

FAUQUIER COUNTY, a political subdivision of the Commonwealth of Virginia

Contract # 105-16smc, Cash Proffer Study and Model/Policy

(Riding City of Suffolk RFP2011-00688 Agreement dated 7/18/11)

This Agreement is made and entered into this 10th day of June 2016, by Fauquier County, a political subdivision of the Commonwealth of Virginia hereinafter referred to as "Owner" and, **TischlerBise**, located at **4701 Sangamore Road, Suite S240, Bethesda, MD** hereinafter referred to as "Consultant".

WITNESSETH that the Consultant and the Owner, in consideration of the mutual covenants, promises and agreements herein contained, agree as follows:

SCOPE OF SERVICES: The Consultant shall provide Cash Proffer Study and Model-Policy services to the Owner as set forth in the Contract Documents.

INSURANCE: By signing this contract, the Consultant agrees they will have the insurance coverage specified on the attached Insurance Checklist at the time the work commences and certifies that it will maintain all required insurance coverage during the entire term of the contract, and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission. The Consultant shall furnish the certificate of insurance for the coverage required within five business days of full contract execution.

COMPENSATION: The Owner will pay and the Consultant will accept in full consideration for services rendered during the contract term, Ninety-six thousand nine hundred eighty dollars (\$96,980.00 per the attached proposal inclusive of fee schedule.

CONTRACT PERIOD: The Consultant shall perform and complete all tasks associated with this Agreement within four (4) months of receipt of Notice to Proceed, in accordance with the schedule provided in the attached proposal.

The contract documents shall consist of and are listed in order of priority:

- (1) This signed form inclusive of the Consultant's Proposal dated June 7, 2016 and Owner Insurance Checklist;
- (2) Consultant's City of Suffolk Agreement dated 7/18/11, resulting from City of Suffolk's RFP 2011-00688 dated 4/25/11 and the Consultant's Proposal response to that RFP dated May 20, 2011.

IN WITNESS WHEREOF, the parties have caused this Contract to be duly executed intending to be bound thereby.

TischlerBise

County of Fauquier, a political subdivision of the Commonwealth of Virginia

By: 

By: 
Susan R. Monaco, CPPO, CPPB

Title: President

Title: Procurement Manager

Date: 6/10/16

Date: 6/13/2016

FAUQUIER COUNTY CAPITAL IMPACT STUDY AND MODEL

June 7, 2016

PROJECT UNDERSTANDING

It is TischlerBise’s understanding that Fauquier County would like a Capital Impact Study and Model developed to determine the cost to the county to mitigate re-zonings’ impacts on the need for capital facilities. The capital facilities to be addressed as part of this effort are: Public Schools, Fire, Sheriff, Parks, Water, and Sewer.

Cash proffers are one-time voluntary monetary commitments made at the time of rezoning to offset the impact on public facilities from the rezoning. The funds collected from cash proffers are used to construct capital improvements to maintain levels of service to serve new development. Funds can only be used for capital improvements that provide additional capacity, not operations or maintenance. Cash proffer amounts represent new growth’s fair share of capital facility needs and are calculated using level of service standards to account for infrastructure that may currently have excess capacity. Cash proffers cannot be used to correct existing deficiencies and are calculated as such.

The County wishes to conduct a Capital Impact Study to determine new growth’s impact and as part of the Study have a Model developed to analyze re-zonings on a case-by-case basis. The Capital Impact Model will be developed in a user-friendly format (i.e., Excel and Visual Basic) to allow for use by the County or TischlerBise in evaluating re-zoning applications on a case-by-case basis.¹ At this time, the implementation of the capital impact evaluation process is not known, therefore this scope allows for some flexibility regarding the end user. This approach is in response to recent changes to Virginia Cash Proffer legislation, which delineates additional requirements on the process to implement and collect cash proffers.²

PROPOSED SCOPE OF WORK

The following scope of work provides detailed steps to ensure the Fauquier County Capital Impact Project is completed successfully. We have designed this scope of work to be responsive to the County’s specific needs.

