

**SERIAL 07084 RFP DEVELOPMENT IMPACT FEE STUDY**

**DATE OF LAST REVISION: March 26, 2008**

**CONTRACT END DATE: October 31, 2008**

**CONTRACT PERIOD THROUGH OCTOBER 31, 2008**

TO: All Departments

FROM: Department of Materials Management

SUBJECT: Contract for **DEVELOPMENT IMPACT FEE STUDY**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **March 26, 2008**.

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

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Wes Baysinger, Director  
Materials Management

DL/mm  
Attach

Copy to: Materials Management  
Daren Frank, Planning & Development



# CONTRACT PURSUANT TO RFP

## SERIAL 07084-RFP

This Contract is entered into this 26<sup>th</sup> day of March, 2008 by and between Maricopa County (County), a political subdivision of the State of Arizona, and Wilson & Company of Phoenix, Arizona, (Contractor) for Contractor to develop a Development Impact Fee Ordinance for Maricopa County.

### 1.0 TERM

The term of this Firm, Fixed-Price Contract shall commence on March 26, 2008 and shall remain in full force and effect through October 31, 2008.

### 2.0 PAYMENT

2.1 As consideration for satisfactory performance of the duties described herein, County shall pay Contractor the sum(s) stated in Exhibit "A."

2.2 Payment shall be made upon the County's receipt of a properly completed invoice. Invoices shall contain the following information: Contract number, purchase order number, item numbers, description of supplies and/or services, sizes, quantities, unit prices, extended totals and any applicable sales/use tax.

2.3 The Contractor shall submit two (2) legible copies of their detailed invoice before payment(s) can be made. At a minimum, the invoice must provide the following information:

- Company name, address and contact
- County bill-to name and contact information
- Contract Serial Number
- County purchase order number
- Invoice number and date
- Payment terms
- Date(s) of service
- Quantity
- Contract Item number(s)
- Description of Services
- Pricing per unit of purchase
- Extended price
- Total Amount Due

Problems regarding billing or invoicing shall be directed to the using agency as listed on the Purchase Order.

- 2.3.1 Payment will be made to the Contractor by Accounts Payable through the Maricopa County Vendor Express Payment Program. This is an Electronic Funds Transfer (EFT) process. After Award the Contractor shall fill out an EFT Enrollment form (to be provided by the Procurement Officer) or as located on the County Department of Finance Website as a fillable PDF document ([www.maricopa.gov/finance/](http://www.maricopa.gov/finance/)).
- 2.3.2 EFT payments to the routing and account numbers designated by the Contractor will include the details on the specific invoices that the payment covers. The Contractor is required to discuss remittance delivery capabilities with their designated financial institution for access to those details.

**3.0 DUTIES**

- 3.1 The Contractor shall perform all duties and/or services stated in Exhibit "B", or as otherwise directed in writing by the Procurement Officer.
- 3.2 During the Contract term, County shall provide Contractor's personnel with adequate workspace for consultants and such other related facilities as may be required by Contractor to carry out its contractual obligations.

**4.0 TERMS & CONDITIONS**

**4.1 INDEMNIFICATION:**

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless County, its agents, representatives, officers, directors, officials, and employees from and against all claims, damages, losses and expenses, including, but not limited to, attorney fees, court costs, expert witness fees, and the cost of appellate proceedings, relating to, arising out of, or alleged to have resulted from the negligent acts, errors, omissions or mistakes relating to the performance of this Contract. Contractor's duty to defend, indemnify and hold harmless County, its agents, representatives, officers, directors, officials, and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property, including loss of use resulting there from, caused by any negligent acts, errors, omissions or mistakes in the performance of this Contract including any person for whose acts, errors, omissions or mistakes Contractor may be legally liable.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

The scope of this indemnification does not extend to the sole negligence of County.

**4.2 INSURANCE REQUIREMENTS:**

Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. rating of B++6. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company or companies, which are authorized to do business in the State of Arizona, provided that said insurance companies meet the approval of County. The form of any insurance policies and forms must be acceptable to County.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of County, constitute a material breach of this Contract.

