CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

COUNCIL AGENDA: 8/19/25
FILE: 25-825
ITEM: 2.10

CITY COUNCIL ACTION REQUEST			
DEPARTMENT(S) Public Works	**CEQA** Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.	**COORDINATION** City Attorney's Office; City Manager's Budget Office; and Planning, Building, and Code Enforcement Department	**Director Approval** /s/ Matt Loesch
COUNCIL DISTRICT(S) Citywide			**CMO Approval** 8/1/25

SUBJECT: Amendments to the Master Agreements with CTE Cal Inc. and Professional Service Industries, Inc. for Special Inspection Services for Various City Projects

RECOMMENDATION

Adopt a resolution authorizing the City Manager or her designee to negotiate and execute the Second Amendments to the master agreements with Professional Service Industries, Inc. (CPMS Contract No. 9468-C) and CTE Cal, Inc. (CPMS Contract No. 9468-B) for special inspection consultant services for City-funded projects to: (a) extend the term from December 31, 2025, to December 31, 2027, with no increases to the maximum compensation; and (b) update the Schedule of Rates and Charges.

BASIS FOR RECOMMENDATION

On January 26, 2021, City Council approved the master agreements with Professional Service Industries, Inc. and CTE Cal, Inc. for special inspection services in the amount not to exceed $1,000,000 for each agreement, with a term end date of December 31, 2023. The master agreements were procured through a request for qualifications process.

On August 15, 2023, City Council approved the first amendments to the master agreements with CTE Cal, Inc. and Professional Service Industries, Inc., extending the term end dates to December 31, 2025.

Professional Services Industries, Inc. is currently providing special inspection services for the following projects:

- 10450 - Seven Trees Community Center Chiller Replacement;
- 10439 - 280 S Second St Garage Elevator Upgrade; and
- 10442 - Plaza de Cesar Chavez Park Utility Relocation.

CTE Cal, Inc. is currently providing engineering services for the following projects:

- 9111 - PARK: North San Pedro Park;
- 9102 - PARK: Bassett Street Park;
- 9149 - BUILDING: Police Department Training Center Relocation;
- 10121 - PARK: Starbird Park Playground Renovation; and
- 9162 - BUILDING: Fire Station No. 32 – New.

An extension of two years to the master agreement consultant contracts is necessary to maintain the continuity of special inspection services for the above-mentioned projects, as well as provide resources for any future projects within the extension period.

There is $447,280 remaining in Professional Service Industries, Inc.'s master agreement and $535,052 remaining in CTE Cal, Inc.'s master agreement. Staff does not foresee a need to increase the total maximum compensation for the two master agreements. The hourly rate of special inspections will increase to align with prevailing wage increases for 2026 and 2027.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

COST AND FUNDING SOURCE

There are no costs associated with this action or additional funding needed for the time extensions of the master agreements. Service orders have been executed and encumbered with appropriations from each ongoing project.

FOR QUESTIONS CONTACT: J. Guevara, Deputy Director, Public Works Department at (408) 535-8300