



NEWPORT BEACH

City Council Staff Report

March 24, 2026
Agenda Item No. 6

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: Jaime Murillo, Community Development Director – (949) 644-3209, jmurillo@newportbeachca.gov

PREPARED BY: Tonee Thai, Deputy Community Development Director / Chief Building Official - 949-718-1867, tthai@newportbeachca.gov

TITLE: Amendments to Professional Services Agreements for J. Lee Engineering, Inc., Willdan Engineering, and CSG Consultants, Inc. for Staff Augmentation and Plan Review Services

ABSTRACT:

For the City Council's consideration are amendments to existing contracts for Building Division services with the following consulting firms: J. Lee Engineering, Inc., Willdan Engineering and CSG Consultants. The City's strong development activity requires the need for continued use of consultant services to support the Community Development Department (CDD), Building Division's needs. Using consultant services allows staff to adjust to increased workloads and assist when vacancies occur in plan check engineer, permit technician, or building inspection positions.

RECOMMENDATIONS:

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly;
- b) Approve and authorize the Mayor and City Clerk to execute Amendment No. One to Professional Services Agreement with J. Lee Engineering, Inc. for Staff Augmentation and Plan Review Services, to increase the contract amount by \$150,000 with a not-to-exceed amount of \$770,000;
- c) Approve and authorize the Mayor and City Clerk to execute Amendment No. One to Professional Services Agreement with Willdan Engineering for Staff Augmentation and Plan Review Services, to increase the contract amount by \$180,000 with a not-to-exceed amount of \$300,000; and
- d) Approve and authorize the Mayor and City Clerk to execute Amendment No. One to Professional Services Agreement with CSG Consultants for Staff Augmentation and Plan Review Services, to increase the contract amount by \$150,000 with a not-to-exceed amount of \$650,000.

DISCUSSION:

CDD partners with third-party consulting firms to provide on-call plan review services and staffing augmentation. Plan reviews are categorized into three types: mechanical-electrical-plumbing, structural and building/fire-life safety. Staff augmentation includes the provision of contract personnel for plan review, building inspection and counter permit technician roles.

CDD conducted a Request for Proposals (RFP) process in 2025 to secure building services. After a thorough review process, the City of Newport Beach subsequently entered into three-year professional services agreements (PSA) with the following consulting firms: J. Lee Engineering, Inc., Bureau Veritas North America, Inc., CSG Consultants, The Code Group, Inc., TRB+ Associates, Inc., Willdan Engineering, and BPR Consulting Group. The not-to-exceed terms of the PSAs were different depending on how the consultant scored during the RFP review process.

Although the department continues to expand online plan checking services, in-person activity at the permit center remains high. Significant staffing resources are needed to maintain quality service to both the physical and virtual permit centers. Furthermore, the department anticipates a significant increase in development activity. Several residential projects expected to be submitted for permitting in the upcoming year.

Given the cyclical nature of development, contract services offer the City the flexibility to adjust to increased workloads during economic expansion and scale back services during downturns.

Staff is requesting amendments to J. Lee Engineering, Inc., Willdan Engineering and CSG Consultants' PSAs to continue assisting applicants with building code plan check services. Additional contract building inspection and permit technician staffing are also needed to assist with increased permit activities and inspections. The consultants will play a pivotal role in upholding the City's commitment to delivering a high level of customer service and ensuring timely turnaround times.

Staffing challenges have surfaced not only for CDD but also for the private third-party consultants the department uses. Recognizing that a single consultant cannot meet all the service and staffing needs, CDD will leverage a combination of the consulting firms to fulfill the necessary services. This approach will ensure that CDD continues to provide effective support to its applicants.

J. Lee Engineering, Inc.

This is the first requested amendment for J. Lee Engineering, Inc. for an additional \$150,000. The original contract amount was \$620,000 issued on July 8, 2025, with an expiration date of July 7, 2028. The revised not-to-exceed amount is \$770,000 over the remaining term of the contract.

Willdan Engineering

This is the first requested amendment for Willdan Engineering for an additional \$180,000. The original contract was entered into on July 1, 2025, for \$120,000 with an expiration date of July 31, 2028. The revised not-to-exceed amount is \$300,000 over the remaining term of the contract.

CSG Consultants

This is the first requested amendment for CSG Consultants for an additional \$150,000. The original contract was entered into on July 15, 2025, for \$500,000 with expiration date of July 8, 2028. The revised not-to-exceed amount is \$650,000 over the remaining term of the contract.

FISCAL IMPACT:

No additional General Funds are being requested for this agenda item. The total cost for all three amendments is \$480,000 over the remaining term of the contracts. The current budget includes sufficient funding for the remainder of the fiscal year. The costs will be expensed in the professional services account number - 0105042-811008.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENTS:

Attachment A – Amendment No. One with J. Lee Engineering, Inc.
Attachment B – Amendment No. One with Willdan Engineering
Attachment C – Amendment No. One with CSG Consultants, Inc.