Contractor's insurance shall be primary insurance as respects County, and any insurance or self-insurance maintained by County shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect the County's right to coverage afforded under the insurance policies.

The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to County under such policies. Contactor shall be solely responsible for the deductible and/or self-insured retention and County, at its option, may require Contractor to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

County reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. County shall not be obligated, however, to review such policies and/or endorsements or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of County's right to insist on strict fulfillment of Contractor's obligations under this Contract.

The insurance policies required by this Contract, except Workers' Compensation, and Errors and Omissions, shall name County, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

The policies required hereunder, except Workers' Compensation, and Errors and Omissions, shall contain a waiver of transfer of rights of recovery (subrogation) against County, its agents, representatives, officers, directors, officials and employees for any claims arising out of Contractor's work or service.

Contractor is required to procure and maintain the following coverages indicated by a checkmark:

4.2.1 Commercial General Liability.

Commercial General Liability insurance and, if necessary, Commercial Umbrella insurance with a limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products/Completed Operations Aggregate, and \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage, and shall not contain any provision which would serve to limit third party action over claims. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.

4.2.2 Automobile Liability.

Commercial/Business Automobile Liability insurance and, if necessary, Commercial Umbrella insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any of the Contractor's owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor's work or services under this Contract.

4.2.3 Workers' Compensation.

Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services under this Contract; and Employer's Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit.

Contractor waives all rights against County and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the Workers' Compensation and Employer's Liability or commercial umbrella liability insurance obtained by Contractor pursuant to this Contract.

4.2.4 Certificates of Insurance.

4.2.4.1 Prior to commencing work or services under this Contract, Contractor shall have insurance in effect as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall be made available to the County upon 48 hours notice. **BY SIGNING THE AGREEMENT PAGE THE CONTRACTOR AGREES TO THIS REQUIREMENT AND UNDERSTANDS THAT FAILURE TO MEET THIS REQUIREMENT WILL RESULT IN CANCELLATION OF THIS CONTRACT.**

In the event any insurance policy (ies) required by this Contract is (are) written on a "claims made" basis, coverage shall extend for two (2) years past completion and acceptance of Contractor's work or services and as evidenced by annual Certificates of Insurance.

If a policy does expire during the life of the Contract, a renewal certificate must be sent to County fifteen (15) days prior to the expiration date.

4.2.4.2 Cancellation and Expiration Notice.

Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty (30) days prior written notice to the County.

4.3 PROCUREMENT CARD ORDERING CAPABILITY:

The County may determine to use a procurement card that may be used by the County to make payments under this Contract.

4.5 INTERNET ORDERING CAPABILITY:

It is the intent of Maricopa County to use the Internet to communicate and to place orders under this Contract.

4.6 NOTICES:

All notices given pursuant to the terms of this Contract shall be addressed to:

For County:

Maricopa County  
Department of Materials Management  
Attn: Director of Purchasing  
320 West Lincoln Street  
Phoenix, Arizona

For Contractor:

Dan Marum, Associate, Project Manager  
410 North 44<sup>th</sup> Street, Suite 460  
Phoenix, Arizona 85008  
Telephone: 602.999.5264  
Facsimile: 602.273.1230  
E-Mail: Dan.Marum@wilsonco.com

**4.7 TERMINATION FOR CONVENIENCE:**

The County reserves the right to terminate the Contract, in whole or in part at any time, when in the best interests of the County without penalty or recourse. Upon receipt of the written notice, the Contractor shall immediately stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the County. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the County upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination.

**4.8 TERMINATION FOR DEFAULT:**

4.8.1 In addition to the rights reserved in the Contract, the County may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

4.8.2 Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the County on demand.

4.8.3 The County may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the County for any excess costs incurred by the County in procuring materials or services in substitution for those due from the Contractor.

4.8.4 The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

**4.9 STATUTORY RIGHT OF CANCELLATION FOR CONFLICT OF INTEREST:**

Notice is given that pursuant to A.R.S. §38-511 the County may cancel this Contract without penalty or further obligation within three years after execution of the contract, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County is at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or consultant to any other party of the Contract with respect to the subject matter of the Contract. Additionally, pursuant to A.R.S §38-511 the County may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County from any other party to the contract arising as the result of the Contract.