This proposal from TischlerBise is to provide the services as noted in the Scope of Work below, which is based on TischlerBise’s Suffolk, Virginia, Agreement dated 7/18/11, resulting from Suffolk’s RFP 2011-00688 dated 4/25/11. The Suffolk, Virginia, Agreement is the method of providing services and pricing to Fauquier County.

TASK 1: PROJECT INITIATION / DATA ACQUISITION, COMPILATION, AND REVIEW

Description: The purpose of this task is to develop a complete understanding of the County’s land use planning issues as well as begin to identify policy issues related to the County’s current cash proffer program. In addition, this task will serve as an opportunity for TischlerBise to conduct project “kick-off” activities. During this task, we will meet with County staff to establish lines of communication, review, discuss, and refine project goals and County policies related to the project, review the project schedule (and revise if

¹ The Capital Impact Model will be proprietary and subject to a Licensing Agreement and therefore not available to the general public or applicants.

² Virginia Code §15.2-2303.4.

necessary), and to request data and documentation related to the project. The specifics of this initial discussion are outlined below:

- Review and refine work plan and schedule, if appropriate
- Assess information needs and required staff support
- Discuss the County's current infrastructure needs
- Discuss overall capital facility financing issues
- Identify and discuss trade-offs with different capital impact approaches including: residential proffers by house size and alternatives for nonresidential schedules
- Identify and collect data and documents relevant to the analysis
- Discuss the possible number and location of service areas to be used in the study
- Become familiar with the County's economic development goals
- Identify any major relevant policy issues
- Discuss recent changes to Cash Proffer enabling legislation

Data Request. A typical data request will include current demographic data, adopted General Plan, adopted Capital Improvement Plans, development projections, other relevant planning documents, facility inventories, facility master plans, and relevant financial information. We will provide a comprehensive and detailed data request memorandum to the County prior to the initial meeting.

Project Timeline. We will discuss the timeline to ensure the project's milestones are met according to the County's desired schedule. Through our project management tools, our project plan will minimize effort on County staff. Naturally, staff effort will be required for data collection, meetings and review of deliverables. However, we anticipate that our collaborative effort with the County will keep this effort to a minimum.

Meetings: One (1) meeting with various members of County staff to initiate project.

Deliverables: 1) Data request memorandum. 2) Project schedule.

TASK 2: RECOMMEND LAND USE PROJECTIONS

Description: The purpose of this task is to review and understand the current demographics of the County as it relates to growth and development and project future growth in the County in terms on new population, housing units, public school enrollment, employment, and nonresidential building area over the next 20 years. In this task TischlerBise will meet with County (including School Board) staff to discuss current demographic data as well as discuss any available annual projections of population, employment, housing units, commercial, industrial and other nonresidential square footage data needed to assess the demand generated by new development/redevelopment for capital facilities. These projections may come from the County's General Plan and a review of approved, planned or anticipated development projects, depending on the outcome of our onsite discussions.

Meetings: Discussions with the Planning Department will be held as part of Task 1.

Deliverable: We will prepare a memorandum discussing the recommended land use factors and projections.

TASK 3: DETERMINE CAPITAL FACILITY NEEDS AND SERVICE LEVELS

Description: This task as well as tasks 4-6 may vary somewhat depending on the methodology applied to a particular facility category. The capital impact analysis for each facility type would be presented in a separate chapter in the capital impact report.

Identify Facilities/Costs Impacted by Growth and Eligible for Cash Proffer Funding. As an essential part of the nexus analysis, TischlerBise will evaluate the impact of development/redevelopment on the need for additional facilities, by type, and identify potential cost components eligible for cash proffer funding. Elements of the analysis include:

- Review facility plans, fixed asset inventories, and other documents establishing the relationship between development and facility needs by type.
- Identify and distinguish among planned facilities, vehicles, equipment, and other capital components eligible and ineligible for cash proffer funding.
- Identify existing capacity of capital facilities.
- Prepare projection of relevant future capital facility needs.
- Adjust costs as needed to reflect other funding sources.

