

TO: James L. App
FROM: Ed Gallagher, Community Development Director
SUBJECT: Development Impact Fee Update
DATE: June 5, 2012

Needs: For the City Council to consider authorizing a contract for consultant services to Penfield & Smith for evaluation of AB 1600 Transportation Needs List cost estimates.

Facts:

1. On May 1, 2012, the City Council formed an ad hoc committee for the continued effort towards update of the development impact fee program.
2. Additional tasks remaining in the process include refining the cost estimates associated with the Needs List.
3. The City has received a proposal from civil engineers Penfield & Smith to provide an independent evaluation of the estimates prepared to date for the transportation portion of the Needs List.
4. The ad hoc committee has reviewed the proposal from Penfield & Smith and recommends that the council authorize the contract.

Analysis &
Conclusion: At their meeting of May 1, 2012, the City Council formed an ad hoc committee for the continued effort towards update of the AB 1600 development impact fee program. The Council directed the ad hoc committee to evaluate allocation summaries and draft fees provided by the City's financial consultant, David Taussig and Associates; and to provide direction to staff with regard to refining cost estimates associated with the Needs List.

The City has received a proposal from civil engineers Penfield and Smith to provide an independent evaluation of the estimates prepared to date for the transportation portion of the Needs List. The ad hoc committee concluded that the independent evaluation provided by Penfield and Smith would substantiate the transportation impact fee amounts and bring credibility to the program. The ad hoc committee therefore recommends the Council authorize the contract.

Policy
Reference: 2003 General Plan, 2011 Circulation Element

- Fiscal
Impact: The AB 1600 Transportation Needs List evaluation, to be prepared by Penfield and Smith, will be paid with funds from the Transportation Facilities Development Fund Budget Account.
- Options:
- a. Recommend the City Council authorize staff to enter into a contract with Penfield and Smith for independent evaluation of cost estimates of transportation items on the Needs List;
 - b. Amend, modify options listed above.

Prepared by: John Falkenstien, City Engineer

Attachments: (2)

- (1) Penfield and Smith Proposal
- (2) Resolution



Penfield & Smith

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April 20, 2012

W.O. 20535.01

City of Paso Robles
Attn: John Falkenstein, City Engineer
1000 Spring Street
Paso Robles, CA 93446

Subject: **Independent Evaluation of Cost Estimates for Impact Fee Development**

Dear Mr. Falkenstein

As requested, Penfield & Smith is pleased to submit this proposal to provide cost estimating and general project description evaluation of 23 projects identified by the City as part of the Impact Fee development process.

UNDERSTANDING OF PROJECT REQUIREMENTS

The City of Paso Robles is in the process of updating their development impact fees. A "needs" list has been developed over the last year by a Council ad hoc committee. This list was recently endorsed by the City Council at a special meeting. Now that the list of projects has been accepted, the City is required to prepare a determination of the costs associated with each project. The costs should include engineering, permitting, construction, and right of way acquisition. Cost estimates are available, based on a variety of data ranging from conceptual plans to rough order of magnitude estimates. The City would like Penfield & Smith to perform an independent evaluation of these estimates.

SCOPE OF WORK

Task 1: Site Visits and Research Compilation

Because the amount of available data varies from project to project, Penfield & Smith proposes to prepare a rough sketch of the area using aerial imagery or Google Earth prior to a site visit. With the sketch in hand, our project engineer, Brianna Daniels, and our project planner, Ginger Andersen, will visit each of the sites to identify any physical constraints, environmental concerns, and constructability issues that may impact the cost of the project. During our site visits, we will take photographs to document our visit and provide a photo log to support the project description.

Task 2: Cost Estimates

Once the site visits are complete, we will look at each project individually to develop a cost breakdown. The costs included will address construction costs,

engineering and design, environmental permitting, materials testing, and construction management. These costs combined will provide a total project cost that can be used by the City's financial consultant to determine the allocations of costs to new developments as part of the impact fees.

Task 3: Meetings with City

Because of the preliminary nature of the projects, it will be important for P&S to communicate frequently with the City. As questions arise, we will quickly request information or clarification from the City. This will keep the project efficient and the results timely. Once we feel that we have reached a final cost for each project, we will present each project during a meeting with the City to receive any comments or feedback. As necessary, we will revise the cost estimates and deliver a final product to the City. It is anticipated that the final product will be an 8 ½ x 11 sheet containing a project description, sketch or aerial image, and cost breakdown for each location (23 total). Also to be provided will be photo documentation from our site visits. We will print the photos 4 per page and add captions to each photo.