**4.10 OFFSET FOR DAMAGES;**

In addition to all other remedies at law or equity, the County may offset from any money due to the Contractor any amounts Contractor owes to the County for damages resulting from breach or deficiencies in performance under this contract.

**4.11 ADDITIONS/DELETIONS OF SERVICE:**

The County reserves the right to add and/or delete products and/or services provided under this Contract. If a requirement is deleted, payment to the Contractor will be reduced proportionately to the amount of service reduced in accordance with the proposal price. If additional services and/or products are required from this Contract, prices for such additions will be negotiated between the Contractor and the County.

4.12 SUBCONTRACTING:

The Contractor may not assign this Contract or subcontract to another party for performance of the terms and conditions hereof without the written consent of the County, which shall not be unreasonably withheld. All correspondence authorizing subcontracting must reference the Proposal Serial Number and identify the job project.

4.13 AMENDMENTS:

All amendments to this Contract must be in writing and signed by both parties.

4.14 RETENTION OF RECORDS:

The Contractor agrees to retain all financial books, records, and other documents relevant to this Contract for five (5) years after final payment or until after the resolution of any audit questions which could be more than five (5) years, whichever is longer. The County, Federal or State auditors and any other persons duly authorized by the Department shall have full access to, and the right to examine, copy and make use of, any and all said materials.

If the Contractor's books, records and other documents relevant to this Contract are not sufficient to support and document that requested services were provided, the Contractor shall reimburse Maricopa County for the services not so adequately supported and documented.

4.15 AUDIT DISALLOWANCES:

If at any time, County determines that a cost for which payment has been made is a disallowed cost, such as overpayment, County shall notify the Contractor in writing of the disallowance. County shall also state the means of correction, which may be but shall not be limited to adjustment of any future claim submitted by the Contractor by the amount of the disallowance, or to require repayment of the disallowed amount by the Contractor.

4.16 ALTERNATIVE DISPUTE RESOLUTION:

4.16.1 After the exhaustion of the administrative remedies provided in the Maricopa County Procurement Code, any contract dispute in this matter is subject to compulsory arbitration. Provided the parties participate in the arbitration in good faith, such arbitration is not binding and the parties are entitled to pursue the matter in state or federal court sitting in Maricopa County for a de novo determination on the law and facts. If the parties cannot agree on an arbitrator, each party will designate an arbitrator and those two arbitrators will agree on a third arbitrator. The three arbitrators will then serve as a panel to consider the arbitration. The parties will be equally responsible for the compensation for the arbitrator(s). The hearing, evidence, and procedure will be in accordance with Rule 74 of the Arizona Rules of Civil Procedure. Within ten (10) days of the completion of the hearing the arbitrator(s) shall:

4.16.1.1 Render a decision;

4.16.1.2 Notify the parties that the exhibits are available for retrieval; and

4.16.1.3 Notify the parties of the decision in writing (a letter to the parties or their counsel shall suffice).

4.16.2 Within ten (10) days of the notice of decision, either party may submit to the arbitrator(s) a proposed form of award or other final disposition, including any form of award for attorneys' fees and costs. Within five (5) days of receipt of the foregoing, the opposing party may file objections. Within ten (10) days of receipt of any objections, the arbitrator(s) shall pass upon the objections and prepare a signed award or other final disposition and mail copies to all parties or their counsel.

4.16.3 Any party which has appeared and participated in good faith in the arbitration proceedings may appeal from the award or other final disposition by filing an action in the state or federal court sitting in Maricopa County within twenty (20) days after date of the award or other final disposition. Unless such action is dismissed for failure to prosecute, such action will make the award or other final disposition of the arbitrator(s) a nullity.

4.17 SEVERABILITY:

The invalidity, in whole or in part, of any provision of this Contract shall not void or affect the validity of any other provision of this Contract.

4.18 RIGHTS IN DATA:

The County shall own have the use of all data and reports resulting from this Contract without additional cost or other restriction except as provided by law. Each party shall supply to the other party, upon request, any available information that is relevant to this Contract and to the performance hereunder.

