



City of Placerville  
Public Works / Engineering  
**MEMORANDUM**

DATE: 11 April 2006  
TO: City Council  
FROM: Rick Tippett, City Engineer  
SUBJECT: **CONTRACT AWARD TO FEHR & PEERS, INC., TO PROVIDE CONSULTING SERVICES TO UPDATE THE TRAFFIC MITIGATION FEE (TIM) PROGRAM**

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**RECOMMENDATION**

1. Adopt a Resolution authorizing the City Manager to execute a Consultant Services Agreement with Fehr & Peers, Inc. in an amount not to exceed \$73,000 for consulting services to update the City's Traffic Mitigation Fee Program.
2. Authorize a \$105,000 budget appropriation from the Development Impact Fund for CIP Project No. 40612.

**BACKGROUND**

The City Code requires that Development pay a Traffic Impact Mitigation (TIM) Fee based upon the number of vehicle trips generated by the proposed use. This fee was established in 1989 with the project and fee methodology updated in 1996 and ultimately adopted by the City Council in 1999. The TIM Fee Ordinance includes a provision in Section 8-15-8 that allows the impact fee to be updated each year for inflation based upon the annual increase in the Engineering News Record Construction Cost Index, consequently, the fee program has been adjusted for inflation several times since 1999, latest being this last February.

At the time of the last update, Council directed Staff to conduct a comprehensive update to the program pursuant to Section 66000 et seq of the Government Code to make sure that current project costs are appropriately identified, and that the TIM fees equitably distribute those costs to new development. Based on this direction, Staff contacted qualified Consultants to prepare the update.

Due to the specific nature of traffic modeling and review of TIM Fee Programs, Staff contacted two Engineering Firms (DKS Associates and Fehr & Peers) in the area that specialize in this type of work and are familiar with traffic models that exist for the surrounding area. DKS respectfully declined to submit a proposal due to their existing workload; however, an acceptable proposal was received from Fehr and Peers.

## **DISCUSSION**

Fehr and Peers will create a model which will analyze the impacts of new development within the City of Placerville. The study includes a traffic analysis to identify the roadway improvements required to serve existing and future development through 2025 within the City. The existing roadway model will allow for the Consultant and Staff to identify locations of existing and future deficiencies and will identify those improvements necessary to solve the deficiencies. The results of the analysis will also be used to determine the funding needed to design and construct the required improvements and to update the traffic impact fee schedule for new development planned in the City.

The study will use Level of Service (LOS) “D” as the roadway deficiency threshold as approved by Council in November 1996. LOS “D” is defined as a roadway segment where traffic generally flows smoothly with occasional momentary periods of congestion.

Once the model is developed, it will be possible to input individual development projects into the model as they are proposed to determine their incremental impact on the City’s circulation system. This will allow for the development of project-specific conditions of approval that will mitigate those impacts.

In addition to the Fehr & Peers work, the City plans to engage the consulting firm of Dokken Engineering under separate contract to prepare updated engineer’s estimates for the project list under the existing TIM program. This will provide a more realistic estimate of project costs under the current project construction environment, and will allow the Council to adopt an interim fee update pending the final analysis prepared by Fehr & Peers.

## **FISCAL IMPACT**

This is a new project, and staff is recommending the following budget for the TIM fee study (CIP #40612):

TIM Fee Study (Fehr and Peers, Inc.)	\$ 73,000
Outside Engineering Services	10,000
Project Management	12,500
Contingency	<u>9,500</u>
Total	<u>\$105,000</u>

Because the project specifically addresses TIM fees, staff is recommending a \$105,000 budget appropriation from the Development Impact Fund (AKA TIM Fee Fund). The Development Impact Fund currently has a \$141,932 unencumbered fund balance. As you can see, the proposed \$105,000 budget appropriation is well within the \$141,932 unencumbered fund balance.

Tonight staff respectfully requests the Council authorize the \$105,000 budget appropriation from the Development Impact Fund and the \$73,000 agreement with Fehr and Peers, Inc.

Prepared by:

Approved

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Rick Tippett  
City Engineer

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Randy Pesses  
Director of Public Works

Reviewed for Recommendation  
And Approved for Agenda

Reviewed for Financial Impact

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John Driscoll  
City Manager/ City Attorney

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Dave Warren  
Director of Finance

Attachments: Resolution