



## **CITY OF MENIFEE**

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SUBJECT: Fiscal Year 2023/2024 Public Works Divisions On-Call Professional Service Master Agreements Annual Update

MEETING DATE: August 7, 2024

TO: Mayor and City Council

PREPARED BY: Kristen Jensen, Financial Analyst

REVIEWED BY: Nick Fidler, Public Works Director

APPROVED BY: Armando G. Villa, City Manager

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### **RECOMMENDED ACTION**

1. Receive and file the annual summary update on Master Agreement usage in the Public Works Engineering and Capital Improvement Program Divisions for Fiscal Year 2023/2024.

### **DISCUSSION**

The Public Works Land Development Engineering Division (“Engineering”) is responsible for processing and approving developer submittals for private residential, commercial, and industrial developments. Processing of submittals often requires that multiple plan checks and field inspections be performed to comprehensively review all aspects of a project’s proposed onsite and offsite improvements and engineering studies.

The Public Works Capital Improvement Program (CIP) Division is responsible for the planning, design, and implementation of public infrastructure improvement projects throughout the City of Menifee. CIP projects require the support of technical and specialized professional services to move a project through all phases from concept to construction completion. These services include, but are not limited to, environmental assessments, design services, labor compliance, right-of-way acquisition, grant management and materials testing.

On June 21, 2023, the City Council approved as to form the use of multi-year Master Agreements for professional on-call services (“Agreements”) provided by qualified firms previously established on the approved On-Call Short Lists for the Engineering and CIP Divisions. The approved Short Lists were established following a formal request for qualifications solicitation to secure technical and specialized professional services necessary to support land development and capital improvement project activities. City Council also approved not-to-exceed amounts for each Agreement and authorized the issuance of purchase orders (POs) under each of the Agreements

on an as-needed basis in the aggregate amount of each Agreement's not-to-exceed amount, respectively.

Use of the multi-year Agreements began July 1, 2023, with 34 agreements being initially established: 15 for Engineering and 19 for CIP. Since that time, two additional Agreements have been approved by the City Council for Engineering, bringing the total number of approved Agreements to 36. The Agreements were all established with initial three-year terms from July 1, 2023, through June 30, 2026.

To provide transparency in use of the Agreements, staff committed to providing an annual summary of the total POs issued against the Agreements. The attached Engineering Master Agreement Summary sheet and CIP Master Agreement Summary provide an overview of each division's overall use of their respective Agreements in Fiscal Year (FY) 2023/2024. The summary totals provided incorporate any amendments to an Agreement's not-to-exceed amount that were previously approved by City Council during FY 2023/2024, as well as any invoices that did not require a PO but were applied against the not-to-exceed amounts of the Agreements. The summaries include the firm names, type(s) of professional services provided, the three-year City Council approved not-to-exceed amounts, the total amount encumbered against each agreement, and the percentage of usage of the not-to-exceed amounts as of June 30, 2024.

These Agreements have streamlined the process of obtaining professional services, allowing staff to respond to development project tasks more quickly and ensure continuity of capital project progress as support needs arise. The multi-year term and not-to-exceed components of the Agreements have greatly reduced the amount of staff time that was previously required for the Finance and Public Works Department's to reissue annual professional service agreements, as well as reduced the number of staff reports required for small amendments to the various agreements. These efficiencies ultimately benefit the development community and the progression of CIP projects by allowing staff to provide timely response to service demands in both divisions and maintain forward progress on projects.

It is important to note that these Agreements are not used for any contract services requiring formal or informal bidding pursuant to the City's Municipal Code or state law.

### **STRATEGIC PLAN OBJECTIVE**

Thriving Economy: Implementation of multi-year contracts support objectives in the City's Strategic Visioning for a Thriving Economy by streamlining internal development related processes and providing more transparency of contract service expenditures for ease of future reporting and contract monitoring.

### **FISCAL IMPACT**

Funding for Engineering's On-Call Agreements was approved in the FY 2023/2024 and 2024/2025 Budget. Funding for future FY 2025/2026 Agreements would be included during preparation of future Operating Budget requests. The cost of professional services for Engineering On-Call services are offset by developer fees and deposits collected for each specific project and type of review.

Funding for CIP On-Call services is supported by various specific project budgets established through the approved 2023-2028 Capital Improvement Program document for all fiscal years.

There is no additional fiscal impact associated with the recommended action.

**ATTACHMENTS**

1. Engineering Master Agreement Summary
2. CIP Master Agreement Summary