

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Authorize the City Manager to Execute Contracts with BHC Consultants, CWA Consultants and West Coast Code Consultants for On-Call Building Plan Review Services (RFQ #10441)
<b>DEPARTMENT:</b>	Planning & Community Development
<b>PRESENTED BY:</b>	Ray Allshouse, Building Official
<b>ACTION:</b>	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

**PROBLEM/ISSUE STATEMENT:**

The City’s building plan review service five-year contracts that expired at the end of last year proved to be an effective tool to provide permit reviews during increased levels of development pressure in Town Center, North City, Ballinger Commercial, and in the two Light Rail Station subareas; and during short- and long-term staff shortages. As a result of the City’s policy that limits service contracts to five-years, new contracts are needed to be procured through the competitive RFQ process to. The use of plan review service contracts as needed in combination with the recent increases in development staff is an important part of the City’s strategy to provide more predictable and timely service to permit customers.

A Request for Qualifications (RFQ #10441) was advertised and eight Statements of Qualifications (SOQs) were subsequently received on September 28, 2022. A Selection Panel convened, rated the SOQs, and recommended the top three (3) firms to be awarded contracts. The three firms to be awarded contracts are BHC Consultants, LLC, CWA Consultants P.S., and West Coast Code Consultants, Inc.

**RESOURCE/FINANCIAL IMPACT:**

The three (3) new contracts essentially replace the existing two contracts and do not impact the budget currently. Sufficient budget contingency authority is available in the 2023-2024 Budget adopted by Council on November 21, 2022. The work performed under each of these three service contracts will be backed by development fee revenue received prior to plan review. Additionally, expedited plan review fees are doubled to provide and even shorter review turnaround time. It is recommended that contingency funds be recognized as funding for these contracts in advance to ensure that the City can promptly use the contracted plan review services when circumstance arise.

**RECOMMENDATION**

Staff recommends that City Council authorize the City Manager to execute contracts with BHC Consultants, LLC, CWA Consultants P.S., and West Coast Code Consultants,

Inc. for On-Call Building Plan Review Services through December 31, 2024, each in the amount of \$125,000.

Approved By:      City Manager **BE**      City Attorney **MK**

## **BACKGROUND**

The City has historically contracted for building plan review services to handle occasional peaks in permit application workloads. Rather than using a competitive RFQ process for new service contracts when these had previously expired, the City chose to expand, via waivers and subsequent Council approval, the previously awarded contracts based on their favorable performance track records. These contracts also helped to mitigate impacts on our regular permit application customers when another applicant chose to pay an additional fee for expedited plan review or received expedited plan review as an incentive for a Deep Green or affordable housing project. The plan review contracts allowed staff to continue with their regular queue while the expedited review was completed by contract.

More recently, permit workloads have increased more significantly and consistently than the previous occasional peaks. The City encountered permit processing delays due to a combination of issues, including short-term staffing vacancies associated with COVID 19; long-term vacancies resulting from resignations, outside promotions, and retirements; and development surges in the two Light Rail Station areas and other mixed use zoning districts. Additionally, when the International Codes are updated every three years, the City experiences an increase in permit applications in due to applicants trying to vest to the current year's Codes.

[Ordinance No. 970](#) authorized staff to hire six additional full-time positions in Planning and Community Development to reduced permitting delays. Additionally, staff have determined the need to continue the use of contracted building plan review services. The flexibility and availability of plan review services supported by the two contracts has been an economical and reliable way to provide plan reviews when permit applications exceed available resources. The existing plan review service contracts expired at the end of last year and cannot be extended further.

## **DISCUSSION**

The RFQ for building plan review services was advertised and eight Statements of Qualifications were received on September 28, 2022. A five-person selection panel was convened shortly thereafter to individually score the qualifications based on the advertised criteria. Based on the cumulative scoring by the panel, the candidate firms fell into three distinct groupings. It was therefore recommended that contracts should be offered to all three firms in the top scoring group. The three firms to be awarded contracts are BHC Consultants, LLC, CWA Consultants P.S., and West Coast Code Consultants, Inc.

The proposed initial contract amounts of \$125,000 allows assignment of more than two large buildings to any of the three firms based on scheduling availability. It is standard practice to base compensation for the contracted firms on a percentage of the base calculated plan review fee assessed to the permit applicant under the City's fee schedule. These contracts allow the City to offer expedited permit review as an incentive for Deep Green and affordable housing projects as well as to customers that pay the fee to have applications expedited. These contracts are also used occasionally to balance the workload to better meet target timelines for permit review. These

contracts have largely been funded by the contingency budget and are supported by development fee revenue.

