



AGENCY: City Council  
MEETING DATE: November 14, 2022  
DEPARTMENT: Public Works  
PRESENTED BY: Chantell O'Neal  
EMAIL ADDRESS: [coneal@fortbragg.com](mailto:coneal@fortbragg.com)

## AGENDA ITEM SUMMARY

### **TITLE:**

**Receive Report and Consider Adoption of City Council Resolution Approving Budget Amendment 2022/23-07 and Awarding Professional Services Agreement to Lechowicz & Tseng for the Preparation of an Impact Fee Nexus Study and Authorizing City Manager to Execute Contract (Amount Not to Exceed \$59,985; Account No. 610-4612-0319 & 710-4712-0319)**

### **ISSUE:**

On September 12, 2022, City Council reviewed and approved the Request for Proposals (RFP) for the preparation of an Impact Fee Study. This RFP commenced in response to the recent fee schedule update when staff learned about the passage of Assembly Bill (AB) 602, which created some new requirements for passing changes to impact fees for water, sewer, and storm drains. To ensure these fees remain consistent with the goal that fees for City services are sufficient to fully recover the cost of providing these services, staff recommended that a new nexus study be performed.

On October 20, 2022, the City received three proposals for completing the Nexus study. The Public Works Department reviewed the proposals and recommended that Lechowicz & Tseng be selected as the firm for the project.

### **ANALYSIS:**

All three proposals were timely and all firms were well qualified to complete this study. Staff feels strongly that Lechowicz & Tseng is well qualified to perform the work, their proposal was well organized, provided a concise timeline, and they were diligent in corresponding with staff through the pre-proposal solicitation phase, asking questions and ensuring delivery of their proposal. Lechowicz & Tseng's proposal was the lowest cost, they have experience working with small cities like ours, and their references gave great reviews about their work and future networking potential.

AB 602 went into effect in January 2022, and this study was not included in the FY 2022/2023 budget. Attached to this report and Resolution is a budget amendment to utilize money from the water and wastewater enterprise to cover the cost of the study.

### **RECOMMENDED ACTION:**

Adopt a resolution approving Budget Amendment 2022/23-07 and awarding a Professional Services Agreement to Lechowicz & Tseng for the preparation of an Impact Fee Nexus Study and authorize the City Manager to execute the contract.

### **ALTERNATIVE ACTION(S):**

1. Adopt a resolution approving a Professional Services Agreement with an alternate firm.

2. Reject all proposals and solicit a new Request for Proposals (RFPs).

**FISCAL IMPACT:**

The proposed budget amendment is for \$59,985 and utilizes money from the water and sewer enterprises, which have sufficient funds to cover the costs.

**GREENHOUSE GAS EMISSIONS IMPACT:**

N/A

**CONSISTENCY:**

The goal of this study is to ensure consistency with AB 602 in order to propose modifications to capital impact fees. The study will analyze the cost of service and demand to calculate fees that ensure the City has a policy where “growth pays its own way” and shifts the burden of funding infrastructure expansion away from existing rate payers and taxpayers.

**IMPLEMENTATION/TIMEFRAMES:**

The professional services agreement will be signed and go into effect after adoption of the resolution and approval of the budget amendment. The study will be prepared over the next 20-26 weeks and includes a presentation to City Council with recommendations and findings in late Spring 2023.

**ATTACHMENTS:**

1. Resolution to Approve Professional Services Agreement and Budget Amendment
2. RFP Response List
3. Professional Services Agreement with Lechowicz & Tseng
4. Budget Amendment

**NOTIFICATION:**

1. DTA, Project Contact - Kuda Wekwete
2. Willdan, Managing Principal - James Edison
3. Lechowicz & Tseng Municipal Consultants, Principal-in-Charge – Alison Lechowicz