

AMENDMENT NO. 1

CITY OF CHICO - PROFESSIONAL SERVICES AGREEMENT

AGREEMENT DATED SEPTEMBER 22, 2015

BETWEEN CITY OF CHICO

AND

OMNI-MEANS, LTD.

Consultant

DEVELOPMENT IMPACT FEES ANALYSIS AND
RECOMMENDATIONS (NEXUS STUDY)

Project Title

MAJNC/28921-000-4800

Budget Account No.

THIS PROFESSIONAL SERVICES AGREEMENT AMENDMENT (Amendment) is entered into on January 30, 2017 between the City of Chico, a municipal corporation under the laws of the State of California (City), and Omni-Means, Ltd., (Consultant). On September 22, 2015, City and Consultant entered into "City of Chico - Professional Services Agreement" (Agreement). The provisions of the Agreement are hereby amended as follows:

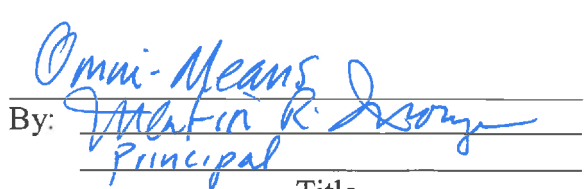
1. Exhibit B is hereby superseded and replaced by revised Pages B-1R1 through B-11R1 attached hereto.
2. Exhibit C is hereby superseded and replace by revised Pages C-1R1 through C-2R1
3. All other provisions of the Agreement shall remain in full force and effect.

CITY:

CONSULTANT:



Mark Orme, City Manager*


By: _____
Principal
Title

*Authorized pursuant to Section 3.08.060
of the Chico Municipal Code

APPROVED AS TO FORM:



Vincent C. Ewing, City Attorney*

*Pursuant to The Charter of the
City of Chico, Section 906(D)

REVIEWED AS TO CONTENT:



Scott Dowell, Administrative Services Director*

*Reviewed by Finance and Information Systems

APPROVED AS TO CONTENT:



Brendan Ottoboni – Public Works Director -
Engineering

AMENDMENT NO. 1

CITY OF CHICO - PROFESSIONAL SERVICES AGREEMENT

OMNI-MEANS, LTD
Architect/Consultant/Engineer

DEVELOPMENT IMPACT FEES ANALYSIS AND
RECOMMENDATIONS (NEXUS STUDY)
MAJNC/28921-000-4800
Project Title/Budget Account No.

AMENDED
EXHIBIT B

SCOPE OF PROFESSIONAL SERVICES - BASIC; COMPLETION SCHEDULE

Project Approach

The Consultant's shall update the City's Development Impact Fees so that new planned development consistent with the 2011 General Plan Update shall pay its proportionate share for the additional public infrastructure and services to support such growth. The Consultant shall use available documents, including the 2030 General Plan Update Public Facilities Assessment and Fiscal Impact Analysis Public Draft Report prepared on July 30, 2010 (2010 PFA) to identify the capital improvement projects and their associated costs or service standards from which the Development Impact Fees shall be derived. The Consultant shall also use the transportation study prepared by Whitlock & Weinberger Transportation, Inc. (W-Trans) (W-Trans Study) for the streets and highways impact fee analysis and the previous 2008-09 Nexus Study as a reference for past fee calculation methodologies and other assumptions leading to the previously adopted development fees.

The Consultant, with the assistance of subconsultant New Economics & Advisory (New Economics), shall determine and calculate the Development Impact Fees for each public infrastructure and service category as identified in the 2010 PFA, including the following:

- Streets and Highways (including capital projects and maintenance equipment obtained from the W-Trans Study) – *Consultant*

- Storm Drainage – *Consultant*
- Wastewater – Sanitary Sewer Lines/Water Pollution Control Plant (WPCP) – *Consultant*
- Police Facilities – *Subconsultant New Economics & Advisory (New Economics)*
- General Governmental Facilities – *New Economics*
- Parks, Open Space, Greenways, and Recreation – *New Economics*
- Bicycle Facilities – *Consultant*
- Greenwaste Recycling – *Consultant*

Since the 2011 General Plan Update and 2010 PFA, only the transportation infrastructure improvements and their associated costs have been identified, as contained in the W-Trans Study, which was never formally approved or adopted by the City. The Consultant, therefore, try to verify and use whatever capital project information is available to create the Development Impact Fees in the Nexus Study.