Task 4: Coordination with Development Community

As the projects are defined, it will be important to involve the development community and receive their feedback. P&S will work with the City during this step to meet with the developers and present the projects. Any feedback or comments received will be incorporated into the final project descriptions and cost estimates. We have included 5 meetings as part of this task for proposal purposes.

SERVICES NOT INCLUDED

The following services and all other services not specifically listed herein are excluded:

1. Reimbursable expenses, such as photocopies, postage, shipping/delivery, mileage, prints, maps/documents.
2. Governmental and public agency fees, cost of bonds and taxes.
3. Title Company reports, services and fees.
4. Engineering Design and Plan Preparation.
5. Topographic Surveying and Mapping.
6. Boundary Compilation and Right of Way Engineering.
7. Services by consultants other than P&S.



PROPOSED FEE AND METHOD OF PAYMENT

Our proposed services will be performed on a time and materials, not to exceed basis and shall be billed monthly at the rates then in effect. Charges for "time" include professional, technical and clerical support services provided by Penfield & Smith. "Materials" include all reimbursable expenses, such as photocopies, postage, shipping/delivery, mileage, plots, prints, maps/documents and outside consultant fees.

Payment is due on receipt of statements (net 30 days). Unpaid account balances are subject to a finance charge which will be the lesser of one and one-half percent (1 ½ %) per month or a monthly charge not to exceed the maximum legal rate. This fee shall be applied to any unpaid balance commencing thirty days after the original billing. If an account is unpaid and would be subject to a finance charge, we may consider this as constructive notice to suspend work.

Based on our understanding of your requirements and our experience with similar projects, we estimate that the fee required for our services will be approximately **\$10,500**, not including reimbursable expenses

We have estimated the cost of our services based on our understanding at this time of the scope and complexity of the work. However, please note that during the performance of our services, the need for additional or expanded services may be determined. We will keep you informed of our progress and shall require your authorization to for services that exceed the scope and/or fee estimate limits.

ADDITIONAL SERVICES

Services performed outside the scope of this agreement require written approval prior to performance of the work. Design changes by Owner/Client or designee after the start of design shall be considered additional services. Any work requested by Owner/Client that is outside the scope of this agreement will be identified by Penfield & Smith as such, and a fixed fee or not-to-exceed amount will be agreed upon prior to the start of the additional work. Compensation for additional services shall be in accordance with Exhibit "A", Penfield & Smith's Billing Rate Schedule currently in effect.

TIME OF PERFORMANCE

Based on our current workload, we estimate that the site visits can occur within one week of authorization, and final costs will be complete within 4 weeks of the site visits. In order to minimize cost, we will do everything possible to accelerate the completion of the cost estimates.

AUTHORIZATION

Should you require additional information or wish to discuss this proposal further, please give me a call. My direct line is (805) 925-2345, extension 111. If the proposal is satisfactory, please provide written authorization below. Our current fee schedule is attached.

Thank you for considering Penfield & Smith for this project.



April 20, 2012

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Very truly yours,

PENFIELD & SMITH



Brianna M. Daniels, P.E.
Principal Engineer

Approved By: _____

Signature: _____

Date: _____



RESOLUTION NO. 12-xxx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
APPROPRIATING FUNDS FOR CONTRACT SERVICES
RELATED TO DEVELOPMENT IMPACT FEE UPDATE

WHEREAS, the City Council has identified refining cost estimates associated with the Needs List as one of the tasks remaining in the effort to update the AB1600 impact fee program; and

WHEREAS, civil engineers Penfield & Smith have provided a proposal to provide an independent evaluation of the estimates prepared to date for the transportation portion of the Needs List; and

WHEREAS, the City Council has reviewed the proposal and finds that the services provided by Penfield & Smith would substantiate the transportation impact fee amounts and bring credibility to the impact fee program.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of El Paso de Robles that a one time appropriation in the amount of \$12,000, from the Transportation Facilities Development Fund Budget Account No. 213-910-5224-545, is hereby approved.

ADOPTED by the City Council of the City of El Paso de Robles at a regular meeting of said Council held on the 5th day of June 2012 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Duane Picanco, Mayor

ATTEST:

Caryn Jackson, Deputy City Clerk