

CITY OF ELK GROVE



Request for Proposals

For

Fee Study for Development Services Project Processing and Permit Fees

**Office of the City Clerk
City of Elk Grove
8401 Laguna Palms Way, Elk Grove, CA 95758**

Proposals Due by 4:00 PM, February 26, 2010

Introduction:

The City of Elk Grove is accepting proposals from qualified consultants for a Fee Study for Development Services Project Processing and Permit Fees in accordance with the included specifications, terms, and conditions shown in this Request for Proposal (RFP). Prospective respondents are advised to read this information over carefully prior to submitting a proposal.

One signed original, five (5) hard copies, and one CD copy of the proposals should be submitted to the Office of the City Clerk by 4:00 PM, February 26, 2010. Proposal shall be submitted in a sealed envelope clearly marked Fee Study for Development Services Project Processing and Permit Fees and addressed to:

**OFFICE OF THE CITY CLERK
CITY OF ELK GROVE
8401 Laguna Palms Way
Elk Grove, CA 95758**

Questions regarding this RFP are to be directed by e-mail to: Marsha Ley, Finance Analyst, at mley@elkgrovecity.org. Such contact shall be for clarification purposes only. The City must receive all questions no later than February 20, 2010. Material changes, if any, to the scope of services or proposal procedures will only be transmitted by written addendum and posted to the web site. Addendums and answers to submitted questions will be available via the City of Elk Grove Web site by clicking "View" under View Details/Documents for the Bid announcement.

Proposals will not be accepted by fax or electronically.

Late Proposals:

Proposals arriving after the specified date and time will not be considered, nor will late proposals be opened. Each consultant assumes responsibility for timely submission of its proposal.

Withdrawal or Modifications of Proposals:

Any proposal may be withdrawn or modified by a written request signed by the consultant and received by the City Clerk prior to the final time and date for the receipt of proposals. Once the deadline is past, consultants are obligated to fulfill the terms of their proposal.

Proposal Acceptance and Rejection:

The City of Elk Grove reserves the right to accept any proposal, to reject any and all proposals if said rejection is deemed in the best interest of the City, to call for new proposals, and to award the contract to other than the lowest proposal if deemed "proposal most advantageous to the City".

Proposal Evaluation and Award:

Evaluation will be made on the basis of the criteria noted in Attachment A, Evaluation and Selection Criteria. Award shall be made to the responsible consultant whose proposal is determined in writing to be the most advantageous to the City, taking into consideration adherence to the included specifications and price. The City will enter into a contract with the successful consultant for the specified products, services, and deliverables. All consultants that were not selected by the City shall be notified in writing. Nothing herein shall obligate the City to award a contract to any responding consultant.

Waiver of Irregularities:

The City retains the right, in its sole discretion, to waive any irregularities in proposals that do not comply with the strict requirements of this RFP, and the City reserves the right to award a contract to a consultant submitting any such non-compliant proposal, all in the City's sole discretion.

Validity of Pricing:

Consultants are required to provide a fee structure including, if applicable, the hourly rate of the principles to be assigned to the matter, and proposed cost and expense reimbursement levels. No cost increases shall be passed onto the City after the proposal has been submitted. No attempt shall be made to tie any

item or items contained in this RFP with any other business with the City.

Qualification/Inspection/Interviews:

Proposals will only be considered from firms normally engaged in providing the types of products and services specified herein. The City reserves the right to inspect the Consultant's facilities, products, personnel, and organization at any time, or to take any other action necessary to determine Consultant's ability to perform. The City reserves the right to reject proposals where evidence or evaluation is determined to indicate inability to perform. The City reserves the right to interview any or all responding consultants and/or to award a contract without conducting interviews.

Acceptance and Conditions

The products and services supplied in response to the RFP award shall remain the property of the Consultant until a physical inspection is made and the products and services are accepted to the satisfaction of the City. The products and services must comply fully with the terms of the RFP, be of the required quality and new unless specified by the City. Any substitutes of products or services not meeting specifications will be rejected, and returned if applicable, at the Consultants expense. Payment shall be made only after receipt and acceptance of products or services by the City.

