



Community Development

919 Palm Street, San Luis Obispo, CA 93401-3218
805.781.7170
slocity.org

COMMUNITY DEVELOPMENT DEPARTMENT

Notice Requesting Proposals for Consultant Services

CAPITAL FACILITIES FEE PROGRAM NEXUS STUDY Specification No. 91536

NOTICE IS HEREBY GIVEN that the City of San Luis Obispo is requesting sealed proposals for services to prepare the City's **Capital Facilities Fee Program Nexus Study** pursuant to **Specification No. 91536**. All proposals must be received by the Finance Department by 3:00 p.m. on December 22, 2016, when they will be opened publicly in the Council Chambers, 990 Palm Street, San Luis Obispo, CA 93401.

Proposals received after said time will not be considered. To guard against premature opening, each proposal shall be submitted to the Finance Department in a sealed envelope plainly marked with the proposal title, specification number, proposer name, and time and date of the proposal opening. Proposals shall be submitted using the forms provided in the specification package.

Specification packages and additional information may be obtained by contacting Xzandrea Fowler at (805) 781-7274 or via email at xfowler@slocity.org.



The City of San Luis Obispo is committed to including disabled persons in all of our services, programs and activities. Telecommunications Device for the Deaf (805) 781-7410.

Specification No.

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A. INTRODUCTION

The City of San Luis Obispo is seeking proposals from a qualified land use economics consultant or consulting firms to prepare an update to the City's existing Transportation and Parks development impact fee programs and to develop new impact fee programs for General Government and Public Safety facilities, consistent with the requirements of the Mitigation Fee Act, Government Code §§ 66000 et seq. It is anticipated that these four categories of fees will be part of a Citywide Capital Facilities Fee (CFF) Program, with a time horizon of 2035, which is consistent with the City's General Plan.

By way of this undertaking, the City is seeking to generate fee revenue to mitigate the impacts on the City's facilities attributable to new development. In addition, the City wants the CFF Program to achieve the following objectives:

1. **Sustainable.** The primary objective of this Fee Program Study is to generate revenue to mitigate the impacts of new development so that the City has the resources necessary to serve new development without adversely impacting existing development.
2. **Feasible.** While the City wants to generate sufficient revenue to mitigate the impacts of new development, overall fee levels should not exceed standard burdens of development feasibility.
3. **Well-Documented.** The underlying assumptions and calculations should be presented in a manner that is straightforward and easy to follow and update as needed.
4. **Transparent.** The CFF Program should be simple to understand both in terms of the fee levels and which fees apply to which projects.
5. **Consistent.** To the extent possible, the City would like to achieve some degree of consistency in terms of fee levels among the City's growth areas.
6. **Ease of administration.** The CFF Program should be straight-forward for City staff to administer and update.

CITY'S FEE PROGRAMS BACKGROUND

The City's fee programs represent one of the City's primary methods for financing infrastructure improvements, particularly in the growth areas of the City. During the past 20-plus years, the City has adopted multiple development impact fees that apply throughout the City including a transportation impact fee, a **water** impact fee, a wastewater impact fee (the water and wastewater fees are connection charges), an affordable housing inclusionary requirement and in-lieu fee, a public art impact fee, and a park impact fee (an in-lieu of dedication of parkland).¹

¹ There is also a parking in-lieu fee for the Central Commercial Zone. See Chapter 4.30 of the Municipal Code for specifics.

The City has also adopted “sub area” development impact fees for its specific plan areas including the following:

Margarita Area Specific Plan

- Margarita Area Specific Plan Sub Area Transportation Impact Fee
- Margarita Area Specific Plan Parkland Impact Fee

Airport Area Specific Plan²

- Airport Area Specific Plan Sub Area Transportation Impact Fee

Orcutt Area Specific Plan

- Orcutt Area Specific Plan Sub Area Transportation Impact Fee
- Orcutt Area Specific Plan Area Park Improvement Fee

Los Osos Valley Road Sub Area

- Los Osos Valley Road Sub Area Transportation Impact Fee

Incremental evolution in the City’s existing development impact fee programs have resulted in a complex system of base fees, sub area fees, geographic fee variation, and land use inconsistencies. During the past 20-plus years, the City’s impact fee programs have evolved to respond to growth and development patterns, changing development standards and infrastructure requirements. The overall outcome of these incremental changes has resulted in a complex system that warrants detailed consideration from the perspectives of clarity and efficiency as well as fee level balance (by geography and land use) and consistency with City’s economic development goals.

² There is also an Open Space In Lieu Fee that applies to new development in the Airport Area Specific Plan area, which is not included here as it is not strictly an impact fee.