4.19 INTEGRATION:

This Contract represents the entire and integrated agreement between the parties and supersedes all prior negotiations, proposals, communications, understandings, representations, or agreements, whether oral or written, express or implied.

4.20 GOVERNING LAW:

This Contract shall be governed by the laws of the state of Arizona. Venue for any actions or lawsuits involving this Contract will be in Maricopa County Superior Court or in the United States District Court for the District of Arizona, sitting in Phoenix, Arizona

IN WITNESS WHEREOF, this Contract is executed on the date set forth above.

**CONTRACTOR:**

\_\_\_\_\_  
AUTHORIZED SIGNATURE

\_\_\_\_\_  
PRINTED NAME AND TITLE

\_\_\_\_\_  
ADDRESS

\_\_\_\_\_  
DATE

**MARICOPA COUNTY:**

BY: \_\_\_\_\_  
CHAIRMAN, BOARD OF SUPERVISORS

\_\_\_\_\_  
DATE

**ATTESTED:**

\_\_\_\_\_  
CLERK OF THE BOARD

\_\_\_\_\_  
DATE

**APPROVED AS TO FORM:**

\_\_\_\_\_  
DEPUTY MARICOPA COUNTY ATTORNEY

\_\_\_\_\_  
DATE

**EXHIBIT A  
PRICING**

**SERIAL: 07084-RFP**

COMMODITY CODE: NIGP 9181204

RESPONDENT NAME:

Wilson & Company, Inc.

COUNTY VENDOR # :

W000006817

RESPONDENT ADDRESS:

410 North 44th Street, Suite 460, Phoenix, AZ 85008

RESPONDENT TELEPHONE NUMBER:

602-999-5264

RESPONDENT FACSIMILE NUMBER:

602-273-1230

RESPONDENT WEB SITE:

www.wilsonco.com

RESPONDENT CONTACT (REP):

Dan Marum, Associate, Project Manger

E-MAIL ADDRESS (REP):

Dan.Marum@wilsonco.com

WILL ACCEPT FUTURE SOLICITATIONS VIA EMAIL

WILL ACCEPT PROCUREMENT CARD

WILL NOT OFFER REBATE (CASH OR CREDIT) FOR COUNTY USE OF PROCUREMENT CARD

THERE IS NO M/WBE PARTICIPATION IN THIS CONTRACT

DISCOUNT TERMS: NET 30 DAYS

<b>1.0 TASK PRICING:</b>	<b>TOTAL NTE AMOUNT</b>
1.1 TASK 1 - INITIAL MEETING	<u>\$9,634.22</u>
1.2 TASK 2 - INTRODUCTION TO DEVELOPMENT FEES	<u>\$2,400.00</u>
1.3 TASK 3 - INTERVIEW STAFF AND REVIEW APPROPRIATE DATA	<u>\$3,717.11</u>
1.4 TASK 4 - PREPARE LAND USE ASSUMPTIONS	<u>\$11,200.00</u>
1.5 TASK 5 - PREPARE DEMOGRAPHIC FORECST REPORT	<u>\$8,597.11</u>
1.6 TASK 6 - PRESENTATION	<u>\$2,917.11</u>
1.7 TASK 7 - ASCERTAIN DEMAND FACTORS AND LEVEL OF SERVICE FOR RELEVANT PUBLIC FACILITIES	<u>\$50,861.33</u>
1.8 TASK 8 - REVIEW CAPITAL NEEDS AND COSTS AND ALLOCATE TO GROWTH	<u>\$40,567.11</u>
1.9 TASK 9 - DRAFT CAPITAL IMPROVEMENT PLAN (CIP)	<u>\$42,267.11</u>
1.10 TASK 10 - REVISE CIP	<u>\$18,847.11</u>
1.11 TASK 11 - DETERMINE NEED FOR AND CALCULATE "CREDITS" TO BE APPLIED AGAINST CAPITAL COSTS	<u>\$11,960.00</u>
1.12 TASK 12 - COMPLETE DEVELOPMENT FEE METHODOLOGY AND CALCULATION	<u>\$112,680.00</u>
1.13 TASK 13 - CONDUCT FUNDING AND CASH-FLOW ANALYSIS	<u>\$20,400.00</u>