The Consultant shall summarize and present to City staff the list of capital projects and their associated costs for each of the public infrastructure and service categories. Following City staff review and approval, a stakeholder meeting/workshop, made up of the Chico development community, shall then be held for their public input and potential refinement of the capital projects list and associated costs. Where cost information is not available for certain identified capital projects, the Consultant shall complete the necessary cost estimates needed for those projects. The Consultant shall also provide an assessment of the appropriateness of each capital project and its costs. If any of the identified capital projects seem inappropriate due to a variety of factors, the Consultant shall flag those projects and work with City staff to establish a reasonable course of action within this scope of services. Should the City and the Consultant agree that the appropriate course of action would require additional services from the Consultant, such as further analysis to revise the capital projects and their associated cost items, the City will authorize such additional services in writing. No additional services shall otherwise be performed unless authorized in writing.

Upon determining a working draft of proposed development fees, the Consultant shall work with City staff to share with the development community the proposed needed capital improvements, their associated costs, and the resulting Development Impact Fees before moving forward to seek adoption of the fees by the City Council. Should it become apparent through this process that all of the Development Impact Fees cannot be processed at the same time, the Consultant shall develop a separated process so that some fees can be adopted sooner than others that are more complicated. For this reason, Task 6, the Final Report, is optional and can be authorized when and if it becomes clear that all of the Development Impact Fees will be adopted and contained in one supporting document describing the overall process.

Scope of Professional Services - Basic

The Consultant shall provide professional services as follows:

TASK 1 – PROJECT COORDINATION, MANAGEMENT, AND MEETINGS

The Consultant shall lead the team and shall perform the following Project management services:

- Supervise, coordinate, and monitor progress of the Nexus Study for conformance with City and State standards.
- Prepare and maintain a master schedule.
- Prepare a Background Report that documents all available Capital Improvement Program (CIP) projects and their associated costs.
- Prepare progress reports and invoices. At the end of each month, the Consultant shall provide City staff with a detailed progress report, including an updated schedule and an invoice for the previous month's services.

1.1 General/Technical Meetings and Conference Calls

The Consultant shall attend up to five meetings with City staff in City offices. In addition, in order to maintain close coordination, the Consultant shall also hold conference calls and remote meetings to discuss Project status and deliverables and shall conduct other informal calls, as needed, to assure coordinated and efficient Nexus Study progress.

1.2 Development Community Meetings and Presentation before City Council

The Consultant, with City staff involvement, shall make a presentation to the community within an appropriate venue to receive their input on Nexus Study concerns and expectations. Later, toward the completion of the Nexus Study, the Consultant shall hold a second community meeting to review findings and draft recommendations that will be part of the Draft Report. Received comments shall then be appropriately incorporated into the Draft Report.

In support of City staff, the Consultant shall attend three additional meetings to make one presentation before the Planning Commission and two before the City Council.

TASK 2 – DATA COLLECTION AND REVIEW

The Consultant shall request and obtain from the City all available documents relative to this Nexus Study update. This scope of services assumes that much information has been collected as a part of and since the completion of the 2011 General Plan Update, but this information needs to be reviewed and updated as needed to reflect current development levels and fiscal accounting of the existing Development Impact Fee program. The following sub-tasks shall be included:

2.1 Nexus Study Review

The Consultant shall review and discuss the following documents with City staff:

- Chico Municipal Code,
- Fee enabling resolution,
- 2009 Nexus Study Report,
- W-Trans Study,
- Other supporting reports and/or memos, and
- General Plan existing and proposed policies.

2.2 Current Fee Status Review

The Consultant shall review the existing 2009 Nexus Study and discuss current accounting practices with City staff. This discussion shall include, but not be limited to, the following items:

- Fee calculation, cost allocation, and methodology,
- Fee zone(s), if applicable,
- Current account balances and audits,
- Existing encumbered and unencumbered funds,
- Construction project-specific allocations of existing funds,
- Current reimbursement agreements,
- Reimbursement agreement policies,
- Likelihood of any existing commitments to developers,
- Non-development fee revenues and projections thereof, and
- Potential alternative funding sources.