B. SCOPE OF WORK

1. FORMAT

This Study will result in a Citywide CFF Program with *supplemental* (rather than *instead of*) area-specific fees as needed and only if supported by nexus logic. The CFF Program will include the following four categorical subcomponents:

1. Transportation
2. Parkland and Park Improvements
3. General Government
4. Public Safety

No updates to the City's water and wastewater connection fees, the in-lieu affordable housing fee or the in-lieu public art fee are contemplated as part of this Study, although these fees, as well as impact fees assessed by the San Luis Obispo School District, should be included in the analysis of economic considerations and overall feasibility.

2. SCOPE CONSIDERATIONS

This RFP does not prescribe specific tasks or even a task structure; rather, known issues and considerations are described below. The consultant should propose an approach and a logical series of specific tasks from project initiation through Council approval of the Final CFF Program Nexus Study that, at a minimum, address the issues below.

Potential Improvements and Cost Estimates

The City has a working list of candidate improvements for potential inclusion in the CFF Program. Working from this list, the consultant should anticipate working iteratively with City staff to arrive at a refined list of prioritized improvements for inclusion in the CFF. This process of refining and prioritizing the list of improvements will reflect a number of policy and technical considerations. For example, the list of improvements should reflect the City's overall funding and financing policies (adopted on August 18, 2016).

Through technical analysis, particularly in the case of transportation improvements, the consultant will be responsible for working with City staff to identify whether the improvements are more appropriately assigned to the Citywide program or a Specific Plan Area program based on the area of benefit. To the extent it is supported by the technical analysis, the City is interested in potentially collapsing subarea fees in support of a more Citywide/regional focus to support cost spreading. The consultant also will be responsible for working with City staff to determine how to allocate the costs of each improvement to new development (versus existing development) and whether there may be other funding sources available. Cost estimates are available for some of the candidate improvements, but for other improvements, it is expected

that the consultant will be responsible for providing cost estimates. The consultant should indicate that cost estimating services are reflected in the composition of the consulting team.

The consultant's proposed scope of work should reflect an iterative process that involves refining the project list if the preliminary fee levels are found to be infeasible.

Growth Projections

Future increase in the City's population and employment contribute to the demand for new public facilities and infrastructure. As part of the technical effort a Citywide development forecast will be prepared encompassing the land uses that will be subject to the development impact fees. The City's General Plan and specific plans include residential and commercial growth projections through 2035 (e.g., population, residential units, employment, and commercial square feet by land use type) that can serve as a basis of the growth forecast. The available growth projections should be compared with a current market-based development forecast and refined as may be necessary.

Nexus Analysis

The core of the Nexus Study is a technical analysis, consistent with the requirements of the Mitigation Fee Act, Government Code §§ 66000 et seq. that links the need for new infrastructure to the demands created by new development in the City. This nexus analysis provides the technical justification for the findings that the City Council must make in adopting the development impact fee ordinances and related fee-setting resolutions.

Land Use Categories

One of the City's objectives is to simplify the land use categories used in the existing development impact fees and to improve the consistency between the Citywide land uses and the Specific Plan Area land uses.

Discounts and Waivers

Currently, there are policy-based discounts in place for retail and hotel uses (discount of 50%) in broad consideration of the fiscal revenues these uses generate. The consultant should anticipate working with City staff to determine whether these discounts are still appropriate and/or whether other discounts/waivers should be included, acknowledging and addressing that discounts and waivers can result in an under-funded fee program.

Economic Considerations

It is unlikely that impact fee revenue will be sufficient to address new development infrastructure needs as currently envisioned. As noted previously, the consultant should anticipate working with City staff to refine the project lists and costs estimates and prioritize improvement items to balance revenue generation and economic feasibility considerations. One of the City's objectives is to keep impact fee levels within reasonable burden limits (i.e., within a certain percentage of development costs and/or value), and this should be evaluated as part of the Study.

In addition, the City would like to know how the proposed fee levels compare with other benchmark jurisdictions, such as the County, Arroyo Grande, Atascadero, Pismo Beach and Paso Robles.

Fee Accounting and Administration

Fee Accounting

The consultant should evaluate the City's current system of fee accounting and administration and recommend an improved approach, consistent with the Mitigation Fee Act and standard principles of accounting.

Credits and Reimbursements

Consistent with the City's overall funding and financing policies, the CFF Study should address credits and reimbursements for oversizing and recommend a policy for future Reimbursement Agreements.

Annual Reports

The CFF Study should recommend best practices for annual reports to the City Council.

Annual Updates

Currently, fee levels increase each year in accordance with the Consumer Price Index (CPI). The consultant should address whether CPI remains the preferred basis for annual increases or whether another index is preferred.

