

OFFICE OF THE CITY MANAGER

June 13, 2005

TO: Joint Finance Committee/City Council

FROM: City Manager

RE: Follow Up to Finance Committee's Questions Regarding the Recommended Contract Award to Pacific Municipal Consultants to Perform New Development Impact Fee and Traffic Impact Fee Studies

At the Finance Committee meeting on Monday, May 9, 2005, Committee members requested more information regarding the selection process used to recommend award of this contract to Pacific Municipal Consultants and the Committee expressed interest in reviewing the top two firms' proposals. Committee members raised questions regarding the frequent use of the traffic sub-consultant to the recommended contractor. A more detailed description of the process and the selection committee's rationale for scoring Pacific Municipal Consultants higher is included below and copies of each firm's proposal are attached for your review.

What was the selection process?

The following is a detailed description of the consultant selection process.

Request for Proposals

Request for proposals to prepare a New Development Impact Fee and Traffic Impact Fee Study were mailed to 13 consulting firms. In response to the City's request, four teams submitted proposals.

Evaluation Committee

The proposals were reviewed by an evaluation committee comprised of two staff members each from the Public Works and Transportation Departments and a member of the Transportation Advisory Commission.

Initial Screening

Following their review each committee member scored each of the four proposals on the following six criteria: 1. Experience and Capabilities, 2. Cost, 3. Schedule, 4. References, 5. Local Business Preference and 6. Small and Micro Business Preference.

Based on those initial rankings only two teams, Pacific Municipal Consultants (PMC) and Brion and Associates (Brion) were identified as “qualified” and invited to interviews with the evaluation committee.

Interviews

The interviews focused on each firm’s qualifications, relevant prior experience in preparing transportation impact fees, including developing fees to support transit and Intelligent Transportation Systems (ITS). The firms were also asked to discuss their strategies for effective community and stakeholder outreach and coordination as well as how a fee can be structured to encourage “Smart Growth” principles and reduce traffic congestion.

Why was PMC Selected?

Rankings

Following the review of each firm’s relevant work experience and their responses to the interview questions the evaluation committee again scored both firms using the six criteria detailed above. Based upon those scores, PMC was ranked as the superior firm. The following are the significant points that caused PMC to be ranked above Brion

- PMC has significantly more experience in preparing transportation impact fee analysis.
- PMC had recently completed a transportation impact fee study for the City of San Diego that included different fees for various parts of San Diego that will fund both street and transit improvements. They have also prepared fee nexus studies for the Cities of Chula Vista, Novato, and San Marcos.
- The work plan and methodology proposed by PMC to prepare the fee was judged by the evaluation team to be much more thorough than that proposed by Brion.
- The key staff proposed by PMC and their sub-consultant to prepare the Nexus study had more direct experience in preparing similar transportation impact fee studies.

Reference Checks

Staff spoke with several of the references listed in each firm’s proposal. While both firms received favorable recommendations from the cities they had previously worked for those cities who had hired PMC consistently cited their

exemplary work and success in working through very challenging fee adoption processes.

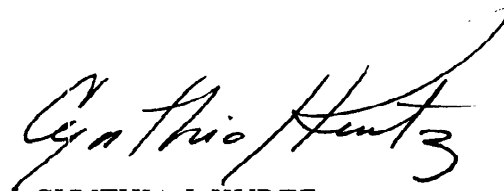
Sub-consultants

Both firms partnered with sub-consultants to prepare traffic forecasts. PMC partnered with Kaku Associates who has prepared several traffic studies both in and for the City of Pasadena and Brion teamed with TJKM who has not.

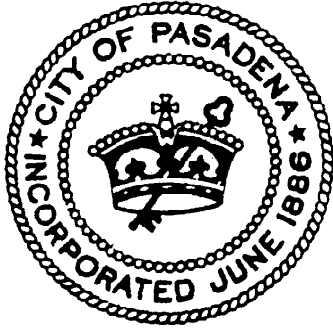
Is Kaku Associates over used by the City of Pasadena?