➤ ***Deliverable:*** *Memorandum on Existing Fee Accounting and Fee Methodologies*

TASK 3 – DEVELOPMENT PROJECTIONS

3.1 Development Projections

The Consultant shall review the General Plan boundaries and growth projections by key land-use type and location, including infill, development opportunity areas, and special plan areas. Working with City staff, the Consultant shall obtain available parcel base Geographic Information System (GIS) data to determine developed, under-developed, and vacant lands within the City. From this analysis, the Consultant shall confirm a base year and determine the net new remaining development potential of both residential and non-residential lands for use in the development fee calculations.

- **Deliverable:** *Memorandum on Existing and Planned Residential and Non-Residential Development and Calculation Alternatives for Net New Development*

TASK 4 – PROJECT IDENTIFICATION AND COST ANALYSIS

The Consultant shall coordinate with City staff to review the CIP and/or service standards identified in the City's General Plan. The CIP and/or service standards shall form the basis for each fee program.

The Consultant's initial efforts shall start from the City's 2010 PFA, although some of the information in this report may not reflect the City's current preferences or, in some cases, the most up-to-date technical information. The Consultant shall work with City staff to obtain the CIP and/or service standards upon which fees shall be calculated. This initial approach will vary based on CIP or service standard Nexus Study fees.

CIP-Based Fees

For fee programs based on the CIP, City staff will provide a list of improvements and their associated costs as well as input on the scale of improvements that are attributed to existing deficiencies versus those that can be allocated solely to new development. The Consultant shall identify each construction project in the existing Nexus Study in terms of percent completed, current scope, and cost. Similarly, the Consultant shall review each new improvement project in the 2010 PFA and/or W-Trans Study for integration into the updated Nexus Study. Involved City departments shall be consulted and included in directing this process and, as appropriate, new construction projects and programs shall be identified and incorporated into the updated Nexus Study.

The Consultant shall also work with City staff to review the City's and surrounding agencies' records of project delivery costs both before and after the bid process and shall develop a scale to be applied to the projects on an individual basis.

Service Standard-Based Fees

For fee programs based on service standards, City staff will confirm or refine the service standard as well as other key assumptions driving the fee. The Consultant shall develop updated cost assumptions for most service standard assumptions, although coordination and input from City staff may be required, as described in more detail below.

This scope of services includes the following key assumptions for each of the following nine functional areas as shown below:

4.1 Streets and Highways

- The Consultant shall obtain from the City the W-Trans Study that identifies transportation capital projects and their associated costs.
- The Consultant shall verify and review with City staff the appropriateness of the identified capital projects and cost estimates, including clarification of right-of-way costs, which the Consultant shall use for the Nexus Study. If the City and the Consultant jointly determine that the available information cannot be verified as appropriate, an amendment to this Agreement may be required to determine the appropriate capital projects and costs to complete this effort.
- This scope of services anticipates that the cost allocation methodology will remain fundamentally the same as currently defined; however, the Consultant shall examine it within the context of the updated Nexus Study.
- The Consultant shall discuss, examine, and consider alternative fee scenarios.
- No traffic modeling is anticipated. If it becomes necessary, however, the Consultant and City staff shall undertake collective efforts to secure the necessary modeling.
- The Consultant shall examine project phasing and assess the impact on fees.
- The Consultant shall examine and advise the City on the existing assumptions within this functional area. The City will then provide direction on the assumptions to be included in the updated Nexus Study.

4.2 Storm Drainage

- Storm drainage projects will remain fundamentally the same as currently defined; however, the Consultant shall examine them within the context of the updated Nexus Study.
- The Consultant shall discuss alternative fee scenarios and consider them qualitatively.
- The Consultant shall select and move forward with an alternative cost allocation methodology.

4.3 Sanitary Sewer Lines/WPCP

- Sanitary sewer and WPCP projects will remain fundamentally the same as currently defined; however, the Consultant shall examine them within the context of the updated Nexus Study.
- The Consultant shall discuss alternative fee scenarios and consider them qualitatively.
- The Consultant shall select and move forward with an alternative cost allocation methodology.

