

**COUNCIL PROJECT FORM
(TERMINATION)**

*******POSTING LANGUAGE BELOW*******

Please place the following item on the **REGULAR** agenda under **RESOLUTIONS** for the Council Meeting of **MARCH 27, 2012.**

That the Purchasing Manager is authorized to notify Bureau Veritas North America, Inc., Code Compliance Inspections PC, ECM International, Inc, and Michelle's Ventures dba Vision Consultants, Inc. that the City is terminating Contract No. 2011-143 (Permit-Based Third Party Residential Building Inspectors) pursuant to the provisions and requirements of Section C, Paragraph 8A of the Contract Clauses, and that the termination shall be effective as of March 27, 2012.

Department: Engineering and Construction Management
Districts(s): ALL

*******ADDITIONAL INFO BELOW*******

RESOLUTION

WHEREAS, the City Council awarded Contract No. 2011-143 (Permit-Based Third Party Residential Building Inspectors) to Bureau Veritas North America, Inc., Code Compliance Inspections PC, ECM International, Inc, and Michelle's Ventures dba Vision Consultants, Inc., on May 24, 2011, for the Engineering and Construction Management Department; and

WHEREAS, pursuant to Section C, Paragraph 8A of the Contract (Termination for Convenience), the City is authorized to terminate the Contract for convenience; and

WHEREAS, the City desires to terminate the Contract for convenience.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the Purchasing Manager is authorized to notify Bureau Veritas North America, Inc., Code Compliance Inspections PC, ECM International, Inc, and Michelle's Ventures dba Vision Consultants, Inc. that the City is terminating Contract No. 2011-143 pursuant to the provisions and requirements of Section C, Paragraph 8A of the Contract Clauses, and that the termination shall be effective as of March 27, 2012.

PASSED AND APPROVED this _____ day of _____, 2012.

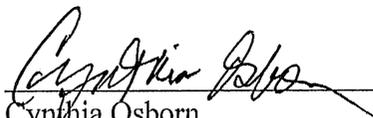
THE CITY OF EL PASO

John Cook
Mayor

ATTEST:

Richarda Duffy Momsen
Municipal Clerk

APPROVED AS TO FORM:



Cynthia Osborn
Assistant City Attorney

APPROVED AS TO CONTENT:



R. Alan Shubert, P.E.
City Engineer

MOTION
MAY 24, 2011

Motion made by Representative Ortega, seconded by Representative O'Rourke, and unanimously carried to **AWARD** Solicitation No. 2011-143 (Permit-Based Third Party Residential Building Inspectors) to Bureau Veritas North America, Inc., Code Compliance Inspections, PC, ECM International, Inc. and Michelle's Venture's dba Vision Consultants, Inc. for an initial term estimated award of \$12,456,000.

Department:	Engineering and Construction Management
Award to:	Vendor 1: Bureau Veritas North America, Inc. Plano, TX
Items:	All
Initial Term:	3 years
Option:	None
Annual Estimated Award:	\$1,300,000
Total Estimated Award:	\$3,900,000 (3 years)

Award to:	Vendor 2: Code Compliance Inspections, PC El Paso, TX
Items:	All
Initial Term:	3 years
Option:	1 year
Annual Estimated Award:	\$976,000
Initial Term Estimated Award:	\$2,928,000 (3 years)
Total Estimated Award:	\$3,904,000 (4 years)

Award to:	Vendor 3: ECM International, Inc. El Paso, TX
Items:	All
Initial Term:	3 years
Option:	None
Annual Estimated Award:	\$900,000
Total Estimated Award:	\$2,700,000 (3 years)

Award to:	Vendor 4: Michelle's Venture's dba Vision Consultants, Inc. El Paso, TX
Items:	All
Initial Term:	3 years
Option:	1 year
Annual Estimated Award:	\$976,000
Initial Term Estimated Award:	\$2,928,000 (3 years)
Total Estimated Award:	\$3,904,000 (4 years)

Funding Source: Permit revenues are sourced to the General Fund;
Restricted Fund will be the pass-through for the
Third-Party Service Providers

This is a Best Value, service contract.

The cost under this contract is only an estimated minimum value. The actual cost of this contract may be higher or lower than the total estimated minimum value and will be the sum total at the end of the contract term, so long as increased funds are appropriated in the budget.

The Financial Services - Purchasing Division and Engineering and Construction Management Departments recommends award as indicated to Bureau Veritas North

America, Inc., Code Compliance Inspections, PC, ECM International, Inc., and Michelle's Venture's dba Vision Consultants, Inc. the bidders offering the best value bids.

Richarda Duffy Momsen, City Clerk

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Permit-Based Third-Party Residential Building Inspection Services

Solicitation Number 2011-103R



Historical Information

- On May 24, 2011, Council approved the award of Solicitation No. 2011-143, Permit-Based Third Party Residential Complete Plan Review & Building Inspections.
- In this contract, the third party providers were to contract to perform the following tasks:
 - Complete Plan Review
 - Building Inspections (Includes Mechanical & Electrical): Foundation, Framing and Final;
 - Plumbing Inspections
- Shortly after the contracts were executed, several problems arose regarding some of the Third Party provider's responsibilities associated with the Plan Review duties.
- These issues enlightened City staff to the fact that during the solicitation process sufficient clarification of Plan Review duties was not provided to Third Party providers.