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1.14 TASK 14 - PREPARE DEVELOPMENT FEE REPORT	<u>\$37,717.11</u>
1.15 TASK 15 - PREPARE DEVELOPMENT FEE ORDINANCE	<u>\$9,680.00</u>
1.16 TASK 16 - DEVELOP AGREEMENT POLICY RECOMMENDATIONS	<u>\$4,117.11</u>
1.17 TASK 17 - NONRESIDENTIAL POLICY RECOMMENDATIONS	<u>\$4,480.00</u>
1.18 TASK 18 - INTERGOVERNMENTAL POLICY DISCUSSION	<u>\$2,480.00</u>
1.19 TASK 19 - ACCOUNTING STRUCTURE RECOMMENDATIONS	<u>\$2,400.00</u>
1.20 TASK 20 - PRESENTATIONS - MEETINGS	<u>\$20,531.33</u>
1.21 TASK 21 - LIAISON COMMITTEE	<u>\$7,484.22</u>
	<u>\$424,938.00</u>

**EXHIBIT B**  
**SCOPE OF WORK**

DEVELOPMENT IMPACT FEE STUDY

1.0 **CONTRACTOR RESPONSIBILITIES:**

Contractor shall furnish all necessary labor, materials, equipment and space needed to conduct necessary surveys in accordance with this Scope of Work.

**Start-Up**

1.1 Task 1 - Initial Meeting.

The team will meet with the client to discuss a variety of topics. These are likely to include a review of the genesis of the project, timeframe by task, signoff process, unincorporated versus incorporated considerations, annexation/sale of land issues, provision of Countywide versus unincorporated County services, relevance of CIP assumptions, level of service changes, processes for outreach to the development community, among others. A memorandum will be prepared that summarizes any conclusions and outstanding issues as appropriate. The meeting and memorandum should provide a very clear definition of roles and responsibilities for the consulting team and County staff, and a commitment to the project by all involved.

A study session with the Board of Supervisors and a two (2)-hour staff introduction may also be considered by County.

1.2 Task 2 - Introduction to Development Fees.

This task will be reflected in a section of the development fee report. There will be a discussion of the three major approaches of calculating development fees - plan based, incremental, and cost recovery. Contractor will give examples for each of the major categories - transportation, public safety and parks. The issue of site specific and systemwide credits will also be discussed

**Land Use Assumptions.**

In Arizona, municipalities and counties have similar planning and development review functions but disparate infrastructure mandates. There is often confusion about the term "County" because it sometimes represents the entire county, and at other times only the unincorporated area. Land use assumptions are arguably more important for a county in Arizona than a city. A major reason for this is that some county services are offered countywide, in both incorporated and unincorporated areas, and some are offered in just the unincorporated areas. For roads in Maricopa County, the focus is likely to be the benefit to development in the unincorporated County. For public safety (i.e., sheriff) the collection area could be Countywide for some services (i.e., jail), and the unincorporated County for other services (i.e., patrol functions). For open spaces/parks there may be similar countywide and unincorporated county issues. As with roads, there are likely to be several benefit areas in the unincorporated County. There are several tasks under this topic.

1.3 Task 3 – Interview MAG and County Staff and Review Appropriate Data.

Since there are 25 municipalities within the County, there is a need to understand the estimated current population, housing units and employment within these jurisdictions so that they can be subtracted from the County totals when considering unincorporated County services. The material reviewed in this task will include Maricopa County Long-Range Planning Documents, MAG Documents, and other relevant reports. The teams' work for the County and many of its incorporated jurisdictions will be of benefit. We anticipate interviewing MAG and County staff in this task

1.4 Task 4 – Prepare Land Use Assumptions.

Based on the results from the above tasks, Contractor will prepare projections of population, housing by type and employment. There will be two calculations. One is the cumulative total of population and housing located within the incorporated areas and any likely annexed areas in the near term. The second will be the population and housing in the unincorporated County currently and over a future span of up to 20 years. The specific number of housing categories for the unincorporated County is dependent on the types of new housing expected to be built in the unincorporated County. At a minimum, single family and multi family housing will be two categories. Also peak (seasonal) population will be needed and utilized.

