from time to time, designate in writing pursuant to this section.

Section 18. Attorney's Fees. In the event that either party commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

Section 19. Entire Agreement. This Agreement represents the entire integrated agreement between CITY and CONSULTANT, and supersedes all prior negotiations,

representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both CITY and CONSULTANT.

Section 20. Exhibits; Precedence. All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail.

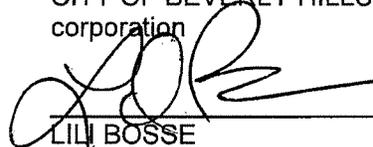
Section 21. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 22. CITY Not Obligated to Third Parties. CITY shall not be obligated or liable under this Agreement to any party other than CONSULTANT.

Section 23. Severability. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

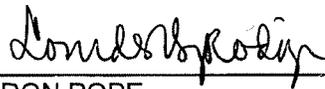
EXECUTED the 5th day of August 2014, at Beverly Hills, California.

CITY OF BEVERLY HILLS, a municipal corporation



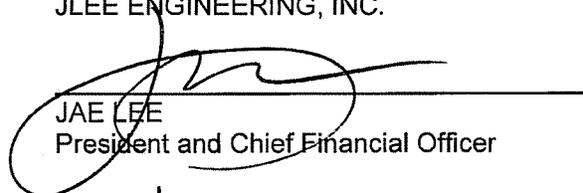
LILI BOSSE
Mayor of the City of Beverly Hills, California

ATTEST:

for  (SEAL)

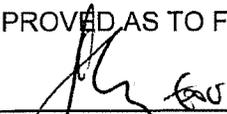
BYRON POPE
City Clerk

CONTRACTOR:
JLEE ENGINEERING, INC.



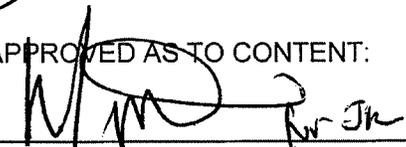
JAE LEE
President and Chief Financial Officer

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:



JEFFREY KOLIN
City Manager



SUSAN HEALY KEENE, AICP
Director of Community Development



KARL KIRKMAN
Risk Manager

EXHIBIT A

SCOPE OF WORK

CONSULTANT shall perform the following services:

- Provide plan check services for Architectural, Structural, Mechanical, Plumbing, Electrical, and Energy Regulations based on the California Building Code, California Mechanical Code, California Electrical Code, California Plumbing Code, California Green Building Standards Code, including CITY amendments.
- Upon completion of the first plan check, checked plans, documents, and plan check comments shall be sent to project applicants or to CITY representatives per CITY's written request.
- Recheck shall be conducted directly with project applicants and/or CITY representative per CITY's written request.
- Provide plan check status report on regular basis or upon written request of CITY.
- Turn Around Times:
 - Seven (7) working days for Single Family Residential and Light Commercial projects.
 - Ten (10) working days for Multi-family residential and Light Commercial projects.
 - Twelve (12) working days for more complex Non-residential and Commercial projects.
 - Five (5) working days for resubmitted Residential projects.
 - Seven (7) working days for resubmitted non-complex Non-residential projects.
 - Ten (10) working days for resubmitted Commercial projects.
 - Other timetables available upon written request of CITY.
- Provide on-site plan check engineers and/or services upon CITY's written request.
- Plan check engineers shall be available to applicants and CITY personnel for meetings per CITY's request.
- Provide plans and documents pick-up and delivery service by courier services at no charge to CITY.

EXHIBIT B

SCHEDULE OF PAYMENT AND RATES

HOURLY RATES

Principal	\$125.00
Sr. Plan Check Engineer	\$105.00
Plan Check Engineer	\$ 95.00
Plan Examiner	\$ 85.00

Sr. Plan Check Engineer's rate shall be the maximum rate for plan check.

EXHIBIT C

CERTIFICATE OF INSURANCE

This is to certify that the following endorsement is part of the policy(ies) described below :

NAMED INSURED

COMPANIES AFFORDING COVERAGE

ADDRESS

- A.
- B.
- C.

COMPANY (A,B,C.)	COVERAGE	POLICY NUMBER	EXPIRATION DATE	B.I.	LIMITS P.D.	AGGREGATE
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS <input type="checkbox"/> BLANKET CONTRACTUAL <input type="checkbox"/> CONTRACTOR'S PROTECTIVE <input type="checkbox"/> PERSONAL INJURY <input type="checkbox"/> EXCESS LIABILITY <input type="checkbox"/> WORKER'S COMPENSATION					

It is hereby understood and agreed that the City of Beverly Hills, its City Council and each member thereof and every officer and employee of the City shall be named as joint and several assureds with respect to claims arising out of the following project or agreement:

It is further agreed that the following indemnity agreement between the City of Beverly Hills and the named insured is covered under the policy: Contractor agrees to indemnify, hold harmless and defend City, its City Council and each member thereof and every officer and employee of City from any and all liability or financial loss resulting from any suits, claims, losses or actions brought against and from all costs and expenses of litigation brought against City, its City Council and each member thereof and any officer or employee of City which results directly or indirectly from the wrongful or negligent actions of contractor's officers, employees, agents or others employed by Contractor while engaged by Contractor in the (performance of this agreement) construction of this project.