4.4 Police Facilities

The Police Facilities Fee is based on a service standard documented in the 2010 PFA which includes 290 square feet per employee, 1.3 sworn employees per 1,000 residents, and 0.6 non-sworn employees per 1,000 residents (2010 PFA, Pages A-15 and A-16). In addition, police facilities require vehicles and office equipment, such as computers, printers, telephones, desks, and chairs (2010 PFA, Table B-10). The updated fee to be calculated

by subconsultant New Economics shall continue to use a service-standard approach for police facilities and the service standards themselves, and City staff will provide any updated cost assumptions.

- The City will advise the Consultant and provide updates regarding facilities to be included.
- Based on updated service population estimates through General Plan Build-Out, subconsultant New Economics shall update the total costs anticipated to be funded by new development.

4.5 Fire Facilities

The Fire Facilities Fee is a CIP-based fee; specific fire facilities were recommended in the 2010 PFA (Pages A-17 and A-18), including one new fire station and several renovations to existing fire stations.

- Subconsultant New Economics shall coordinate with City staff to review these facility recommendations; City staff will provide any updates to the list of recommended facilities and their corresponding costs.
- The City will advise and provide updates regarding the projects to be included.
- It is anticipated that the cost allocation methodology will remain fundamentally the same as currently defined.
- Subconsultant New Economics shall examine and advise the City on the existing assumptions within this functional area. The City will provide direction on assumptions to be included in the updated Nexus Study.

4.6 General Governmental Facilities

The Administrative Facilities Fee relies on a standard-based approach that also includes some CIP-based information. The 2010 PFA documented several service standards, including:

- Administrative facilities, offices (320 square feet per employee), and vehicles, versus General Government Office Facilities standard based on a staffing ratio per 1,000 residents (was 1.80 in 2008).
- Subconsultant New Economics shall coordinate with City staff to review information about City equipment, vehicle fleet, storage space increases, and any implications of changing technology over time to update the City Corporation Yard parking/storage needs.
- The City will provide any updates to information included in the 2010 PFA regarding the improvements to be included, including associated costs.

4.7 Parks

The City administers two existing park fees, both of which are standard-based fees: A Park Impact Fee and a Bidwell Land Acquisition Fee. Subconsultant New Economics shall update both of these fees and analyze a third fee (for additional recreation facilities), if appropriate:

- The existing Park Impact Fee standards are 1.50 acres per 1,000 residents for neighborhood parks, 2.50 acres per 1,000 residents for community parks, and 2.50 acres per 1,000 residents for linear parks/greenways. There are also recreation facilities goals as specified in the 2010 PFA.
- The existing Bidwell Land Acquisition Fee is based on a service standard of 29.5 acres per 1,000 residents.
- The Consultant shall review and assess the current Chico Area Recreation and Park (CARD) District Parks and Recreation Master Plan compared to the Park Impact Fee and/or Bidwell Land Acquisition Fee documented in the 2009 Nexus Study.
- City or CARD staff will confirm the park and/or recreation standards. If needed, City staff will also provide an updated set of park facilities, developed park land inventory, and future planned land acquisitions consistent with the base year established in Task 3. City staff will also provide direction as to whether or not non-residential development should be subject to the updated fee.
- The Consultant shall develop updated cost assumptions for park development (on a per-acre basis), recreation facilities (on a per-facility basis), and land acquisition (on a per-acre basis). Previously, per-acre facility and land costs were approved by City

Council; should this step be needed again, City staff will undertake this approval process.

- The Consultant may require assistance from the Butte County Assessor's office to identify appropriate land acquisition values for neighborhood parks, community parks, linear parks, and Bidwell Park.

4.8 Bike Facilities

- The Consultant shall work with City staff to identify, clarify, and update projects contained in the 2010 PFA and a new City list of bike facility projects, including verification of its project information and preparation of planning-level cost estimates.
- The Consultant shall examine and advise the City on the existing assumptions within this functional area. The City will provide direction on assumptions to be included in the updated Nexus Study.
- Alternative fee scenarios shall be discussed and qualitatively considered.
- An alternative cost allocation methodology shall be selected and moved forward.