It will also be necessary to estimate employment in the unincorporated County. It is likely there will be at least three categories among which this employment will be distributed. These will be retail, office and industrial flex. In addition, Contractor will need to estimate the general magnitude and location of this non-residential development. This is important for estimating vehicular trip lengths.

1.5 Task 5 – Prepare Demographic Forecast Report.

Contractor will prepare a report that shows the existing demand base and the total projected growth in incorporated jurisdictions and that in the unincorporated County. A draft report will be submitted to the County. After mutually agreed upon changes are made, a final report will be issued.

1.6 Task 6 – Presentation.

It is anticipated that there will be one presentation to County staff on the above findings. Staff from the incorporated jurisdictions within the County could be invited to attend.

**Preparation of Capital Improvement Plan.**

The Arizona State Statute requires that the County have an adopted Capital Improvement Plan (CIP) prior to adopting development fees. The development of the CIP will include a review of the County's current CIP as well as options which may maximize the development fees. There will be ample time for the County to consider the draft CIP's prepared by the team. Subsequent to this review, the County will ultimately determine the CIP that will be used as the basis for the development fees.

It is assumed that County staff will review the information about projected road projects, estimated costs and other relevant information provided by the team and work in concert to agree to the final CIP. The team's previous related work and experience for MCDOT will be of benefit

1.7 Task 7 – Ascertain Demand Factors and Level of Service for Relevant Public Facilities.

1.7.1 Ascertain Demand Factors – The actual demand factors that generate the need for new roads, public safety and open spaces/parks will be reviewed. Trips by type of development, population and employment are three likely demand factors.

1.7.2 Evaluate Existing Levels of Service – In conjunction with appropriate County staff, we will determine the existing level of service by conducting onsite interviews, reviewing asset inventories, evaluating the appropriate studies and analyzing relevant local data. Consideration will be given to the existing versus adopted or mandated level of service. Relevant County planning and budget documents will be reviewed.

1.7.3 Determine Geographic Service Areas – The appropriate geographic service area(s) for purposes of calculating the components of development fees will be determined.

For public safety activity, countywide and unincorporated county services will be reflected. This will include cars, jail and other building space. All relevant capital components will be included.

The evaluation of County regional parks will also consider similar geographic issues.

1.8 Task 8 – Review Capital Needs and Costs and Allocate to Growth.

1.8.1 Review Capital Needs.

Contractor will further review the various studies and other data germane to the County's capital facility activities. The discussions may include not only an understanding of the specific costs, but also whether these capital facilities needs were due to normal replacement, catch-up, or new demand. The issue of catch-up will be discussed in the context of new development paying for higher levels of service than those which currently exist.

1.8.2 Review Cost Estimates.

Contractor will review, as relevant, the various capital costs. Contractor will ascertain whether the facilities are likely to be financed and, if so, the amortization schedule. Contractor will review the Curtis Lueck and Associates and MCDOT follow up reports and relevant documents pertaining to applicability. This information will also be considered in the subsequent cash flow evaluations.

1.8.3 Evaluate Different Allocation Methodologies.

The team will consider different possible allocation methodologies to determine which is the most appropriate for each component of the particular capital facility and resulting development fee.

As part of calculating the fee, the County may include the construction contract price; the cost of acquiring land, improvements, materials and fixtures; the cost for planning, surveying, and engineering fees for services provided for and directly related to the construction system improvement; and debt service charges, if the County might use development fees as a revenue stream to pay the principal and interest on bonds, notes or other obligations issued to finance the cost of system improvements. All of these components will be considered in developing an equitable allocation of costs.