Payment Terms:

Payment on non-disputed invoices will be paid net 45 from date of receipt of invoice. In submitting proposals under these specifications, consultants' should take into account all discounts, both trade and time, allowed in accordance with the above payment policy.

Performance:

It is the intention of the City to acquire products or services as specified herein from a Consultant that shall give prompt and convenient shipment and service. Any such contract will be non-exclusive, and the City reserves the right to seek products or services from other sources, in the City's sole discretion.

Term of Contract:

The term of the contract will be for a specific period of time, commencing upon contract execution. The contract may be extended by mutual agreement of the two parties.

Change Orders:

If, in the course of performance of the Contract, Consultant or the City proposes changes to the Project, and informal consultation with the other party indicates that a change in the terms and conditions of the Contract may be warranted, Consultant or the City may request a change in the Contract. The parties to the Contract will meet to discuss and negotiate the required change order documents. Upon completion of those negotiations, the negotiated change order documents will be submitted to the City for approval. Upon approval by the City, an "Order to Proceed" with the approved changes will be submitted to Consultant. Any Amendment to this Contract will not render ineffective or invalidate any unaffected portions of this Contract.

(See next page for Guidelines for Proposal)

Guidelines for Proposal

The following guidelines are provided for standardizing the preparation and submission of proposals. The intent is to assist respondents in the preparation of their submissions and to assist the City by simplifying the review process providing standards for comparison of submissions.

Statements submitted in response to this RFP shall include a complete response to the requirements in this section in the order presented. Statements should be a straightforward delineation of the respondent's capability to satisfy the intent and requirements of this RFP, and should not contain redundancies and conflicting statements.

Proposals shall be printed double sided, submitted on 8-1/2" x 11" recycled paper, with easy to read font size and style. Pages shall be numbered, tabbed, and bound (spiral, comb or three ring binder). Tabbed dividers shall separate and identify the response items described below.

One signed original, five (5) hard copies and one CD copy of the proposals should be submitted to the Office of the City Clerk by 4:00 pm, February 26, 2010. Proposal shall be submitted in a sealed envelope clearly marked Financing District Administration Services and addressed to:

**OFFICE OF THE CITY CLERK
CITY OF ELK GROVE
8401 Laguna Palms Way
Elk Grove, CA 95758**

Proposals shall contain the following information in the order listed:

1. Introductory letter

The introductory letter should be addressed to:

Rebecca Craig, Interim Assistant City Manager
City of Elk Grove
8401 Laguna Palms Way
Elk Grove, CA 95758

The letter shall state the prime consultant and include the consultant's name submitting the proposal, their mailing address, telephone number, and contact name. The letter shall address the consultant's understanding of the project based on this RFP and any other information the consultant has gathered. Include a statement discussing the consultant's interest and qualifications for this type of work. A principal of the firm authorized to legally bind the firm shall sign the letter.

2. Table of Contents

The consultant shall insert a comprehensive table of contents denoting sections three through seven of the proposal as indicated below.

3. Qualifications and Experience

Consultant's proposal shall address the following:

- Briefly introduce your firm, providing a summary of the administration, organization and staffing of your firm, including multiple offices, if applicable. Provide an organizational chart indicating the positions and names of the core management team that will undertake this engagement. If your proposal includes sub-consultants, provide a summary of the administration, organization and staffing of each sub-consultant firm. Provide an organizational chart for each, indicating the positions and names of the core

team that shall be working with you on this project.

- Identify the lead person who shall be the primary liaison with the City and each individual who shall work with the City. Include resumes for each person to be assigned. Include any professional designations and affiliations, certifications and licenses, etc.; this also includes any sub-consultants you may use.
- Describe the experience of the firm in the last four (4) to five (5) years in performing Fee Studies for Development Services, Project Processing and Permit Fees, of similar size and scope. List no more than ten (10) projects. For each project listed, include contact names and current phone numbers for each project. References may be contacted as part of the selection process in order to evaluate work quality and performance.