Identify Appropriate Level of Service Standards. We will review needs analyses and level-of-service levels for each facility type. Activities related to this task include:

- Apply defined service standards to data on future development to identify the impacts of development on facility and other capital needs. This will include discussions with staff on levels of service, as appropriate.
- Ascertain and evaluate the actual demand factors (measures of impact) that generate the need for each type of facility to be addressed in the study.
- Identify actual existing service levels for each facility type. This is typically expressed in the number of demand units served.
- Define service standards to be used in the capital impact analysis.

- Determine appropriate geographic service areas for each facility category.

Meetings: One (1) to two (2) meetings with County staff to discuss capital facility needs and levels of service.

Deliverables: See Task 7.

TASK 4: EVALUATE DIFFERENT ALLOCATION METHODOLOGIES

Description: The purpose of this task is to determine the methodology most appropriate for each facility category. It is imperative that the methodology take into account the County's funding needs as well as land use and other policy objectives. The three basic methodologies that can be applied in the determination of capital impacts are the plan-based, incremental expansion, and cost-recovery approaches. Selection of the particular methodology for each component within a facility category will depend on which is most beneficial for the County of Fauquier while meeting the requirements of Virginia Cash Proffer law. In a number of cases, we will determine the capital impact for a particular infrastructure category using several methodologies and will discuss the trade-offs with the County. This allows us to use a combination of methodologies within one facility category. For instance, a plan-based approach may be appropriate for a new facility building while an incremental approach may be appropriate for support vehicles and equipment. By testing all possible methodologies, the client is assured that defensible capital impacts will be identified. Policy discussions will then be held at the staff level regarding the trade-offs associated with each allocation method prior to proceeding to the next task.

Meetings: One (1) meeting or conference call with County staff to issues related to allocation methodologies and County fiscal and land use policy.

Deliverable: See Task 7.

TASK 5: DETERMINE THE NEED FOR CREDITS

Description: A consideration of “credits” is integral to the development of a legally valid capital impact methodology. There are two types of “credits” each with specific, distinct characteristics, but both will be considered in the calculation. The first is a credit due to possible double payment situations. This could occur when a property owner will make future contributions toward the capital costs of a public facility covered by contributions. The second is a credit due to required dedication of public sites and improvements provided by the developer and for which capital impacts have been calculated. Both types of credits will be considered and addressed in the analysis.

Deliverable: See Task 7.

TASK 6: CONDUCT FUNDING AND CASH FLOW ANALYSIS

Description: In order to prepare a meaningful capital improvement plan, it is important to not only understand the gross revenues, but also the capital facility costs and any deficits. In this case some consideration should be given to anticipated funding sources. This calculation will allow the County to better understand the various revenue sources possible and the amount that would be needed to mitigate impacts on capital facilities.

Deliverable: See Task 7.

TASK 7: PREPARE CAPITAL IMPACT MODEL AND SUMMARY REPORT, PRESENTATIONS

Description: Based on the findings from the above tasks, TischlerBise will develop a Capital Impact Model to allow for case-by-case analysis of re-zoning requests. The Model will be in Microsoft Excel and will allow the County to determine the cost of capital impacts from re-zonings. The Model will include data on Fauquier County demographics, budgetary structure, current and planned infrastructure, service areas, applicable revenue sources, and costs for infrastructure. Levels of service will be used in the model to determine the total impact from new development. It will be developed specifically for Fauquier County and is not an “off-the-shelf” model.

In addition, TischlerBise will prepare a draft report that summarizes the impact from growth on the applicable public facility categories, reflects the relevant methodologies employed, and documents all assumptions and cost factors. Upon completion of the analysis and calculation of capital impacts, a draft of the entire study report, incorporating any staff comments, will be submitted for review by County staff.