### **COUNCIL GOAL ADDRESSED**

These contracts support Council Goal 1 – “Strengthen Shoreline’s economic climate and opportunities” and Action Step 4 – “Continue to implement development review and permitting best practices, including review of staffing and contract resources to meet permit processing and review time targets, and expansion of the City’s online permit capabilities.”

### **RESOURCE/FINANCIAL IMPACT**

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### **RECOMMENDATION**

Staff recommends that City Council authorize the City Manager to execute contracts with BHC Consultants, LLC, CWA Consultants P.S., and West Coast Code Consultants, Inc. for On-Call Building Plan Review Services through December 31, 2024, each in the amount of \$125,000.

### **ATTACHMENTS**

Attachment A – BHC Consultants, LLC Scope of Work  
Attachment B – CWA Consultants P.S. Scope of Work  
Attachment C – West Coast Code Consultants, Inc. Scope of Work

**Schedule A**

**SCOPE OF SERVICES**

**1. PROCESS**

- A. The City will determine which plans are to be reviewed by BHC.
- B. Each plan review shall be identified as a separate task as determined and setup by the city. Upon receiving a plan review task by the city, BHC and the city will determine the maximum allowed hours to be utilized for the complete review of the task. If, after starting the initial review, it is determined by BHC that the maximum hours required to complete the task exceed the initial estimate, BHC will not proceed with the review until the city as considered and either authorizes additional hours or determines that BHC has completed the review to the city’s satisfaction.

All plan submittal documents must be submitted to BHC in a complete set including all pertinent engineering calculation, specifications and engineering details. In addition, all geotechnical reports and data must accompany the complete plan review submittal. All plan review time used in sorting or deciphering incomplete submittal information will be charged as part of the initial review.

- C. The City will intake, track and process the permit applications and all revisions per current building and permit administration procedures.
- D. BHC will be responsible for the transportation of permit review documents to the City. The City will be responsible for the transportation of permit review documents to BHC.
- E. BHC will complete the initial review and will have either approved the application and notified the City of approval or contacted the applicant and/or the City with corrections within the time frames listed below:

**Typical Review Times:**

<b>Project Type</b>	<b>Initial Review</b>	<b>Re-Review</b>
Single-Family	10 days (2 weeks)	5 days (1 week)
Multi-Family	15 days (3 weeks)	10 days (2 weeks)
Commercial	20 days (4 weeks)	15 days (3 weeks)

Turn-around time for large, complex and non-typical types of permit applications is to be negotiated.

- E. BHC will review any revisions or additional information and will either indicate compliance with the code(s) against which it was checked and notify the City of compliance, or if the drawings are still not complete, contact the applicant and/or the City with additional revision requests within the time frames specified above.
- F. The typical review times as noted above may be negotiated based on the number and/or complexity of projects the City wishes to send to BHC at one time or within a short window of time. BHC will not be held responsible for delays beyond BHC's control. BHC shall notify the City of revisions to estimated target dates.

**2. LUMP SUM.** The City shall pay BHC a lump-sum fee for performing an initial review and one recheck for each project. The fee shall be based on a percentage of the plan review fee as tabulated below or as mutually agreed upon between the City and BHC. The plan review fee shall be based on the fees charged by resolution for the City.

<b><u>Commercial and Multi-Family Projects</u></b>	<b><i>Percentage of Plan Review Fee</i></b>	
	<b>Valuation &lt; \$2,000,000</b>	<b>Valuation \$2,000,000 To \$5,000,000</b>
Complete Plan Review	75%	70%
Partial Plan Review (structural only or nonstructural only)	60%	50%
	<b>Valuation \$5,000,001 to \$10,000,000</b>	<b>Valuation \$10,000,001 and up</b>
Complete Plan Review	60%	50%
Partial Plan Review (structural only or nonstructural only)	40%	35%

**Single Family Projects**

Complete Plan Review	75% of Plan Review Fee
Partial Plan Review (structural only or nonstructural only)	50% of Plan Review Fee

- 1.1 All other review services and reviews in excess of two (the initial review plus one re-check) shall be paid on a time-and-expense basis using an hourly rate identified in Schedule B.
- 1.2 Each billing statement will include the permit number, BHC task review number and owner or project name of the plans reviewed with the fee.
- 1.3 Billing statements will be issued for reviews that receive a complete initial review in the preceding month or other acceptable time period. All remaining fees for any project previously billed will be invoiced for total balance due after final review has been completed and plans returned to the City. Fees for large projects maybe invoiced over a several month period when agreeable to both the City and BHC.
- 1.4 On-call and other services will be provided as desired by the City and agreed upon by BHC on a time-and-expense basis using an hourly rate identified in Exhibit B.

