



CITY OF ORLAND

REQUEST FOR PROPOSALS

UPDATE OF CITYWIDE USER FEE STUDY

AND

UPDATE OF DEVELOPMENT IMPACT FEE STUDY

RFP Release Date: March 23, 2018

RFP Due Date: April 13, 2018

**City of Orland
815 Fourth Street
Orland, CA 95963**

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INTRODUCTION

The City of Orland (City) is requesting proposals from qualified firms (Firm) for professional services to conduct an objective and comprehensive analysis of 1) the full costs incurred by the City in support of various activities of the Planning Department and for which the City charges user fees (User Fee Study); and, 2) the impacts of development on certain capital facilities and to calculate impact fees based on that analysis (Development Impact Fee Study). It is the City's desire that the two (2) separate studies be undertaken as updates to the City's existing fee studies and that they be completed, published, considered and adopted independently as individual projects and reports. If determined appropriate and efficient, the City would be interested in having a single consultant engage in the preparation of both reports as part of this solicitation. However, preparation of, or engagement with, both studies is not a requirement of this request.

During the evaluation process, the City reserves the right, where it may serve the City's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. Submission of a proposal indicates acceptance by the Firm of the conditions contained in this request for proposal, unless clearly and specifically noted in the proposal firm bidder selected.

BACKGROUND

The City of Orland is located in northeast Glenn County, California. It is the most populous city in Glenn County with a population of approximately 7,800.

Orland operates under a Council-Manager form of government. The Council is comprised of five Council members elected at-large which selects the mayor from among its members. The management team is comprised of the City Manager, Assistant City Manager/City Clerk and the City's Department Directors organized into the following departments: Administration, Building, Finance, Library, Public Works, Planning, Recreation and Police. Fire service is provided by an all-volunteer fire district (Orland Volunteer Fire District – OVFD) with City assistance.

The City of Orland currently utilizes a fixed-fee, application-driven fee system for the majority of its common planning and development application actions. For those projects which have the potential to result in the expenditure of time, or result in costs that exceeds the application fee amount, the City utilizes a cost-recovery agreement to ensure that adequate funds are available to complete and cover estimated costs for the respective task. In addition, the City uses an "actual-cost" approach to fee recovery utilizing Cost Recovery Agreements for items to include special studies, environmental analysis costs, reimbursable expenses (e.g. filing fees, outside professional services, etc.).

The last comprehensive user fee update was completed in 2008/9. The last development impact fee nexus study was completed in 2003. Annual updates to adjust impact dollar amounts are undertaken at the beginning of each calendar year based upon the movement of the Consumer Price Index (CPI) and updates to the Capital Facilities needs lists are undertaken periodically. No

updates to user fee study has been undertaken since the time of its adoption in 2009. The City currently has eight (8) impact fee categories as follows:

Law Enforcement	Community Center
Fire Protection	Parks and Recreation
City Hall	Transportation/Streets/Signals
Library	Storm Drainage

Note: Water and Sewer are not currently included as fee categories within the City's Development Impact Fee program.

SCOPE OF WORK TO BE PERFORMED

1. User Fee Study

The consultant shall prepare a User Fee Study for the City, which may include the following elements. If the consultant feels that additional tasks are warranted, they must be clearly identified in the consultant's proposal.

1. Meet with City staff members to collect and review available information and review the methodology to be used in the development of the recommended city-wide cost-based user fee study. User Fee Study shall use methods that satisfy all legal requirements. Review project schedule and answer any questions pertaining to the successful development of the study.
2. Conduct a comprehensive review of all of the City's current development application-driven fees and charges as they exist within the user fee environment currently. The study shall include both fees for work leading to the establishment/issuance of permits and any ongoing yearly maintenance/enforcement costs post-issuance. This study excludes all of the rates associated with City's Water and Wastewater Enterprises and includes only those user fees contained within the City's existing application fee schedule for planning and development fees (does not include building permits, grading permits, building-related fees, NPDES fees, etc.).
3. Identify the total cost of providing each City service including general and administrative overhead allocations and applicable overhead rates. The User Fee Study shall calculate the full (100%) cost of providing certain City services in a manner that is consistent with all applicable laws, statutes, rules and regulations governing the collection of fees, rates, and charges by public entities including, but not limited to, Proposition 218
4. Review existing fees and provide a full cost recovery fee schedule and the ability to present lower percentage amounts and correlating revenue. In addition identify new fee opportunities and estimated revenues for those fees.

