



City of Placerville
Public Works / Engineering
MEMORANDUM

DATE: April 14, 2009
TO: City Council
FROM: Randy Pesses, Public Works Director
SUBJECT: **ADDENDUM TO THE EXISTING CONSULTING SERVICES AGREEMENT WITH FEHR & PEERS, INC., IN THE AMOUNT OF \$15,000, TO PROVIDE AN UPDATE TO THE TRAFFIC IMPACT MITIGATION (TIM) FEE PROGRAM**

RECOMMENDATION

That the City Council adopts a resolution:

1. Authorizing the City Manager to execute an addendum to the Consulting Services Agreement with Fehr & Peers, Inc. for the purpose of updating the City's Traffic Impact Mitigation (TIM) Fee Program for an additional amount not to exceed \$15,000, bringing the total amount \$88,000; and
2. Approve a \$24,000 budget appropriation from the Development Impact Fund.

BACKGROUND

In late 2005, City Council directed Staff to conduct a comprehensive update to the Traffic Impact Mitigation (TIM) Fee Program to make sure that current project costs were appropriately evaluated, and that the TIM Fees to be collected were equitably distributed amongst new development. An update also served to bring the fee program into compliance with section 66000 et seq of the government code ensuring projects identified meet the nexus for mitigating future traffic impacts and that the appropriate fees based on these impacts were collected.

Staff solicited proposals from consultants and selected Fehr & Peers to prepare an update of the program. The update consisted of several tasks, which included; establishing an interim TIM Fee based on a cost update of the existing 1999 program, updating traffic counts throughout the City, create a model of existing traffic patterns based on the new traffic counts, evaluate existing impacts in 2005 and future development through 2025 within the City, identify those improvements necessary to solve deficiencies identified by the model, and evaluating final roadway configuration as determined by the model. The results of this evaluation were presented in technical memorandum that identified the final demand in 2025, a list of congestion deficiencies, the fair share calculations, and roadways to be considered beyond 2025.

Council authorized staff at the April 11, 2006 meeting to enter into a consulting services agreement with Fehr & Peers, Inc. in the amount of \$73,000 to update the City's TIM Fee

Program. Work began immediately, allowing for an interim increase in the TIM Fees in November 2006, and a proposed roadway configuration and TIM Fee presented to the City Council last September 2009.

DISCUSSION

As the TIM Fee update was progressing, development of the Highway 49 Realignment Study and the Placerville Drive Development and Implementation Plan had begun. This required additional model evaluations to the proposed roadway network be made verifying that the report and plan findings were achievable. Changes were made to incorporating the Study and Plan, and findings were presented to Council with proposed fees. Council evaluated the findings, eliminated some of the projects, and requested that Staff bring the findings to public and professional groups for evaluation and input. After public outreach has been provided, Council requested that Staff return with the proposed project list for further evaluation and consideration.

Currently, Staff has presented the TIM Fee update to the public and professional groups, and is in the process of receiving input. Once input is received, the estimates and proposed projects will be resubmitted to Council for consideration as mentioned above. Based on interpretation of the LOS policy and costs of the overall TIM Fee Program, an acceptable list of projects will be approved by Council. Once this is completed, a final of the traffic model based on approved projects will be run, and a final report will be prepared summarizing the findings and the process of developing the current fees.

To perform the above additional work, an addendum to the Agreement is required. This addendum consist of tasks to provide an additional Hwy 49 and Placerville Drive scenario for model evaluation, provide for a final model and fee update after evaluation by City Council. Staff has requested that Fehr & Peers, Inc. prepare a contract addendum to perform the additional technical work and coordinate efforts to complete all items required for completion. The cost of this addendum is \$15,000, making the final contract amount for the TIM Fee update to be \$88,000.

FISCAL IMPACT

At its regularly scheduled meeting held April 11, 2006, the City Council appropriated \$105,000 from the Development Impact Fund for the TIM Fee Study (CIP #40612) project. Since then, the project has encumbered the following agreements:

Fehr & Peers, Inc. (Original Agreement)	\$ 73,000
Fehr & Peers, Inc. (Proposed)	15,000
Dokken Engineering	9,970
Susanna Aaltonen	1,025
City Engineering Staff	20,637
Total	<u><u>\$ 119,632</u></u>

Because the total projected cost of the project is anticipated to exceed the current budget appropriation, staff is recommending the following revised project budget:

	Adopted Budget	Proposed Budget	Difference
Outside Consulting Services	\$ 83,000	\$ 99,000	\$ 16,000
Project Management	12,500	25,000	12,500
Contingency	9,500	5,000	(4,500)
Total	\$ 105,000	\$ 129,000	\$ 24,000

As you can see, the \$119,632 in encumbered agreements, including the proposed \$15,000 addendum with Fehr & Peers, Inc., is well within the proposed \$129,000 project budget. Staff is recommending the City Council approve an additional \$24,000 budget appropriation from the Development Impact Fund to address the \$24,000 increase in the project budget. The Development Impact Fund has a unencumbered fund balance of \$60,490 which will accommodate the proposed \$24,000 budget appropriation. Tonight, staff respectfully requests the City Council to authorize the proposed \$15,000 addendum to the existing Consultant Agreement with Fehr & Peers, Inc. and the proposed \$24,000 budget appropriation from the Development Impact Fund.

Approved by:

Randy Pesses
Director of Public Works

Reviewed for Recommendation
to City Council by:

John Driscoll
City Manager/ City Attorney

Reviewed for Financial Impact by:

Dave Warren
Director of Finance