Development Impact Fee Ordinances and Fee Setting Resolutions

Concurrent with preparation of the Nexus Study, it will be necessary to review the City's existing set of development impact fee ordinances and fee setting resolutions. In collaboration with the City Attorney, any necessary changes to the existing ordinances should be determined. The resulting new ordinances (assuming changes are needed) should enable the City to adopt fee schedules via Resolution, which is typically updated annually to reflect inflationary increases in infrastructure costs.

Nexus Findings and Council Approval

As part of the CFF Study, the selected consultant will develop nexus-based findings consistent with the requirements of the Mitigation Fee Act for Council consideration. The consultant should plan on attending a minimum of two Council meetings during the course of the Study: first to present the Draft CFF Nexus Study and the second to present the Final CFF Nexus Study and companion ordinance(s) and fee-setting resolutions for adoption.

C. PROJECT SCHEDULE AND DELIVERABLES

The City anticipates project initiation in February 2017 and an overall study duration of not more than 12 months. A nine-month schedule is preferred.

In addition to the two Council meetings to present the Draft and Final CFF Nexus Studies, which are explicitly identified above, the consultant also should plan on presenting the Draft Study to the Planning Commission and the Park Commission. City staff will take the lead on organizing the necessary stakeholder outreach; but the consultant should plan on supporting the City's outreach efforts and provide scope/budget for three public outreach meetings.

The consultant's scope should clearly address the following:

- The number and timing of meetings with City staff and whether those meetings will be in-person or by phone/video conference.
- Interim deliverables and points at which City staff feedback will be needed.

D. PROJECT BUDGET

A budget of \$125,000 is earmarked for consultant services and contingency for this project.

E. AVAILABLE RESOURCES

Document	Location
General Plan of San Luis Obispo City (Land Use, Circulation, Noise, Safety, Water and Wastewater, Conservation and Open Space, Housing, and Parks and Recreation Elements)	http://www.slocity.org/government/department-directory/community-development/planning-zoning/general-plan
Existing Nexus Studies and Associated Staff Reports	http://opengov.slocity.org/weblink/1/doc/17430/Page1.aspx http://opengov.slocity.org/weblink/1/doc/17394/Page1.aspx http://opengov.slocity.org/weblink/1/doc/17360/Page1.aspx
Overall Funding and Financing Policies (Adopted on August 18, 2016)	http://opengov.slocity.org/weblink/1/doc/59712/Page1.aspx
Economic Development Strategic Plan and Appendix A: Background Report	http://www.slocity.org/home/showdocument?id=4901 http://www.slocity.org/home/showdocument?id=4903
2015-17 Financial Plan	http://www.slocity.org/Home/ShowDocument?id=7561

Capital Improvement Plan (CIP), including Master List of long-term CIP projects	http://www.slocity.org/Home/ShowDocument?id=7563
Fire Master Plan	http://www.slocity.org/home/showdocument?id=4618
Airport Area Specific Plan	http://www.slocity.org/home/showdocument?id=4294
Orcutt Area Specific Plan	http://www.slocity.org/home/showdocument?id=4262
Margarita Area Specific Plan	http://www.slocity.org/home/showdocument?id=4070
Traffic Model	http://www.slocity.org/government/department-directory/public-works/programs-and-services-/transportation-planning-and-engineering/traffic-study-resources
List of Improvements and Cost Estimates (where available)	Contact City Staff
Impact Fee Program Evaluation, EPS, 2014	http://www.slocity.org/home/showdocument?id=4905

SECTION F

GENERAL TERMS AND CONDITIONS

PROPOSAL REQUIREMENTS

1. **Requirement to Meet All Provisions.** Each individual or firm submitting a proposal (proposer) shall meet all of the terms, and conditions of the Request for Proposals (RFP) specifications package. By virtue of its proposal submittal, the proposer acknowledges agreement with and acceptance of all provisions of the RFP specifications.
2. **Proposal Submittal.** Each proposal must be submitted on the form(s) provided in the specifications and accompanied by any other required submittals or supplemental materials. Proposal documents shall be enclosed in an envelope that shall be sealed and addressed to the Department of Finance, City of San Luis Obispo, 990 Palm Street, San Luis Obispo, CA, 93401. In order to guard against premature opening, the proposal should be clearly labeled with the proposal title, specification number, name of proposer, and date and time of proposal opening. No FAX submittals will be accepted.
3. **Insurance Certificate.** Each proposal must include a certificate of insurance showing:
 - a. The insurance carrier and its A.M. Best rating.
 - b. Scope of coverage and limits.
 - c. Deductibles and self-insured retention.

The purpose of this submittal is to generally assess the adequacy of the proposer's insurance coverage during proposal evaluation; as discussed under paragraph 12 below, endorsements are not required until contract award. The City's insurance requirements are detailed in Section E.

