



# City of Oceanside

300 North Coast Highway,  
Oceanside, California 92054

## Staff Report

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**File #:** 26-1458

**Agenda Date:** 6/17/2026

**Agenda #:** 20.

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**DATE:** June 17, 2026

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Development Services Department

**TITLE: AMENDMENT 2 TO THE PROFESSIONAL SERVICES AGREEMENT WITH THE CODE GROUP, INC. DBA VCA CODE FOR AS NEEDED BUILDING REVIEW AND PERMIT TECHNICIAN SERVICES FOR THE DEVELOPMENT SERVICES DEPARTMENT**

### **RECOMMENDATION**

Staff recommends that the City Council approve Amendment 2 to the Professional Services Agreement (PSA) with The Code Group, Inc., dba VCA Code ("VCA Code"), in the amount of \$300,000 for FY 2026-2027 for a revised contract amount of \$1,000,000, to perform additional building review and permit technician services; and authorize the City Manager to execute the amendment.

### **BACKGROUND AND ANALYSIS**

Historically, the Development Services Department has relied upon the use of contract staff to supplement plan review and permit technician services in the Building Division. Using contract staff provides the ability to quickly adjust staffing levels to meet service demands to the benefit of our customers on an as-needed basis. The current two-year agreement with VCA Code is set to expire on June 30, 2026. The services VCA Code provides will be necessary to address anticipated permit activity during the 2026-2027 fiscal year.

Contracting out for as-needed plan review and permit technician services is a beneficial and prudent option for the Building Division for the following reasons:

- 1) The number of permit applications has increased over recent years, placing sustained pressure on intake, review, and issuance functions. To address this demand, the City implemented the use of contract staff to supplement core operations. As a direct result of these additional resources, permit intake timelines have improved dramatically—from approximately two months to same-day processing in many cases. This improvement reflects increased efficiency in application processing, plan routing, and permit issuance. The use of contract services provides the City with critical flexibility; while current staffing levels are necessary to meet elevated demand and maintain customer service standards, this approach allows the City to scale resources up or down in response to fluctuations in building activity, ensuring fiscal responsibility if industry trends decline in the future.
- 2) The Building Division is currently experiencing sustained increases in permit application volume, approximately 151 combine permits per week. This elevated workload, coupled with statutory requirements such as AB 543 that mandate timely permit review and issuance, places significant

demands on existing staff resources. To maintain compliance with applicable state regulations, uphold established customer service standards, and preserve the City's reputation for responsiveness and the community's perception of efficiency, the addition of staffing resources is necessary to ensure consistent, timely, and effective permit processing

**FISCAL IMPACT**

The amended contract with VCA Code is not to exceed \$300,000 for a one-year period beginning July 1, 2026 through June 30, 2027, for a revised total contract amount of \$1,000,000. The budget for this contract is included in the FY2026-2027 budget, therefore sufficient funds are available. After the one-year period of consulting services with VCA Code is complete, staff will reassess development trends to determine whether these services continue to be needed.

Description	FY2026-2027	Account #	Budget Balance
Amendment 2 with VCA Code	\$300,000	Building Division 400434101.5305	\$324,352

**COMMISSION OR COMMITTEE REPORT**

Does not apply.

**CITY ATTORNEY'S ANALYSIS**

The referenced documents have been reviewed by the City Attorney and approved as to form.

Prepared by: Tim Kersch Chief Building Official  
Reviewed by: Brian Thomas, Acting Development Services Director  
Submitted by: Jonathan Borrego, City Manager

**ATTACHMENTS:**

1. Amendment 2
2. Amendment 1 (6-18-2025)
3. Professional Services Agreement (6-26-2024)