Over the last four years, there have been over a dozen traffic consultants who have prepared approximately 84 traffic impact studies for projects in Pasadena. Kaku Associates is one of several traffic consulting firms who has prepared multiple studies in that time period. There may be an appearance of an inordinate amount of work being done by Kaku Associates since they have worked on several "high profile" and long range transportation planning projects, including the preparation of the recently adopted update to the General Plan Mobility Element.

The evaluation committee agreed that PMC was the best qualified contractor to prepare the nexus analysis necessary to fund the various roadway, transit and ITS improvements needed to accommodate the traffic generated new development.



CYNTHIA J. KURTZ
City Manager



Agenda Report

TO: CITY COUNCIL

DATE: MAY 9, 2005

THROUGH: FINANCE COMMITTEE

FROM: CITY MANAGER

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH PACIFIC MUNICIPAL CONSULTANTS TO PERFORM NEW DEVELOPMENT IMPACT FEE AND TRAFFIC IMPACT FEE STUDIES FOR A NOT TO EXCEED AMOUNT OF \$68,310 AND APPROPRIATION OF FUNDS FOR SAID CONTRACT

RECOMMENDATION

It is recommended that the City Council:

1. Authorize the City Manager to enter into a contract with Pacific Municipal Consultants to perform traffic impact fee and new development impact fee studies, in an amount not to exceed \$68,310; and
2. Approve a journal voucher recognizing and appropriating \$68,310 of New Development Impact Fee Fund revenue to the Transportation Administration budget account (8115-101-771100).

BACKGROUND

On October 20, 2004 staff issued a Request for Proposal (RFP) seeking the services of a qualified firm to update the existing commercial development impact fee (known as the New Development Impact Fee) and create a residential development impact fee. Pasadena currently assesses the New Development Impact Fee on commercial development projects to help mitigate the traffic impacts of new commercial or industrial development on the City's transportation infrastructure. The City does not impose such a fee on residential developments. Such a fee could be used to reduce off-site car trips and protect neighborhoods from increased traffic and to mitigate the impact of traffic from residential developments on the larger transportation system.

The study and analysis will consist of four components:

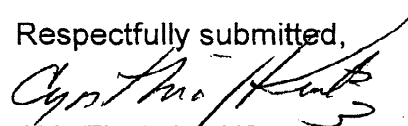
1. The creation of a residential development transportation impact fee to mitigate traffic impacts created by single-family and multi-family residential dwelling units;
2. A review of the existing New Development Impact Fee and recommendations to update it to ensure the fee assessed is appropriate;
3. A nexus study to prove the validity of the recommended methodology for both fees and the relationship between the residential, commercial and industrial development and the fees collected; and
4. A comparative study of fee amounts and methodologies used by various comparable cities in Southern California.

Four firms responded and were evaluated based on the criteria set forth in the RFP. The evaluation committee consisted of four staff members (two from the Public Works Department and two from the Transportation Department) and one member of the Transportation Advisory Commission. Based on the evaluation, which is summarized in Attachment A, Pacific Municipal Consultants was determined to be best qualified to perform the needed services. The study will take approximately five months to complete.

FISCAL IMPACT

With the approval of the journal voucher, sufficient funds will be available to conduct this study. Creation and implementation of new fees is expected to generate revenue to mitigate traffic impacts resulting from new commercial and residential development in Pasadena.

Respectfully submitted,



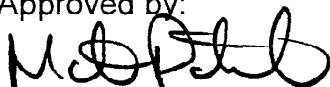
CYNTHIA J. KURTZ
City Manager

Prepared by:



Brenda E. Harvey-Williams
Finance and Management Services Administrator
Department of Public Works

Approved by:



Martin Pastucha, Director
Department of Public Works

Attachment A

PROPOSER RANKINGS

PROPOSER	Experience and Capabilities (45 points)		Cost (20 points)	Turnaround		References (15 points)	Local Business Preference (5 points)	Small & Micro-Business Preference (5 points)	TOTAL
				Schedule (10 points)					
Muni Financial	19		8	8		10	0	0	44
Brion & Associates	36		15	8		15	0	5	80
Pacific Municipal Consultants	42		19	10		15	0	0	85
IBI Group	17		12	8		10	0	0	47