4. **Proposal Quotes and Unit Price Extensions.** The extensions of unit prices for the quantities indicated and the lump sum prices quoted by the proposer must be entered in figures in the spaces provided on the Proposal Submittal Form(s). Any lump sum bid shall be stated in figures. The Proposal Submittal Form(s) must be totally completed. If the unit price and the total amount stated by any proposer for any item are not in agreement, the unit price alone will be considered as representing the proposer's intention and the proposal total will be corrected to conform to the specified unit price.
5. **Proposal Withdrawal and Opening.** A proposer may withdraw its proposal, without prejudice prior to the time specified for the proposal opening, by submitting a written request to the Director of Finance for its withdrawal, in which event the proposal will be returned to the proposer unopened. No proposal received after the time specified or at any place other than that stated in the "Notice Inviting Bids/Requesting Proposals" will be considered. All proposals will be opened and declared publicly. Proposers or their representatives are invited to be present at the opening of the proposals.
6. **Submittal of One Proposal Only.** No individual or business entity of any kind shall be allowed to make or file, or to be interested in more than one proposal, except an alternative proposal when specifically requested; however, an individual or business entity that has submitted a sub-proposal to a proposer submitting a proposal, or who has

quoted prices on materials to such proposer, is not thereby disqualified from submitting a sub-proposal or from quoting prices to other proposers submitting proposals.

7. **Cooperative Purchasing.** During the term of the contract, the successful proposer will extend all terms and conditions to any other local governmental agencies upon their request. These agencies will issue their own purchase orders, will directly receive goods or services at their place of business and will be directly billed by the successful proposer.
8. **Communications.** All timely requests for information submitted in writing will receive a written response from the City. Telephone communications with City staff are not encouraged, but will be permitted. However, any such oral communication shall not be binding on the City.

CONTRACT AWARD AND EXECUTION

9. **Proposal Retention and Award.** The City reserves the right to retain all proposals for a period of 60 days for examination and comparison. The City also reserves the right to waive non-substantial irregularities in any proposal, to reject any or all proposals, to reject or delete one part of a proposal and accept the other, except to the extent that proposals are qualified by specific limitations. See the "special terms and conditions" in Section C of these specifications for proposal evaluation and contract award criteria.
10. **Competency and Responsibility of Proposer.** The City reserves full discretion to determine the competence and responsibility, professionally and/or financially, of proposers. Proposers will provide, in a timely manner, all information that the City deems necessary to make such a decision.
11. **Contract Requirement.** The proposer to whom award is made (Contractor) shall execute a written contract with the City within ten (10) calendar days after notice of the award has been sent by mail to it at the address given in its proposal. The contract shall be made in the form adopted by the City and incorporated in these specifications.
12. **Insurance Requirements.** The Contractor shall provide proof of insurance in the form, coverages and amounts specified in Section E of these specifications within 10 (ten) calendar days after notice of contract award as a precondition to contract execution.
13. **Business License & Tax.** The Contractor must have a valid City of San Luis Obispo business license and tax certificate before execution of the contract. Additional information regarding the City's business license and tax program may be obtained by calling (805) 781-7134.

CONTRACT PERFORMANCE

14. **Ability to Perform.** The Contractor warrants that it possesses, or has arranged through subcontracts, all capital and other equipment, labor, materials, and licenses necessary to carry out and complete the work hereunder in compliance with any and all federal, state, county, city, and special district laws, ordinances, and regulations.
15. **Laws to be Observed.** The Contractor shall keep itself fully informed of and shall observe and comply with all applicable state and federal laws and county and City of