5. Recommend appropriate fees and charges based on the firm's analysis together with the appropriate subsidy percentage for those fees where full cost recovery may be unrealistic.
6. Prepare a report that identifies each fee service, its full cost, recommended and current cost recovery levels. The report should also identify the direct cost, the indirect cost, and the overhead cost for each service.
7. Prepare a report that identifies the present fees, recommended fees, percentage change, cost recovery percentage, revenue impact and fee comparison with other California cities that are comparable to Orland. A survey comparison of rates and fees with similar cities is for information only.
8. Prepare a final fee study report and provide five bound copies, one unbound copy, and a single Microsoft Word and PDF file of the User Fee Study that can be made available to City staff. Any Master Fee Schedule revisions developed shall also be made available to the City in Microsoft Word and PDF format, providing the ability to add or delete and/or update information as needed.
9. Report on other matters that come to the Consultant's attention in the course of the evaluation that, in the Consultant's professional opinion, the City should consider.
10. Provide a computer based model for adjusting these fees and charges for the City's current and future needs and provide the City with an electronic copy of the final comprehensive study, including related schedules and cost documentation in a format that can be edited and updated by City staff to accommodate changes in the organization or changes in costs. The requirements of the model should allow for:
 - a. Additions, revisions, or removal of direct and overhead costs so that the overhead cost allocation plan can be easily adapted to a range of activities, both simple and complex.
 - b. The ability of the City to continuously update the model and overhead cost allocation plan from year to year as the organization changes.
 - c. The addition of hypothetical service area information for future service enhancements, and the ability to calculate the estimated costs of providing the service under consideration (i.e. ad-hoc analysis).
11. Consult with City staff should it become necessary to defend the City's User Fees as a result of any legal or other challenge.

2. Development Impact Fee Study

The consultant shall prepare a Development Impact Fee Study for the City, which may include the following elements. If the consultant feels that additional tasks are warranted, they must be clearly identified in the consultant's proposal.

1. Work and meet with City staff to refine the project scope, purpose, uses and goals of the City's Development Impact Fee Study to ensure that the study will be both accurate and appropriate to the City's needs. Review project schedule and answer any questions pertaining to the successful development of the study.
2. Meet with staff and conduct interviews as needed to gain an understanding of the City's existing standards, including references to the General Plan, Specific Plans, Housing Element, and other conceptual frameworks, regarding the acceptable levels of service for facilities and infrastructure. Conduct a comprehensive review of the City's existing fees, rates, and charges. Identify major policy issues involved in the City's development impact fee program. Establish an overall project schedule.
3. Describe assumptions, and bases for assumptions, regarding the existing level of service in the City (compared to existing standards), including a description of existing facilities and the existing number of equivalent development units (EDU) or residents served.
4. For purposes of determining level of service, the consultant should identify assumptions and bases for assumptions, regarding specific facilities to be constructed and the number of EDUs to be served.
5. Describe assumptions, and bases for assumptions, regarding the type of development projects planned for the City, and the impact the new developments would have upon the level of service for existing facilities. This description would include a description of any varying impacts caused by residential development versus commercial and industrial development.
6. Describe whether new development will require additional facilities, and if so, include a description of the standards by which it was determined that additional facilities would be required and a description of the additional facilities required.
7. Describe the impact upon level of service for the new development after the additional facilities are constructed. Describe how the new development would benefit from the additional facilities.
8. Prepare an estimated cost of providing additional facilities pursuant to Government Code Section 66005(a). Describe the basis upon which the total estimated cost of providing additional facilities would be allocated to each EDU in the City.
9. Prepare an updated listing of projects eligible for impact fee funding (Capital Projects List).
10. Report on other matters that come to your attention in the course of your evaluation that in your professional opinion the City should consider.
11. The Consultant should prepare a report of findings which shall include but not be limited to: the purpose of any proposed new fees and how the fee would be used;

