

CITY COUNCIL STAFF REPORT

ITEM NO. 6.3

DATE: November 24, 2025

TO: Honorable Mayor and City Council

FROM: Brent Smith, Community Development Director

SUBJECT: Resolutions authorizing the execution of a first amendment to the agreements with

Independent Code Consultants, Inc. and 4LEAF, Inc. for on-call plan review, inspection, and permit technician services. The amendments increase the not-to-exceed amount for Independent Code Consultants, Inc. from \$460,000 to \$1,360,000, and for 4LEAF, Inc. from \$460,000 to \$960,000, while maintaining the existing five-year term, which remains

unchanged and will terminate on June 30, 2029.

RECOMMENDED ACTION

Staff recommends the City Council adopt resolutions authorizing the City Manager or her designee to execute a first amendment to the agreements with Independent Code Consultants, Inc. and 4LEAF, Inc. to provide on-call plan check, site inspections, permit technician services, and Certified Access Specialist (CASp) consultation. The amendments increase the not-to-exceed amount for Independent Code Consultants, Inc. from \$460,000 to \$1,360,000, and for 4LEAF, Inc. from \$460,000 to \$960,000, while maintaining the existing five-year term, which remains unchanged and will terminate on June 30, 2029.

DECISION TYPE

Administrative

SUMMARY

The Building Division relies on two consulting firms, Independent Code Consultants, Inc. and 4LEAF, Inc. to provide essential on-call services including plan review, permit technician support, inspections, Certified Access Specialist (CASp) consultation, and technical training. Due to a significant increase in development activity over the past two years, funds originally intended to support these contracts over a five-year period have been largely expended within 18 months.

While consultant expenditures have risen, associated project fees have fully offset costs, resulting in complete cost recovery. Development revenue for FY 2024-25 significantly exceeded projections, as development activity has not only remained steady but increased in the past several years. With sustained development anticipated, staff recommends approval of First Amendments to increase the not-

to-exceed amounts to \$1,360,000 for Independent Code Consultants, Inc. and \$960,000 for 4LEAF, Inc., with all other terms, including the June 30, 2029, termination date, remaining unchanged.

DISCUSSION

The Building Division utilizes two consulting firms, Independent Code Consultants, Inc. and 4LEAF, Inc. to provide essential professional services, including plan review, permit technician support, site inspections, Certified Access Specialist (CASp) consultation, technical guidance, and staff training, as needed. These services are critical to maintaining timely and thorough plan reviews, particularly during periods of high workload or limited staffing capacity.

Over the past two years, the City has experienced an unusually high volume of building activity. Both consulting firms have provided vital assistance across a broad range of projects, including new commercial developments, multifamily and single-family residential construction, photovoltaic (PV) installations, and electric vehicle (EV) charging infrastructure. Due to the rapid pace of development, the funds originally anticipated to support these services over a five-year period have been significantly utilized within approximately 18 months.

Although expenditures have increased within a shorter timeframe, the fees collected from these projects have fully offset consultant costs, resulting in complete cost recovery. Because these contracts are structured on an on-call basis, allocated funds are only utilized as services are rendered. Development revenue for FY 2024-25 was significantly more than anticipated due to a substantial increase in development activity.

Building activity is expected to remain strong, given the number of projects currently under Planning and Building review, as well as several recently approved residential and commercial developments such as Harridge within the Isabel Neighborhood Specific Plan and Garaventa. The growing demand for EV charging facilities and PV installations further contribute to the ongoing need for consultant support.

To ensure the Building Division can continue to deliver timely and effective service, staff recommends approval of First Amendments to the professional services agreements with Independent Code Consultants, Inc. and 4LEAF, Inc.

The proposed amendments increase the not-to-exceed amounts as follows:

- Independent Code Consultants, Inc. from \$460,000 to \$1,360,000
- 4LEAF, Inc. from \$460,000 to \$960,000

All other terms and conditions, including the June 30, 2029, termination date, remain unchanged.

These agreements authorize the Chief Building Official to assign work tasks under each contract, within the approved budget limits, to support ongoing development activity and maintain consistent service levels.

FISCAL AND ADMINISTRATIVE IMPACTS:

The total value of work under the two consulting agreements is estimated at \$2,320,000 over the five-year term beginning July 1, 2024. Funding for services provided under these agreements is partially

included in the Building Division's FY 2024-25 operating budget for consultant services. The remaining funding will be incorporated into future fiscal year budgets as part of the standard budget development process.

COMMUNITY PILLAR:

1: A Safe Community That Thrives

GOAL:

6: Provide efficient and effective permit processing services

ATTACHMENTS

- 1. Resolution 4LEAF Inc.
- 2. Exhibit A First Amendment 4LEAF Inc.
- 3. Resolution Independent Code Consultants Inc.
- 4. Exhibit A First Amendment Independent Code Consultants Inc.

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Chief Building Official

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Administrative Services Director City Manager