4. Work Plan

The work plan shall indicate the consultant's ability to meet each specification as outlined in this document. The work plan shall address the items of work as described in this RFP. The work plan shall describe the various tasks and steps that the consultant plans to undertake, estimation of the time needed to complete each task or step, and how these tasks and steps lead to specific deliverables. The plan shall be simple, easy to read and follow, and addresses and satisfies the objectives and specifications as listed in the Scope of Work in this RFP.

5. Conflict of Interest Statement

Any activities or relationships of the firm that might create a conflict of interest for the firm or the City, and, if such activities or relationships exist, a description of the facts, legal implications, and possible effects sufficient to permit the City to appreciate the significance of the conflict and to grant any conflict waiver, if appropriate and necessary.

6. Supportive Information/References

This section may include graphs, charts, photos, resumes, references, etc in support of the consultant's qualifications.

7. Fees

This section shall include the cost for requested products and services outlined in the Scope of Work. Upon completion of assigned tasks, the consultant shall notify the City and request payment for the products and services by submitting an invoice. Upon receipt of the invoice, the City will review in a timely manner the products and services noted, verify completion and authorize payment. No cost increases shall be passed onto the City after the proposal has been submitted. No attempt shall be made to tie any item or items contained in this RFP with any other business with the City.

8. Professional Services Contract:

Attached to the RFP (Attachment B) is a copy of the City of Elk Grove's standard Professional Services Contract. Please review this document carefully and note in your proposal any exceptions or alterations to the contract. This does not guarantee that the requested alterations will be approved by the City Attorney's Office. Alterations or changes to the contract that were not in the consultant's response will not be made after the selection of the consultant. This includes alterations, exceptions, or changes to the insurance and indemnity provisions. By requiring these requests up front, the City can compare all respondents on an equal basis.

(See next page for Scope of Work)

SCOPE OF WORK AND STANDARDS FOR SERVICES

Background:

The City of Elk Grove (hereinafter referred to as the “City”) incorporated in July of 2000. At this current time the city collects fees to process new development applications, improvement plans, building permits, and other development-related services. Currently these fees are collected as up-front deposits upon application submittal; any additional costs beyond the initial deposit are billed to the customer. On July 22, 2009 the Council approved an Application Fee and Deposit Schedule and established a Deposit Replenishment Policy and an Overhead Rate Policy for Private Development Projects (Documents are available on-line on The City of Elk Grove’s website). These policies allow the City to recover the full cost of project processing and enable it to stop work on any project without a positive account balance. Although this method allows for full-cost recovery, it does not provide cost certainty to the City’s Development Services customers. Consequently, the City is looking to convert its cost recovery model to a predominantly fixed fee schedule.

Objectives:

This study shall include all of the work necessary to complete an assessment of the costs to provide Planning, Public Works and Building services to private development projects and prepare the associated fee schedules. The City shall look to the consultant to assist in determining which service costs should be collected as fixed fees and which as time-and-materials fees. In the case of Building Permit and Plan Check Fees, the City shall look to the consultant to determine whether the current method of valuation-based fees is appropriate. The scope of work for this project shall include the following tasks:

Task 1 – Pre-Planning and Project Kick-off

Task 1.1 Onsite Interviews and Review of Services

Consultant shall review the City’s current fee schedules, all relevant prior studies, and historical revenues. This review shall include an evaluation Building Permit and Plan Check Fee Schedule. Consultant shall also interview appropriate City and Contract staff members to gain an understanding of work processes related to each fee and the time required to complete each step.

Task 1.2 Review Indirect Costs and Service Rates

Consultant shall review the indirect costs and the average hourly rates for City and Contract job classifications. Consultant shall also use data on paid leave and administrative duties to adjust the total number of hours available to complete work on private development projects.

Total Meetings: One on site visit, includes all necessary interviews

Task 2 – Cost and Fee Analysis

Task 2.1 Perform the Cost and Fee Analysis

Consultant shall perform a Cost and Fee Analysis. Consultant shall work with the City to identify all of the functional units and service types for which a different fee will be established and the appropriate basis for fees. This task includes accumulating all of the relevant costs for a full-cost recovery target, including support costs from other departments included in the study. All other department support costs shall be provided by the City.