the relationship between the use of current and proposed new fees use and the type of project on which it would be imposed; the need for any additional facilities and the type of project on which the fee would be imposed; the amount of the fee and the cost of the facility (or portion of the facility) attributable to new development. The final report should summarize key results and findings and explain the methodology used and documentation compliance with the “reasonable relationship” requirements of AB 1600.

12. Prepare and deliver presentations to the City Council to facilitate their understanding of the Impact Fee Study and its implications for the City and make necessary adjustments as requested.
13. Prepare a final fee study report and provide five bound copies, one unbound copy, and a single Microsoft Word and PDF file of the Impact Fee Study that can be made available to City staff. Models, tables and graphs should be provided in Microsoft Excel as deemed appropriate. Any impact fee revisions developed shall also be made available to the City in Microsoft Word and PDF format, providing the ability to add or delete and/or update information as needed.
14. Consult with City staff should it become necessary to defend the City’s User Fees as a result of any legal or other challenge.
15. Update the study annually and maintain accurate records of all correspondence, work papers, and other relative evidence during the contract period of five years.

Please note that the current City’s current DIF program does not include water and sewer as fee funded categories. Currently fees for both water and sewer are calculated separately and outside of the City’s DIF program. It is the City’s desire with this effort to incorporate both the Water and Sewer fee categories into the revised and updated study. Consultants proposing on this effort are requested to identify in their proposals all costs associated with this work to assist the City in understanding the cost of this task. If helpful, this effort may be included as a separate and discreet task within the proposal.

FORMAT OF PROPOSAL

To assist the City in their effort to efficiently and adequately compare and evaluate proposals, please limit proposals to twenty (20) total pages or less (*note: resumes are not included in total page count*).

Transmittal / Cover Letter: The letter should be addressed to Peter Carr, City Manager and provide a brief summary of the proposal, project team, vision of the provider for the delivery of the project and briefly summarize any unique information of importance or project approach.

The Proposer shall provide responses and information to fully satisfy each item listed below:

A. Company and General Information

- Company name and address.
- Letter of transmittal signed by an individual authorized to bind the respondent, stating that the respondent has read and will comply with all terms and conditions of the RFP.
- General information about the primary contact who would be able to answer questions about the proposal. Include name, title, telephone number and email address of the individual.

B. *Qualifications and Experience of the Firm*

- Describe your firm's history and organizational structure. Include the size of the firm, location of offices, years in business, organizational chart, name(s) of owner(s) and principal parties, and number and position titles of staff.
- What is the primary business of the parent company and/or affiliates?
- Which office(s) of your organization will have primary responsibility for managing the user fee study?
- What is your firm's experience conducting User Fee Studies, and/or Development Impact Fee Studies? Identify the studies performed by your firm in the last five years.
- Which office(s) of your organization will have primary responsibility for managing the Cost Allocation Plan?
- Comment on other areas that may make your firm different from your competitors.

C. *Qualifications and Experience of Proposed Project Team*

- Describe the qualifications of staff proposed for the assignment, position(s) in the firm, and types and amount of equivalent experience. Be sure to include any municipal agencies they have worked with in the past three years and their level of involvement.
- Identify and provide the resume(s) of the personnel who will be assigned to this project.

D. *Questions/Response to Scope of Services*

- Describe the methods by which your firm will fulfill the User Fee Study and/or Development Impact Fee Study services requested in the Scope of Services. In responding to the Scope of Services, please be thorough in describing your firm's methodology for completing User Fee Studies and how your firm will address all services identified in the Scope of this request.