4.9 Greenwaste Recycling

- The Consultant shall work with City staff to identify, clarify, and update capital and equipment projects contained in the 2010 PFA, including verification of its project information and cost estimates.
 - The Consultant shall examine and advise the City on the existing assumptions within this functional area. The City will provide direction on assumptions to be included in the updated Nexus Study.
 - Alternative fee scenarios shall be discussed and qualitatively considered.
 - An alternative cost allocation methodology shall be selected and moved forward.
- ***Deliverable:*** *Background Report on Capital Improvement Projects and their Costs*

TASK 5 – FEE CALCULATIONS/COST ALLOCATIONS

5.1 Fee Calculations/Cost Allocations

This scope of services anticipates that the cost allocation methodologies will differ for each of the nine functional areas above as the cost allocations need to consider both capital projects and service standards. In addition, the cost allocation methodologies may vary for different land classifications, such as infill areas, opportunity areas, and areas proposed to be annexed. This scope of services also anticipates up to two iterations of these fee calculations and at least some form of methodology testing. The Consultant shall work closely with City staff during each phase of the Nexus Study update to test for anticipated outcomes.

- ***Deliverable:*** *Memorandum on Fee Calculations/Cost Allocation Alternatives*

TASK 6 – NEXUS STUDY UPDATE REPORT (Optional)

6.1 Draft Nexus Study Update Report (Optional)

Should the City authorize Task 6 in writing, the Consultant shall compile the information presented as deliverable milestones, along with all appropriate revisions obtained as a part of the City's review, and shall prepare a comprehensive Nexus Study Update Report that fully documents the entire Development Impact Fee update process consistent with the requirements of Government Code 66000 (AB 1600). The Nexus Study Update Report shall comprehensively summarize the costs, methodologies, and resulting Development Impact Fees for all nine functional areas studied. The Draft Report shall be submitted to City staff for review and comment.

- ***Deliverable:*** *Draft Report*

6.2 Final Nexus Study Update Report (Optional)

Should the City authorize Task 6 in writing, the Consultant shall finalize the Draft Report following City review. All technical memoranda and other supporting documentation shall be collated into a supporting stand-alone Technical Appendix.

➤ ***Deliverable:*** *Final Report (ten bound copies; one PDF)*

TASK 7 – ADDITIONAL OPTIONAL TASKS

Should the City require any or all of the following tasks, they will be authorized in writing through an amendment to this Agreement.

- A. Additional analysis identified in Task 4 to verify or change potential capital projects or service standards resulting from the assessment of the 2010 PFA and/or W-Trans Study.
- B. Additional changes, beyond what is included in Task 5, in fee cost allocation methodology, requiring a revised analysis, fee calculations, report, and formal public presentation.
- C. Additional formal public presentations beyond the five included in this scope of services.

Completion Schedule

The Consultant shall complete all services outlined herein within one year of receipt of the City's Notice to Proceed.

AMENDMENT NO. 1 SERVICES

During the course of the Nexus Study Update, some of the General Plan policies were significantly different than the previous General Plan policies, such that they altered the “nexus” from how fees were collected in the past to now and how they need to be collected in the future. Alternatives to past fee collections need to be explored, which was an effort that was not anticipated. In addition, two additional fees, street Urbanization and Animal Shelter were created by separating their portion of two existing fees, Street Facility Improvements Fee and Police Protection building and Equipment Fee.

TASK E-1 – COMPLETION OF THE PUBLIC REVIEW DRAFTS OF THE TECHNICAL MEMORANDUMS AND MEETINGS

The Consultant shall prepare the Public Review Drafts of the technical Memorandums that

will accompany the City Staff Report that will introduce the preliminary nexus findings and recommendations for the update to ten sections of the Development Impact Fee Program.

TASK E-2 – MEETINGS, PUBLIC HEARINGS AND FOLLOW-UP REVISIONS AND UPDATES TO THE TECHNICAL MEMORANDUMS

The Omni-Means Team shall prepare for and attend meetings and public hearings upon request. These meetings will be with stakeholders, public workshops and public hearings. At this time, it is not known how many meetings and/or public hearings for which preparation and attendance will be required. As many as 10 to 12 meetings may require participation.