The model shall include a revenue analysis that demonstrates anticipated revenues under the current fee schedule and the proposed fee schedule. The model and fee schedule shall also incorporate the time to perform services based upon a breakdown of each component involved in any given service. The consultant shall work with the City to identify tasks and subtasks within each service and then

determine the time required to perform each task. The model shall use this information to compute the cost to provide each service and return a recommended fee for each service.

The Consultant shall use the results of the evaluation completed in Task 1.1 for Building Permit and Plan Check fees to determine the reasonably necessary cost of providing the services that go into issuing building permits and preparing plan check review and revision work. The analysis shall provide a recommended fee collection structure and schedule.

Consultant shall provide documentation of all findings. Documentation includes one final report, a spreadsheet of fee schedules, and one PDF version of each model.

Task 2.2 Review First Draft

The Consultant shall meet with the City to review the first draft. Consultant shall explain the results and identify any items that may need more review.

Task 2.3 Complete the Study

Consultant shall continue to work with the City to refine data, make revisions as necessary, and complete a fee schedule based upon the best cost information available. Consultant shall also provide a simplified fee schedule for each department that shall allow City staff to enter revised cost data in future years to update the fee schedule as necessary.

Task 2.4 Review Fee Structures from Other Comparable Municipalities

Consultant will prepare a report comparing the recommended fees to those of other Cities in the region.

Total Meetings – One initial meeting, one review meeting, and subsequent meetings as necessary on a time and materials basis.

Task 3 – Public Outreach and Recommendations

Consultant shall present findings to the project staff, City management, and the Development and/or Building industry during an onsite visit to review the model. Consultant may be asked to attend a City Council meeting to answer any technical questions.

Consultant shall provide guidance to the City to define an implementation strategy that may incorporate phasing. The implementation strategy shall include a communications plan, presentation documents, and written guidelines to implement the recommended fee ordinance.

Total Meetings – One presentation meeting with stakeholders and staff, one possible meeting with City Council to answer questions as necessary.

(See next page for Attachments)

ATTACHMENTS

Attachment A: Evaluation and Selection Criteria

Evaluation Criteria

Proposals shall be evaluated using five (5) categories listed below. The evaluation criteria for the award of the contract shall be weighted as follows. A score of one (1) through ten (10) shall be assessed in each category, and then weighted according to the percentage assigned to each category. The following represent the principal selection criteria, which shall be considered during the evaluation process:

Firms Qualifications, Experience, and References. (20%)

Experience in performing work of a closely similar nature and size; experience working with public agencies; experience and understanding of cost recovery practices of governmental agencies; strength, stability, experience, and technical competence; assessment by client references; and instances of other municipalities currently using fee schedules prepared by the consultant.

Personnel and Staffing. (20%)

Qualifications and experience of proposed personnel for requested services.

Work Plan. (30%)

Depth of consultant's understanding of City's requirements; overall quality and logic of work plan.

Rates and Fees. (25%)

Reasonableness and competitiveness of the rates and fees proposed; adequacy of data in support of figures quoted, basis on which rates and fees are quoted.

Quality and Responsiveness of the Proposal. (5%)

Completeness of response in accordance with the RFP instructions.

(Attachment A continued next page)

Attachment A (Cont'd) – Evaluation Criteria

CONSULTANT: _____

#	CRITERIA	RATING (1-10)	MULTIPLIER	SCORE
1.	Firms Qualifications, Experience, and References		20%	
2.	Personnel and Staffing		20%	
3.	Work Plan		30%	
4.	Rates and Fees		25%	
5.	Quality and Responsiveness of the Proposal		5%	
TOTAL WEIGHTED SCORE:				

Unweighted Scoring Range: Excellent = 10 Unsatisfactory = 0

Rating Performed By: _____
 Print name

 Signature Date

Attachment B: Professional Service Contract

The standard form consultant contract used by the City of Elk Grove is attached as a hyperlink to the City of Elk Grove Web page.

<http://www.elkgrovecity.org/community/rfp-files/2009/consultant-contract.pdf>