Historical Information

- In October of 2011, City staff met with members of the El Paso Homebuilders Association regarding concerns over the scope changes in the new contract from previous contracts.
 - The most notable issue was the added task of “plan review” and specific struggles contractors were facing in meeting this requirement.
- As a result of this meeting, and other considerations, on October 18, 2011 the City sent notification to all contracted third party providers, (and to the El Paso Homebuilders Association), of four immediate considerations on these contracts:
 1. The requirement for a complete plan review, including zoning and land development reviews was suspended immediately, leaving the requirement for architectural plan review only in place.



Historical Information

2. The City stated it's intention to evaluate and clarify the Third Party's contractual responsibilities and committed to redeveloping a scope of services to solicit a new contract.
3. The City informed the Third Party providers that a new solicitation would be forthcoming that would provide greater scope specificity concerning plan review allow for expanded duties and more flexibility regarding service provision.
4. The City informed the Third Party providers that it remains committed to permit the building of residential homes under the Third Party scheme as fast as practical in an appropriate and equitable manner.



Contract Scope of Work

Three Core Services provided under this new solicitation:

1. **Direct Services to the City** – This is a new provision in the contract that will allow for a contractual relationship between the City, as the primary client, and the Third Party providers, for a complete plan review and building inspections.

This will be valuable tool to assist the City during periods when a significant backlog of plan reviews negatively impacts the City's ability to meet the five day turnaround period to produce building permits.



Contract Scope of Work

2. **Indirect Services to the City** – Allows for Third Party Providers, acting as an agent for the City, to contract with local Builders to provide either Limited Plan Review, or include Zoning Review, Land Development Review, and Building Inspections services.

This is the traditional model for Third Party services that was re-written to include a more descriptive explanation of the key requirements of plan review.

3. **Supplemental Services to the City** – A new provision that will allow the City to contract with the Third Party providers to perform services such as swimming pool inspections, solar panel inspections, and other minor inspections on demand.



Results of the Request for Qualifications Solicitation

Proposals Were Opened on Jan 25, 2012

Five Submittals:

- Bureau Veritas
- ECM International
- The Institute for Building Technology and Safety (IBTS)
- Vision Consultants
- Code Compliance Inspections



Staff RFQ Award Recommendations – Part I

Part I - Direct Services to the City	Complete Plan Review	Building Inspections
Bureau Veritas	Recommend Award	Recommend Award
ECM International	Recommend Award	Recommend Award
Institute for Building Technology and Safety	Recommend Award	Recommend Award
Vision Consultants	Recommend Award	Recommend Award
Cole Compliance Inspections	Recommend Award	Recommend Award

The review committee found the submitting firms qualified to perform all functions associated with Direct Services to the City and recommends award to all five firms.

Code Compliance Inspections is Recommended for limited review only



Staff RFQ Award Recommendations – Part II

Part II - In-Direct Services to the City	Limited Plan Review	Zoning Review	Land Development Review	Building Inspections
Bureau Veritas	Recommend Award	Recommend Award	Recommend Award	Recommend Award
ECM International	Recommend Award	Recommend Award	Recommend Award	Recommend Award
Institute for Building Technology and Safety	Recommend Award	Recommend Award	Recommend Award	Recommend Award
Vision Consultants	Recommend Award	Recommend Award	Recommend Award	Recommend Award
Cole Compliance Inspections	Recommend Award	Not Recommended	Not Recommended	Recommend Award

The review committee found four submitting firms qualified to perform all functions associated with In-Direct Services to the City and recommends award as detailed.

Code Compliance Inspectors are recommended for Limited Plan Review and Building Inspections only



Staff RFQ Award Recommendations – Part II

Indirect Services to the City

- As established in the previous contract, the Third Party Providers serve as a contracted agent of the City to respective builders.
- In such capacity, the payment for services from respective builders is based on the Third Party's proposed fee and is paid directly to the City of El Paso by the builder's.
- Funds owed to Third Party firms from builder clients are deposited in the City's system and placed in suspense under a liability account to be paid directly to the Third Party firms upon their submittal to the City of an invoice to collect payment.



Staff RFQ Award Recommendations – Part III

Part III - Supplemental Services	Swimming Pool Inspections	Solar Panel Inspections	Other Inspections
Bureau Veritas	Recommend Award	Recommend Award	Recommend Award
ECM International	Recommend Award	Recommend Award	Recommend Award
Institute for Building Technology and Safety	Recommend Award	Recommend Award	Recommend Award
Vision Consultants	Recommend Award	Recommend Award	Recommend Award
Cole Compliance Inspections	Recommend Award	Recommend Award	Recommend Award

The review committee found all five submitting firms qualified to perform all functions associated with Supplemental Services and recommends award as detailed.



Questions/Comments