It is further agreed that the inclusion of more than one assured shall not operate to increase the limit of the company's liability and that insurer waives any right of contribution with insurance which may be available to the City of Beverly Hills.

In the event of cancellation or material change in the above coverage, the company will give 30 days' written notice of cancellation or material change to the certificate holder.

Except to certify that the policy(ies) described above have the above endorsement attached, this certificate or verification of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate or verification of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

DATE : _____ BY : _____

 Authorized Insurance Representative
 TITLE : _____
 AGENCY : _____ Address : _____

Attachment 2

AMENDMENT NO. 1 TO AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND JLEE ENGINEERING, INC. TO PROVIDE PLAN REVIEW SERVICES AND OTHER AS-NEEDED CONSULTING SERVICES

NAME OF CONSULTANT: JLEE Engineering, Inc.

RESPONSIBLE PRINCIPAL OF CONSULTANT: Jae Lee, President

CONSULTANT'S ADDRESS: 430 S. Garfield Avenue, Suite 301
Alhambra, CA 91801
Attention: Jae Lee, President

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: Susan Healy Keene, AICP, Director of Community Development

COMMENCEMENT DATE: July 1, 2014

TERMINATION DATE: June 30, 2017

CONSIDERATION: Original Agreement: Not to exceed \$700,000 and based on the rates set forth in Exhibit B

Amendment No. 1: Not to exceed the following amounts:

- a. Additional not to exceed amount of \$700,000 for FY 2015-16
- b. Additional not to exceed amount of \$700,000 for FY 2016-17

Original Agreement and Amendment No. 1: Total not to exceed amount of \$2,100,000, and based on the rates set forth in Exhibit B of the original Agreement

AMENDMENT NO. 1 TO AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND JLEE ENGINEERING, INC. TO PROVIDE PLAN REVIEW SERVICES AND OTHER AS-NEEDED CONSULTING SERVICES

This Amendment No. 1 is to that certain Agreement dated August 5, 2014 and identified as Contract No. 403-14 (the "Agreement"), between the City of Beverly Hills, a municipal corporation ("CITY"), and JLEE Engineering, Inc. (hereinafter called "CONSULTANT"), for professional plan review engineering consulting services, copies of which are on file in the Office of the City Clerk.

RECITALS

A. CITY entered into a written agreement with CONSULTANT to perform technical and zoning plan review and other as-needed consulting services.

B. CITY desires to amend the Agreement to increase the Consideration due to changes and additions to State building codes and anticipated increases in development plan reviews.

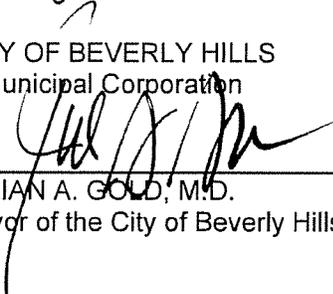
NOW, THEREFORE, the parties agree as follows:

Section 1. The CONSIDERATION shall be amended as set forth on the cover page of this Amendment No. 1.

Section 2. Except as specifically amended by this Amendment No. 1, the terms and conditions set forth in the Agreement shall remain in full force and effect.

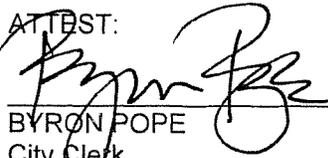
EXECUTED the 21st day of July 2015, at Beverly Hills, California.

CITY OF BEVERLY HILLS
A Municipal Corporation



JULIAN A. GOLD, M.D.
Mayor of the City of Beverly Hills, California

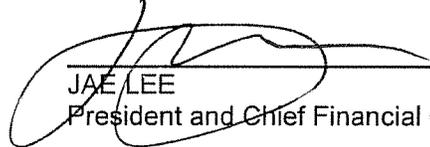
ATTEST:



BYRON POPE
City Clerk

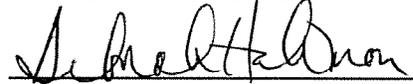
(SEAL)

CONSULTANT: JLEE Engineering, Inc.



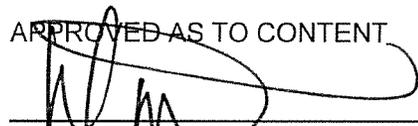
JAE LEE
President and Chief Financial Officer

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

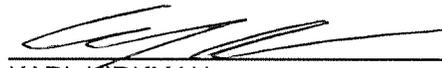
APPROVED AS TO CONTENT



MAHDI ALUZRI
Interim City Manager



SUSAN HEALY KEENE, AICP
Director of Community Development



KARL KIRKMAN
Risk Manager