**3. HOURLY LABOR RATES SCHEDULE**

<b>Classification</b>	<b>Hourly Rates</b>
Plan Checker I (hourly charges)	\$130
Plan Reviewer II - Structural	\$175
Civil/site plan review (P.E.)	\$160

For all “on call” inspection and added services, mileage may be billed portal to portal at current IRS rate.

Overtime Services (No overtime will be charged without prior authorization by the City.)	150% of Above Rates Shown
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These rates are effective from January 1, 2023 through December 31, 2024

**EXHIBIT A – Scope and Compensation**

The City of Shoreline shall pay CWA Consultants no more than the fee calculated using the methods outlined below.

Upon completion of an initial plan review, a billing statement will be issued by CWA Consultants to the City of Shoreline. Each billing statement will include the application number and the address of the plan reviewed, along with the fee.

Valuation figures and plan review fees will be determined by the City of Shoreline. CWA Consultants will use the following percentages to determine our fees, based upon the fee schedule used by the City of Shoreline:

<b>Commercial Plan Review – FULL REVIEW</b>	
<b>Total Valuation</b>	<b>Fee</b>
\$1 to \$500,000	75% of the City of Shoreline <b>Plan Review Fee</b>
\$500,001 to \$2,500,000	65% of the City of Shoreline <b>Plan Review Fee</b>
\$2,500,001 and Up	55% of the City of Shoreline <b>Plan Review Fee</b>
<b>Commercial Plan Review – PARTIAL REVIEW (Structural or Non-Structural)</b>	
<b>Total Valuation</b>	<b>Fee</b>
\$1 to \$500,000	55% of the City of Shoreline <b>Plan Review Fee</b>
\$501,001 to \$2,500,000	45% of the City of Shoreline <b>Plan Review Fee</b>
\$2,500,001 and Up	35% of the City of Shoreline <b>Plan Review Fee</b>
<b>Residential Plan Review</b>	
\$1 to \$250,000	Reviewed at an hourly rate of \$90/Hour
\$250,001 and Up	75% of the City of Shoreline <b>Plan Review Fee</b>

- All other services will be billed at \$110 per hour.
- There is a minimum charge of \$220 (2 hours) for all reviews.
- If more than two rechecks are required, an additional hourly fee will apply.





## **EXHIBIT A**

### **SCOPE OF SERVICES**

When requested by the Jurisdiction, the Consultant will provide services in accordance with the terms and conditions of this agreement.

#### **BUILDING OFFICIAL SERVICES**

At the request of the Jurisdiction's Building Official, services may be provided for code interpretation and administrative needs such as ordinance review and update, staffing needs and department budget development and review.

#### **MEETING ATTENDANCE**

The Consultant's staff is available to attend Jurisdiction requested meetings such as pre-application, pre-construction or cooperative review meetings.

#### **PLAN REVIEW**

The Jurisdiction will determine which plans and building permit applications will be reviewed by the Consultant. The Jurisdiction will intake, track, and process the permit applications and all revisions per current building permit administration procedures. The Consultant will review such plans submitted with building permit applications for structural and nonstructural code compliance in accordance with the currently adopted construction codes as adopted and amended by the state of Washington and the Jurisdiction, except that the Consultant will confer with the Jurisdiction's Building Official and his/her agent on any portion of the review that specifically requires the approval of the Building Official as specified in the code(s).

The Consultant will not design for the applicant, make any structural changes on the plans, or make any changes that directly contradict other information on the plans. Significant changes must be made by or under the direction of the applicant or design professional.

When the plans and applications are consistent with the Jurisdiction's codes, the Consultant will indicate that the drawings have been reviewed and found to be in substantial compliance with applicable construction codes and ordinances. The reviewer's name and date of compliance will be affixed to each sheet in up to three sets of drawings including the cover sheet.