The report will include the following components:

- Executive summary including summary of capital impacts.
- A chapter discussing legal framework and capital impact methodology.
- A chapter presenting data on existing and planned development in the County as well as demand indicators (e.g., population, public school enrollment, vehicle trips, etc.) for each type of facility.
- A chapter for each facility category addressing methodology, level of service standards, eligible costs required, cost allocation (growth versus existing residents), impact calculations, recommended average impacts by type of development, listing of capital facilities impacted by growth, and projected revenue.

In addition to the above components, the report will also contain a separate chapter on implementation. Topics will include:

- Updating and indexing of capital impacts.
- Accounting and reporting procedures.
- Provision of credits for facilities constructed by developers.
- Information to be requested from a re-zoning application to run the analysis.

Because of TischlerBise's extensive experience in calculating capital impacts and preparing such reports, we have developed a succinct written product that leaves a well-understood paper trail. Following completion of the first draft, one round of additional changes will be incorporated to produce a final report. This proposal assumes that only minor changes will be required following completion of the first draft due to the ongoing collaboration between TischlerBise and County staff.

Deliverable: Draft and final reports and presentation materials for meetings; Capital Impact Model

Meetings: One (1) meeting/presentation to present results.

TASK 8: LIAISON (STAKEHOLDER) COMMITTEE

Description: In our calculation of one-time exactions around the country, it has proven beneficial to have a Liaison Committee. The purpose of this committee is to allow interested parties, designated by the County, to understand assumptions and raise any questions about the technical demographic, cost, revenue, credit and other data and supporting documentation that is being used in the capital impact study. This will not be a forum to discuss the political and/or philosophical use of mitigation measures. Rather it will be an opportunity for these interested parties to understand the soundness and the reasonableness of the technical methodology. We anticipate two meetings with this group. The first would be to discuss the initial data assumptions, after "sign-off" by the client. The second would be to discuss the draft report. Utilizing this forum will enable the focus of the public hearings to be on the political and economic issues of capital impact mitigation, not the technical approach of the analysis.

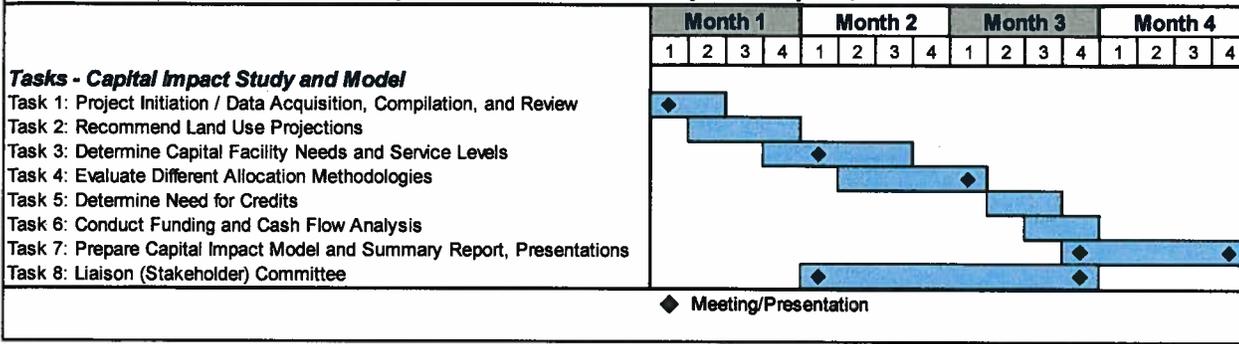
Deliverable: Presentation materials for meetings.

Meetings: Two (2) meetings/presentations.

PROJECT SCHEDULE

As requested, we have provided a project schedule for the capital impact study for the County of Fauquier. Given our knowledge of the County, Virginia and our experience elsewhere, we estimate a project schedule of approximately four months.