- San Luis Obispo ordinances, regulations and adopted codes during its performance of the work.
16. **Payment of Taxes.** The contract prices shall include full compensation for all taxes that the Contractor is required to pay.
 17. **Permits and Licenses.** The Contractor shall procure all permits and licenses, pay all charges and fees, and give all notices necessary.
 18. **Safety Provisions.** The Contractor shall conform to the rules and regulations pertaining to safety established by OSHA and the California Division of Industrial Safety.
 19. **Public and Employee Safety.** Whenever the Contractor's operations create a condition hazardous to the public or City employees, it shall, at its expense and without cost to the City, furnish, erect and maintain such fences, temporary railings, barricades, lights, signs and other devices and take such other protective measures as are necessary to prevent accidents or damage or injury to the public and employees.
 20. **Preservation of City Property.** The Contractor shall provide and install suitable safeguards, approved by the City, to protect City property from injury or damage. If City property is injured or damaged resulting from the Contractor's operations, it shall be replaced or restored at the Contractor's expense. The facilities shall be replaced or restored to a condition as good as when the Contractor began work.
 21. **Immigration Act of 1986.** The Contractor warrants on behalf of itself and all subcontractors engaged for the performance of this work that only persons authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986 and other applicable laws shall be employed in the performance of the work hereunder.
 22. **Contractor Non-Discrimination.** In the performance of this work, the Contractor agrees that it will not engage in, nor permit such subcontractors as it may employ, to engage in discrimination in employment of persons because of age, race, color, sex, national origin or ancestry, sexual orientation, or religion of such persons.
 23. **Work Delays.** Should the Contractor be obstructed or delayed in the work required to be done hereunder by changes in the work or by any default, act, or omission of the City, or by strikes, fire, earthquake, or any other Act of God, or by the inability to obtain materials, equipment, or labor due to federal government restrictions arising out of defense or war programs, then the time of completion may, at the City's sole option, be extended for such periods as may be agreed upon by the City and the Contractor. In the event that there is insufficient time to grant such extensions prior to the completion date of the contract, the City may, at the time of acceptance of the work, waive liquidated damages that may have accrued for failure to complete on time, due to any of the above, after hearing evidence as to the reasons for such delay, and making a finding as to the causes of same.
 24. **Payment Terms.** The City's payment terms are 30 days from the receipt of an original invoice and acceptance by the City of the materials, supplies, equipment or services provided by the Contractor (Net 30). All expenditures must be itemized. For each expenditure of \$500 or more, copies of supporting documentation (time sheets, payroll stubs, receipts, etc.) must be submitted with the invoice.

25. **Inspection.** The Contractor shall furnish City with every reasonable opportunity for City to ascertain that the services of the Contractor are being performed in accordance with the requirements and intentions of this contract. All work done and all materials furnished, if any, shall be subject to the City's inspection and approval. The inspection of such work shall not relieve Contractor of any of its obligations to fulfill its contract requirements.
26. **Audit.** The City shall have the option of inspecting and/or auditing all records and other written materials used by Contractor in preparing its invoices to City as a condition precedent to any payment to Contractor.
27. **Interests of Contractor.** The Contractor covenants that it presently has no interest, and shall not acquire any interest—direct, indirect or otherwise—that would conflict in any manner or degree with the performance of the work hereunder. The Contractor further covenants that, in the performance of this work, no subcontractor or person having such an interest shall be employed. The Contractor certifies that no one who has or will have any financial interest in performing this work is an officer or employee of the City. It is hereby expressly agreed that, in the performance of the work hereunder, the Contractor shall at all times be deemed an independent contractor and not an agent or employee of the City.
28. **Indemnification for Professional Liability.** *To the fullest extent permitted by law, the Consultant shall indemnify, protect, defend and hold harmless the City and any and all of its officials, employees and agents (“Indemnified Parties”) from and against any and all losses, liabilities, damages, costs and expenses, including attorney’s fees and cost which arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant.*
29. **Contract Assignment.** The Contractor shall not assign, transfer, convey or otherwise dispose of the contract, or its right, title or interest, or its power to execute such a contract to any individual or business entity of any kind without the previous written consent of the City.
30. **Termination.** If, during the term of the contract, the City determines that the Contractor is not faithfully abiding by any term or condition contained herein, the City may notify the Contractor in writing of such defect or failure to perform. This notice must give the Contractor a 10 (ten) calendar day notice of time thereafter in which to perform said work or cure the deficiency.

If the Contractor has not performed the work or cured the deficiency within the ten days specified in the notice, such shall constitute a breach of the contract and the City may terminate the contract immediately by written notice to the Contractor to said effect. Thereafter, neither party shall have any further duties, obligations, responsibilities, or rights under the contract except, however, any and all obligations of the Contractor's surety shall remain in full force and effect, and shall not be extinguished, reduced, or in any manner waived by the termination thereof.

In said event, the Contractor shall be entitled to the reasonable value of its services performed from the beginning date in which the breach occurs up to the day it received the City's Notice of Termination, minus any offset from such payment representing the

City's damages from such breach. "Reasonable value" includes fees or charges for goods or services as of the last milestone or task satisfactorily delivered or completed by the Contractor as may be set forth in the Agreement payment schedule; compensation for any other work, services or goods performed or provided by the Contractor shall be based solely on the City's assessment of the value of the work-in-progress in completing the overall work scope.

The City reserves the right to delay any such payment until completion or confirmed abandonment of the project, as may be determined in the City's sole discretion, so as to permit a full and complete accounting of costs. In no event, however, shall the Contractor be entitled to receive in excess of the compensation quoted in its proposal.

The City also may terminate this contract at any time by giving the Contractor written notice of such termination. Immediately upon receipt of notice of termination, Contractor shall discontinue work on the project and incur no further obligations or expenses. Contractor shall be paid the percentage of the total cost that corresponds to the percentage of the document(s) that are satisfactorily completed prior to the Contractor's receipt of said termination.