**Full Plan Review:** Upon request by the Jurisdiction, the Consultant shall review all project documents which consist of plans, specifications and engineering. The Consultant will approve and return the plans to the Jurisdiction for additional permit processing; or a plan review correction letter will be drafted identifying corrections or requesting additional information and routed to the Jurisdiction.

The Consultant will approve and return the plans to the Jurisdiction for additional permit processing; or a plan review correction letter will be drafted identifying corrections or



requesting additional information and routed to the Jurisdiction. Review include may include:

- Structural Review
- Architectural Review
- Energy Review
- Barrier Free Accessibility Review
- Fire Code Review
- Fire Sprinkler Review
- Fire Alarm Review
- Mechanical Review
- Plumbing Review
- Civil/Site Plan Review

**Deferred Review & Review After Permit Issuance:** Upon request by the Jurisdiction, the Consultant shall review deferred submittal designs, approve and return plans to the Jurisdiction for additional permit processing; or a plan review correction letter will be drafted identifying corrections or requesting additional information. Review of deferred submittal items or revision to permits after approval or permit issuance are provided at an hourly rate. **See Compensation and Rate Table below.**

**Additional Reviews:** The Consultant shall perform additional reviews beyond (1) recheck when authorized by the Jurisdiction, at an hourly rate as described in the **Compensation and Rate Table below.**

**Turn-around Time:** Plans will be reviewed using the Washington State Building and Energy Code as adopted by the Jurisdiction and will be processed using the Timeline Schedule for Plan Review listed below. Timeline commences upon delivery of a complete permit application and plans; and ends upon the delivery of a correction letter or return of the approved permit application and plans. The Jurisdiction’s Building Official has sole authority to interpret and reject plans.

- The review time may be negotiated based on the number and complexity of projects to be reviewed. The Consultant will not be held responsible for delays beyond the Consultant's control. During heavy workloads or schedule delays, the Consultant shall notify the Jurisdiction of revisions to estimated target dates.

**Timeline Schedule for Plan Review**

<b>Project Type</b>	<b>Initial Review (Business Days)</b>	<b>Recheck (Business Days)</b>
Residential Projects (New Construction, Additions & Remodels)	7	3-5
New Multi-Family Projects	10	5-7
Small Commercial Projects (under \$2M in Valuation)	10	7-10
Large Commercial Projects (over \$2M in Valuation)	20 (maybe negotiated)	7-10



*\*All turnaround times have been specified from the full day they are received in our offices.*

**ADDITIONAL SERVICES:**

Additional services may be provided as needed and as mutually agreed upon. Note that we may be able to provide services which are not specifically listed above.

**COMPENSATION & RATES**

Our standard fees are a percentage of the Jurisdiction’s plan review fees. Plan review includes the initial and second review.

Services not listed below may be negotiated:

**TABLE OF BILLING RATES**

<b>BUILDING SERVICES</b>	<b>FIXED FEE AMOUNT</b>
Complete Building Plan Review	65% of Plan Review Fees
3rd & Subsequent Plan Reviews with City Approval	\$160/ Hour
Revisions After Approval / Deferred Submittals	\$160 / Hour
Expedited Plan Review (Subject to Staff Availability)	150% of Regular Plan Review Fees
<b>POSITION</b>	<b>HOURLY RATE</b>
Building Official	\$160 / Hour
Engineer, Professional, Structural or Fire Protection	\$160 - \$180 / Hour DOE
Plan Reviewer	\$160 / Hour
Fire Plan Reviewer	\$160 / Hour
Permit Technician	\$90 / Hour
Miscellaneous: <i>*All rates require a minimum charge of 1 hour.</i> <i>*All fees and rates are subject to annual review, periodic increases, and acceptance by the Jurisdiction.</i>	

**Invoicing**

- Invoices shall be generated upon completion of 1st review, subsequent review, and at final approval with all supporting documents required by the Jurisdiction and the Consultant. The Consultant services shall be invoiced for services provided and are not dependent on achieving sufficient resolution needed to approve permit issuance.
- Invoices shall be submitted electronically to the Jurisdiction by the 10th day of each month.



## Attachment C

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- The Jurisdiction shall notify the Consultant of any discrepancy, and the Consultant shall correct accordingly.
- Invoices shall be paid within a maximum of 30 days of receipt, unless mutually agreed by the Jurisdiction and Consultant.