E. *Fees*

- Provide your fees for the proposed service. Fee quotes should be detailed enough to allow the City to understand all project costs, should represent firm proposals for the service to be provided, and should represent that full estimated project cost.

- The proposed fee should clearly delineate the proposed cost for the User Fee Study and the Development Impact Fee Study and should clearly indicate any cost savings associated with the joint preparation of both documents and any potential costs associated with projected optional tasks.
- Outline billing and payment expectations, including timing and method of payment.
- Describe any remaining fees not already detailed above.

F. References

- Provide a list of the municipal agencies for which the respondent has conducted a User Fee Study and/or Development Impact Fee Study within the past three (3) years.
- Provide the following information for three (3) projects that are similar in size and scope to the project requested by this proposal:
 - a. Name, address, and telephone number of the agency
 - b. Time period for the project
 - c. Brief description of the scope of the review
 - d. Recommended procedures
 - e. Reference contact name and telephone number

G. Schedule

Include a schedule and note key project milestones and timelines for deliverables for either or both the User Fee Study and/or Development Impact Fee Study. Identify and include any assumptions used in developing the proposed project schedule.

MAILING INSTRUCTIONS

City of Orland
 Attn.: Mr. Peter Carr, City Manager
 815 Fourth Street
 Orland, CA 95963

Subject: User Fee / Devel. Impact Fee Study RFP

INQUIRIES/QUESTIONS

Questions pertaining to the RFP should be directed to Peter Carr, City Manager at peterc@cityoforland.com or Scott Friend, City Planner, at cityplanner@cityoforland.com or to the City by phone at (530) 865-1600.

SUBMITTAL DATE

Proposals are due no later than 4:00pm on April 13, 2018, as outlined in this Request for Proposals, and must be received by the time and date specified herein. Proposal postmark dates and times will not be considered as meeting the submittal deadline. Proposers must submit five (5) bound copies of their proposal to the address shown under "Mailing Instructions" above.

The City is not responsible for proposals that are delinquent, lost, mismarked, and sent to an address other than that given above, or sent by mail or courier service. The City reserves the right, after opening the proposals, to reject any or all proposals, or to accept the proposal(s) that in its sole judgment is (are) in the best interest of the City.

CERTIFICATE(S) OF INSURANCE

The City will require the successful Consultant to provide Certificates of Insurance evidencing required coverage types and the minimum limits as listed below:

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives or employees.

Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. Professional Liability (Errors and Omissions) Insurance appropriate to the Consultant's profession, with limit no less than \$1,000,000 per occurrence or claim, \$10,000,000 aggregate.

If the Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Consultant.

EVALUATION OF PROPOSALS

The project's core implementation team, comprised of City staff, will be responsible for the bid evaluations. This team, in accordance with the criteria listed below, will evaluate all proposals received as specified. The City team members, in applying the major criteria to the proposals, may consider additional criteria beyond those listed. During the evaluation period, the team may elect to interview some or all the proposing firms.

The final selection will be the firm which, in the City's opinion, is the most responsive and responsible, meets the City's requirements in providing this service, and is in the City's best interest. The City maintains the sole and exclusive right to evaluate the merits of the proposals received.

Consultants will be objectively evaluated based on their responses to the project scope outlined in the RFP. The written proposal should clearly demonstrate how the firm could best satisfy the requirements of City.

Proposals will be evaluated based on the following criteria:

- Thoroughness and understanding of the tasks to be completed.
- Background and experience in organizational analysis evaluation.
- Staff/Team expertise and overall experience of personnel assigned to the work.
- Time required to accomplish the requested services.
- Responsiveness to requirements of the project.
- Recent public-sector experience, preferably in a municipal setting, conducting similar studies.
- Project / Product Costs.

Although price for the services will be an important part of the consideration for award of the project, the City will consider the consultant's qualifications, expertise and level of professional service and advice in the award of the project.

Attachments: *(Available upon request)*

1. Existing City of Orland User Fee Study
2. Existing City of Orland Development Impact Fee Study