SECTION G

SPECIAL TERMS AND CONDITIONS

1. **Proposal Content.** Your proposal must include the following information:

Submittal Forms

- a. Proposal submittal summary.
- b. Certificate of insurance.
- c. References from at least three firms for whom you have provided similar services.

Qualifications

- d. Experience of your firm and those of sub-consultants in performing similar services. Provide names, along with brief bios, resumes and anticipated roles of the key staff.
- e. Provide three to five detailed project profiles (include Project Name and Location, Project Description, Role or Scope of Work, and Project Reference).
- f. Resumes of the individuals who would be assigned to this project, including any sub-consultants.
- g. Standard hourly billing rates for the assigned staff, including any sub-consultants.
- h. Statement and explanation of any instances where your firm or sub-consultant has been removed from a project or disqualified from proposing on a project.

Work Program

- i. Description of your approach and anticipated methodology that will inform and successfully guide the process.
- j. Tentative schedule by phase and task for completing the work. Please link task to deliverables and meetings.
- k. Estimated hours for your staff in performing each major phase of the work, including sub-consultants.
- l. Services or data to be provided by the City.
- m. Any other information that would assist us in making this contract award decision.
- n. Description of assumptions critical to development of the response which may impact cost or scope.

Proposal Length and Copies

- o. Proposal length is not limited to a number of pages, however should only be as long as required to be responsive to the RFP, including attachments and supplemental materials.
- p. **Eight** copies of the proposal must be submitted along with a CD.
- q. Two-sided printing is required.

2. **Proposal Evaluation and Consultant Selection.** Proposals will be evaluated by a review committee and contract award process as follows:

Phase 1 – Written Proposal Review/Finalist Candidate Selection

The proposals will be evaluated based on the following criteria as evidenced in their written proposals:

- a. Understanding of the work required by the City.
- b. Quality, clarity and responsiveness of the proposal.
- c. Demonstrated competence and professional qualifications necessary for successfully performing the work required by the City.
- d. Recent team experience in successfully performing similar services.
- e. Proposed approach in completing the work.
- f. References.
- g. Background and experience of the specific individuals to be assigned to this project.
- h. Effective use of City General funds.

Phase 2 – Oral Presentations/Interviews and Consultant Selection (at City's option)

At the City's discretion, a group of finalist candidates may be asked to provide an oral presentation to the review committee and answer questions about their proposal. The purpose of this second phase is two-fold: to clarify and resolve any outstanding questions or issues about the proposal; and to evaluate the proposer's ability to clearly and concisely present information orally. After evaluating the proposals and discussing them further with the finalists or the tentatively selected contractor, the City reserves the right to further negotiate the proposed work scope and/or method and amount of compensation.

Contract award will be based on a combination of factors that represent the best overall value for completing the work scope as determined by the City, including: the written proposal criteria described above; results of background and reference checks; results from the interviews and presentations phase; and proposed compensation.

3. **Proposal Review and Award Schedule.** The following is an outline of the anticipated schedule for proposal review and contract award:

- | | | |
|----|-------------------------------|-------------------|
| a. | Issue RFP | 11/29/16 |
| b. | Receive proposals | 12/22/16 |
| c. | Complete proposal evaluation | 1/13/17 |
| d. | Conduct finalist interviews | 1/16/17 - 1/20/17 |
| e. | Finalize staff recommendation | 1/23/17 |
| f. | Execute contract | 2/3/17 |
| g. | Start work | 2/10/17 |

**OWNERSHIP, DELIVERY AND PRESENTATION OF
WRITTEN OR GRAPHIC PRODUCTS**

4. **Ownership of Materials.** All original drawings, plan documents and other materials prepared by or in possession of the Contractor as part of the work or services under these specifications shall become the permanent property of the City, and shall be delivered to the City upon demand.
 5. **Release of Reports and Information.** Any reports, information, data, or other material given to, prepared by or assembled by the Contractor as part of the work or services under these specifications shall be the property of City and shall not be made available to any individual or organization by the Contractor without the prior written approval of the City.
 6. **Copies of Reports and Information.** If the City requests additional copies of reports, drawings, specifications, or any other material in addition to what the Contractor is required to furnish in limited quantities as part of the work or services under these specifications, the Contractor shall provide such additional copies as are requested, and City shall compensate the Contractor for the costs of duplicating of such copies at the Contractor's direct expense.
 7. **Required Deliverable Products.** The Contractor will be required to provide:
 - a. Five copies of deliverables addressing all elements of the work scope. City staff will review any documents or materials provided by the Contractor and, where necessary, the Contractor will be required to respond to staff comments and make such changes as deemed appropriate.
 - b. One camera-ready original, unbound, each page printed on only one side, including any original graphics in place and scaled to size, ready for reproduction.
 - c. When computers have been used to produce materials submitted to the City as a part of the work scope, the Contractor must provide the corresponding computer files to the City, compatible with the following programs whenever possible unless otherwise directed by the project manager:

• Word Processing	Word 2010
• Spreadsheets	Excel 2010
• Desktop Publishing	InDesign
• Virtual Models	Sketch Up
• Digital Maps	Geodatabase shape files in State Plan Coordinate System as specified by City GIS staff
 8. **Attendance at Meetings and Hearings.** As part of the work scope and included in the contract price is attendance by the Contractor at approximately 6 meetings to present
- Computer files must be on CD-ROM. Each diskette must be clearly labeled and have a printed copy of the directory.

and discuss findings and recommendations, and gather input from the general public, and stakeholder groups. Contractor shall arrange as many "working" meetings/conference calls with staff as necessary to perform work scope tasks.

ALTERNATIVE PROPOSALS

9. **Alternative Proposals.** The proposer may submit an alternative proposal (or proposals) that it believes will also meet the City's project objectives but in a different way. In this case, the proposer must provide an analysis of the advantages and disadvantages of each of the alternatives, and discuss under what circumstances the City would prefer one alternative to the other(s). If an alternative proposal is submitted, the maximum length of the proposal may be expanded proportionately by the number of alternatives submitted.

BID SPECIFICATION LIMITS

10. **Accuracy of Specifications.** The specifications for this project are believed by the City to be accurate and to contain no affirmative misrepresentation or any concealment of fact. Proposers are cautioned to undertake an independent analysis of any test results in the specifications, as City does not guaranty the accuracy of its interpretation of test results contained in the specifications package. In preparing its proposal, the proposer and all subcontractors named in its proposal shall bear sole responsibility for proposal preparation errors resulting from any misstatements or omissions in the plans and specifications that could easily have been ascertained by examining either the project site or accurate test data in the City's possession. Although the effect of ambiguities or defects in the plans and specifications will be as determined by law, any patent ambiguity or defect shall give rise to a duty of proposer to inquire prior to proposal submittal. Failure to so inquire shall cause any such ambiguity or defect to be construed against the proposer. An ambiguity or defect shall be considered patent if it is of such a nature that the proposer, assuming reasonable skill, ability and diligence on its part, knew or should have known of the existence of the ambiguity or defect. Furthermore, failure of the proposer or subcontractors to notify City in writing of specification or plan defects or ambiguities prior to proposal submittal shall waive any right to assert said defects or ambiguities subsequent to submittal of the proposal.

To the extent that these specifications constitute performance specifications, the City shall not be liable for costs incurred by the successful proposer to achieve the project's objective or standard beyond the amounts provided there for in the proposal.

In the event that, after awarding the contract, any dispute arises as a result of any actual or alleged ambiguity or defect in the plans and/or specifications, or any other matter whatsoever, Contractor shall immediately notify the City in writing, and the Contractor and all subcontractors shall continue to perform, irrespective of whether or not the ambiguity or defect is major, material, minor or trivial, and irrespective of whether or not a change order, time extension, or additional compensation has been granted by City. Failure to provide the hereinbefore described written notice within one (1) working day of contractor's becoming aware of the facts giving rise to the dispute shall constitute a waiver of the right to assert the causative role of the defect or ambiguity in the plans or specifications concerning the dispute.

SECTION H

FORM OF AGREEMENT

AGREEMENT

THIS AGREEMENT is made and entered into in the City of San Luis Obispo on [day, date, year] by and between the CITY OF SAN LUIS OBISPO, a municipal corporation, hereinafter referred to as City, and [CONSULTANT'S NAME IN CAPITAL LETTERS], hereinafter referred to as Contractor.

WITNESSETH:

WHEREAS, on [date], City requested proposals for services to prepare the City's **Capital Facilities Fee Program Nexus Study** per Specification No. _____ (project); and

WHEREAS, pursuant to said request, Contractor submitted a proposal that was accepted by City for said project;

NOW THEREFORE, in consideration of their mutual promises, obligations and covenants hereinafter contained, the parties hereto agree as follows:

1. **TERM.** The term of this Agreement shall be from the date this Agreement is made and entered, as first written above, until acceptance or completion of said project.

2. **INCORPORATION BY REFERENCE.** City Specification No. _____ and Consultant's proposal dated [date], are hereby incorporated in and made a part of this Agreement.

3. **CITY'S OBLIGATIONS.** For providing the services as specified in this Agreement, City will pay and Contractor shall receive therefore compensation in a total sum not to exceed [\$ _____]. Consultant shall be eligible for compensation installments after completion of milestone Tasks ____ as shown in the attached scope of work and payment schedule.