Project Schedule for County of Fauquier, VA



PROJECT COST

The proposed project cost reflects a fixed fee amount with travel and expenses included in the total cost.

County of Fauquier, Virginia - Capital Impact Study and Model				
Project Team Member:			Total	
	Bise	Herlands	Hours	Cost
Hourly Rate:	\$200	\$185		
Tasks				
Task 1: Project Initiation / Data Acquisition, Compilation, and Review	8	16	24	\$ 4,560
Task 2: Recommend Land Use Projections	16	40	56	\$ 10,600
Task 3: Determine Capital Facility Needs and Service Levels	24	96	120	\$ 22,560
Task 4: Evaluate Different Allocation Methodologies	10	40	50	\$ 9,400
Task 5: Determine Need for Credits	8	24	32	\$ 6,040
Task 6: Conduct Funding and Cash Flow Analysis	4	24	28	\$ 5,240
Task 7: Prepare Capital Impact Model and Summary Report, Presentations	48	132	180	\$ 34,020
Task 8: Liaison (Stakeholder) Committee	8	16	24	\$ 4,560
Total Estimated Labor Hours / Cost:	126	388	514	\$ 96,980

**DIVISION OF RISK MANAGEMENT
INSURANCE CHECKLIST**

Items marked "X" are required to be provided

<u>Required</u>	<u>Coverage Required</u>	<u>Limits</u> <u>(figures denotes minimum)</u>
<u>X</u>	1. Workers' Compensation and Employers' Liability; Admitted in Virginia Employers' Liability All States Endorsement USL & H Endorsement Voluntary Compensation Endorsement Best's Guide Rating-A-VIII or better or its equivalent	1. Statutory Limits of the Commonwealth of VA Yes \$100,000/\$500,000/\$100,000 Statutory Statutory
<u>X</u>	2. Commercial General Liability General Aggregate Products/Completed Operations Personal and Advertising Injury Fire Legal Liability Best's Guide Rating-A-VIII or better or its equivalent	2. \$1,000,000 (CSL) Each Occurrence \$2,000,000 \$2,000,000 \$1,000,000 \$50,000 Per Occurrence
<u>X</u>	3. Automobile Liability Owned, Hired, Borrowed & Non-owned Motor Carrier Act End. Best's Guide Rating-A-VIII or better, or its equivalent	3. \$1,000,000 combined Single Limit Bodily Injury and Property Damage Each Occurrence (note, symbol "1" on liability coverage)
<u>X</u>	4. Prof. Errors and Omissions Best's Guide Rating-A-VIII or better or its equivalent	4. \$1,000,000 (CSL) Each Claim
---	5. Garage Liability	5. \$1,000,000 CSL Each Occurrence
---	6. Garage Keeper's Legal Liability Best's Guide Rating-A-VIII or better, Or its equivalent	6. a) Maximum Value of One Vehicle b) Maximum Value of All Vehicles Held by Contractor
---	7. Umbrella Liability Best's Guide Rating-A-VIII or better, or its equivalent.	7. \$1,000,000
---	8. Other Insurance:	
<u>X</u>	9. Auto and General Liability Policies shall be endorsed to name Fauquier County as additional insured (This coverage is primary to all other coverage the County may possess and must be shown on the certificate)	
<u>X</u>	10. The Contractor shall provide 30 days written notice of any policy cancellation for policies specified on this Checklist to Fauquier County in accordance with the timelines and stipulations in Code of Virginia Section 38.2-231.	
<u>X</u>	11. The Certificate must state Contract No. and Title	
<u>X</u>	12. Contractor shall submit Certificate of Insurance within five (5) business days from notification of award, and shall provide updated Certificates for the duration of the contract.	

OFFEROR STATEMENT

We understand the Insurance Requirements of these specifications and will comply in full upon execution of this contract

Revised 4/4/13, Proc/HR