

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council		Item ID:	64186	Agenda Number	38.
Meeting Date:		November 3, 2016			
Department:		Purchasing			
Subject					
Authorize negotiation and execution of a 12-month contract with MATRIX CONSULTING GROUP, LTD., to provide a comprehensive fee study for the Development Services Department's fee structure, schedule and related operations, in an amount not to exceed \$98,300, with two 12-month extension options in an amount not to exceed \$50,000 per extension option, for a total contract amount not to exceed \$198,300.					
Amount and Source of Funding					
Funding in the amount of \$98,300 is available in the Fiscal Year 2016-2017 Operating Budget of the Development Service Department. Funding for the remaining one month of the original contract period and extension options is contingent upon available funding in future budgets.					
Fiscal Note					
A fiscal note is not required.					
Purchasing Language:	The Purchasing Office issued a Request for Proposals (RFP) SMB0200 for these services on August 29, 2016, and it closed on September 22, 2016, with three offers received. The recommended offer is the sole offer submitted by a responsible offeror. Additional information on the solicitation is included below the line.				
Prior Council Action:					
For More Information:	Sandy Brandt, Senior Buyer Specialist, 512-974-1783				
Boards and Commission Action:					
Related Items:					
MBE / WBE:	This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C, Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this solicitation, there were insufficient subcontracting				

opportunities; therefore, no subcontracting goals were established.

Additional Backup Information

The contract will provide for three main objectives. First, the consultant will conduct a comprehensive review of the plan review process to result in recommendations for the Expedited Plan Review fee structure. The second objective will result in a comprehensive study of the Development Services Department's fee structure, fee schedule, and related business operations. The consultant will study the 400+ fees collected by the department and develop an interactive cost recovery fee calculator, which will be utilized to analyze ongoing internal costs and inform the transition to an enterprise department. Third, the consultant will develop a cost recovery fee calculator to be owned and utilized by the department. The study follows recommendations from the report by Zucker Systems, which encouraged the use of expedited processes and studying staff workload capacity against actual development demand. Additionally, the consultant will provide recommendations on fees based on national best practices and provide ongoing consultation services on fees.

An evaluation team with expertise in this area reviewed the offer and scored Matrix Consulting Group, Ltd.'s ability to provide these services based on experience and qualifications; approach/methodology; work plan; cost; and local business presence.

If there is delay in approving the contract, the City will be unable to implement the expedited permit review process until late this fiscal year, and key improvements to the development review and inspection process will not be implemented. This will delay the department's ability to successfully transition into an enterprise department and capture full cost recovery.

A complete solicitation package, including a response list, is on file in the City's Purchasing Office and is available on the City's Financial Services Austin Finance Online website. Link: [Solicitation Documents](#)

MATRIX CONSULTING GROUP, LTD.				
	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	12	\$ 98,300	n/a	n/a
Extension Option 1	12	\$ 50,000	n/a	n/a
Extension Option 2	12	\$ 50,000	n/a	n/a
TOTAL	36	\$ 198,300	\$ -	\$ -