4. **CONSULTANT'S OBLIGATIONS.** For and in consideration of the payments and agreements hereinbefore mentioned to be made and performed by City, Contractor agrees with City to do everything required by this Agreement and the said specification as described in Exhibit A (RFP) attached hereto and incorporated into this Agreement and to comply with the terms set forth in Exhibits F, G, and I attached hereto and incorporated into this Agreement.

5. **AMENDMENTS.** Any amendment, modification or variation from the terms of this Agreement shall be in writing and shall be effective only upon approval by the Community Development Director of the City.

6. **COMPLETE AGREEMENT.** This written Agreement, including all writings specifically incorporated herein by reference, shall constitute the complete agreement between the parties hereto. No oral agreement, understanding or representation not reduced to writing and specifically incorporated herein shall be of any force or effect, nor shall any such oral agreement, understanding or representation be binding upon the parties hereto.

7. **NOTICE.** All written notices to the parties hereto shall be sent by United States mail, postage prepaid by registered or certified mail addressed as follows:

City Michael Codron
City of San Luis Obispo
919 Palm Street
San Luis Obispo, CA 93401

Consultant Name
Address

8. **AUTHORITY TO EXECUTE AGREEMENT.** Both City and Contractor do covenant that each individual executing this agreement on behalf of each party is a person duly authorized and empowered to execute Agreements for such party.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed the day and year first above written.

ATTEST: CITY OF SAN LUIS OBISPO

City Clerk

By: _____
Community Development Director

APPROVED AS TO FORM:

CONSULTANT

City Attorney

By: _____
Name of CAO / President
Its: CAO / President

SECTION I

INSURANCE REQUIREMENTS:

Consultant Services

The Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

Minimum Scope of Insurance. Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.
4. Errors and Omissions Liability insurance as appropriate to the consultant's profession.

Minimum Limits of Insurance. Contractor shall maintain limits no less than:

1. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
4. Errors and Omissions Liability: \$1,000,000 per occurrence.

Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The City, its officers, officials, employees, agents and volunteers are to be covered as insureds as respects: liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor; premises owned, occupied or used by the Contractor; or automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, official, employees, agents or volunteers.

2. For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
3. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
4. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII.

Verification of Coverage. Contractor shall furnish the City with a certificate of insurance showing maintenance of the required insurance coverage. Original endorsements effecting general liability and automobile liability coverage required by this clause must also be provided. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by the City before work commences.

SECTION J

PROPOSAL SUBMITTAL FORMS:

Consultants

The undersigned declares that she or he has carefully examined Specification No. 91536, which is hereby made a part of this proposal; is thoroughly familiar with its contents; is authorized to represent the proposing firm; and agrees to perform the specified work for the following cost quoted in full:

Description	2016-17	2017-18
Task 1		
Task 2		
Task 3		
Task 4		
Task 5		
Task 6		
Task 7		
Task 8		
Other Costs (please specify)		
TOTAL	\$	\$

Certificate of insurance attached; insurance company's A.M. Best rating: _____.

Firm Name and Address

<i>Contact</i>	<i>Phone</i>

Signature of Authorized Representative

	<i>Date</i>
--	-------------

REFERENCES

Number of years engaged in providing the services included within the scope of the specifications under the present business name:_____.

Describe fully the last three contracts performed by your firm that demonstrate your ability to provide the services included with the scope of the specifications. Attach additional pages if required. The City reserves the right to contact each of the references listed for additional information regarding your firm's qualifications.

Reference No. 1

Customer Name	
Contact Individual	
Telephone & FAX number	
Street Address	
City, State, Zip Code	
Description of services provided including contract amount, when provided and project outcome	

Reference No. 2

Customer Name	
Contact Individual	
Telephone & FAX number	
Street Address	
City, State, Zip Code	
Description of services provided including contract amount, when provided and project outcome	

Reference No. 3

Customer Name	
Contact Individual	
Telephone & FAX number	
Street Address	
City, State, Zip Code	
Description of services provided including contract amount, when provided and project outcome	

STATEMENT OF PAST CONTRACT DISQUALIFICATIONS

The proposer shall state whether it or any of its officers or employees who have a proprietary interest in it, has ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of the violation of law, a safety regulation, or for any other reason, including but not limited to financial difficulties, project delays, or disputes regarding work or product quality, and if so to explain the circumstances.

- ***Do you have any disqualification as described in the above paragraph to declare?***

Yes No

- ***If yes, explain the circumstances.***

Executed on _____ at _____
under penalty of perjury of the laws of the State of California, that the foregoing is true and correct.

Signature of Authorized Proposer Representative