In addition, as insights from these public meetings and other outreach are gained, additional research, information and/or documentation may be required to gain further public understanding and acceptance of the proposed fee updates. Therefore, as directed by the City, the Consultant shall revise and update technical memorandums, add additional documentation and if needed, create new documents to fully inform and gain acceptance toward this proposed update to the development impact fee program.

TASK E-3 PREPARATIONS AND COMPLETION OF THE FIRE AND GENERAL GOVERNMENT AND STORM DRAINAGE FEES

The Consultant shall prepare the Fire and General Government Fee Technical Memorandums and complete the Storm Drainage Fee Technical Memorandum.

Completion Schedule

The Consultant shall complete all services outlined herein within one year of receipt of the City's Notice to Proceed.

AMENDMENT NO. 1

CITY OF CHICO - PROFESSIONAL SERVICES AGREEMENT

OMNI-MEANS, LTD
Architect/Consultant/Engineer

DEVELOPMENT IMPACT FEES ANALYSIS AND
RECOMMENDATIONS (NEXUS STUDY)
MAJNC/28921-000-4800
Project Title/Budget Account No.

AMENDED
EXHIBIT C

COMPENSATION

Compensation for the services shall be in accordance with the following schedule of hourly rates. Total maximum compensation for the services outlined herein shall not exceed \$220,000.00, \$250,000.00.

Compensation shall be based upon actual invoices received and shall be paid in accordance with the completion of each task as follows:

Task 1 – Project Coordination, Management, and Meetings	\$ 43,728.00
Task 2 – Data Collection	\$ 18,472.00
Task 3 – Development Projections	\$ 9,328.00
Task 4 – Project Identification and Cost Analysis	\$ 72,090.00
Task 5 – Cost Calculations/Cost Allocations	\$ 49,382.00
Subtotal:	\$193,000.00
Task 6 – Nexus Study Update Report (<i>Optional</i>) (<i>If authorized by the City in writing</i>)	\$ 27,000.00
Total:	\$220,000.00

Amendment No. 1:

Task E-1 – Completion of Public Review Drafts
Budget Range \$5,000-\$6,000

Task E-2 – Meeting, Public Hearing and Follow-up Revisions
Budget Range \$10,000-\$35,000

Task E-3 – Fire and General Government & Storm Drainage

Budget Range \$20,000-\$25,000

Amendment No. 1 Total:

\$ 30,000.00

The level of effort is not known at this time, so as the initial budgeted amount is approached a budget augmentation may be required.

Omni-Means, Ltd.
Hourly Rate Schedule

Project Manager (1 – 4)	\$125.00 to \$265.00/Hour
Resident Engineer (1 – 3)	\$144.00 to \$206.00/Hour
Engineer (1 – 5)	\$84.00 to \$242.00/Hour
Traffic Engineer (1 – 5)	\$84.00 to \$242.00/Hour
Planner (1 – 5)	\$58.00 to \$180.00/Hour
Landscape Architect (1 – 4)	\$71.00 to \$190.00/Hour
Office Surveyor (1 – 4)	\$58.00 to \$180.00/Hour
Field Surveyor (1 – 4)	\$58.00 to \$180.00/Hour
Field Inspector (1 – 4)	\$58.00 to \$180.00/Hour
Graphic Artist (1 – 3)	\$58.00 to \$104.00/Hour
Designer (1 – 3)	\$74.00 to \$157.00/Hour
Technician (1 – 4)	\$52.00 to \$126.00/Hour
Clerical (1 – 3)	\$34.00 to \$93.00/Hour
Intern (1 – 3)	\$34.00 to \$62.00/Hour
One-Person Survey Crew	\$160.00 to \$180.00/Hour
Two-Person Survey Crew	\$129.00 to \$269.00/Hour
Three-Person Survey Crew	\$165.00 to \$335.00/Hour

Reimbursable Charges: Include, but are not limited to, in-house reproduction, travel subsistence, special consultants, outside purchases and services, and other subcontracts. These are charged at 1.10 x cost.

Billing Rates: Include overhead, equipment, space rental, etc. Billing rates are subject to increases due to union agreements and salary increases. Principal's time on projects is chargeable up to \$335.00 per hour.

Expert Witness Rates: Deposition and trial testimony: \$350.00 per hour, four-hour minimum. Meetings and preparation are at normal professional staff rates.