1.9 Task9 – Draft Capital Improvement Plan (CIP).

A draft Capital Improvement Plan (CIP) will be prepared reflecting the relevant road, public safety and regional parks facilities that are applicable to development fees. The team will collaborate with assigned County staff in preparing the CIP. County staff will decide what draft CIP should be utilized for purposes calculating the development fees

1.10 Task 10 – Revise Capital Improvement Plan.

Once the development fee schedule is adopted, Contractor will revise the CIP to reflect the appropriate capital facilities affected by the development fees.

**Calculation of Development Fees:**

This work effort will be conducted in concert with the preparation of the CIP. It will result in suggested development fees for transportation, sheriff and related public safety and open spaces/parks categories. All development fee requirements will be met as part of this work effort.

1.11 Task 11 – Determine Need for and Calculate “Credits” to be Applied Against Capital Costs.

1.12 Task 12 – Complete Development Fee Methodology and Calculation.

The maximum justifiable fee that can be charged and conform to fee requirements will be calculated. (The County will subsequently decide what percentage of the maximum justifiable fee it wants to charge.)

1.13 Task 13 – Conduct Funding and Cash Flow Analysis.

Contractor will prepare a cash flow analysis which indicates sources of funding, including different development fee amounts. This calculation will allow the County to better understand possible various revenue sources and the amount that would be needed if the development fees were discounted. It will provide a good understanding of the cash flow needed to cover the infrastructure costs.

The initial cash flow analysis will indicate whether additional funds might be needed or whether the capital improvements plan might need to be altered. This could also affect the total credits calculated in the previous task. Therefore, it is likely that a number of iterations will be conducted in order to refine the cash flow analysis reflecting the infrastructure improvement needs.

Construction costs will increase over time, and will likely outpace inflation. Accordingly, this task will also include assessment of methods for adjusting or indexing the three fees over time. Three methods will be evaluated: annual adjustment using the Consumer Price Index, annual adjustment using a construction cost index, and periodic fee calculation updates.

1.14 Task 14 – Prepare Development Fee Report.

1.14.1 Contractor will prepare a draft report summarizing the need for development fees for the appropriate transportation, public safety and regional parks categories, the relevant methodologies employed, and all assumptions and cost factors. The report will include, at a minimum, the following information:

- Executive Summary
- A detailed description of the methodologies used during the study for: transportation, public safety (sheriff) and open space/parks
- A detailed description of all level of service standards and cost factors used and accompanying rationale
- A detailed schedule of all proposed fees listed by land use type and activity
- Other information which adequately explains and justifies the resulting recommended fee schedule. The resulting capital improvement plan (CIP) would reflect relevant road projects and/or forecasted capacity expansion needs as calculated by the Team

1.14.2 Following the County’s review of the draft report, Contractor will make mutually agreed upon changes and issue five copies of the final report. Contractor will also make changes to the CIP draft as appropriate.

1.14.3 The report will have flow diagrams clearly indicating the methodology and approach, a series of tables for each activity showing all of the data assumptions and figures, and a narrative explaining all of the data assumptions, sources and the methodologies. The report will be a stand-alone document clearly understood by interested parties.

**Legal and Policy**

1.15 Task 15 – Prepare Development Fee Ordinance.

1.15.1 Contractor will draft the development fee ordinance for the road, public safety and regional parks capital categories. The fee ordinance will be linked closely to the applicable fee calculation methodology and to the capital improvement plan. The Ordinance will incorporate individualized and selective provisions that are unique to each public facility. The sections are likely to include:

- Legislative Findings
- Ordinance Authority & Applicability
- Rules of Construction & Definitions
- Responsibilities
- Use and Administration of the Impact Fee Ordinance
- Annual and periodic adjustment of the Fees
- Refund of Unexpended Impact Fees
- Consistency of Impact Fee Ordinance with Maricopa County Development Regulations
- Severability Clause
- Effective Date of Ordinance and Indexing

1.15.2 Other items could be included; for example, it may be determined that development agreements entered into prior to the adoption of the new ordinance should be addressed expressly. If there are pre-existing development agreements related to facilities for which development fees will be collected, the County and the development community will benefit from this being addressed specifically in the ordinance itself.

1.15.3 Contractor will draft a Development Fee Procedures Ordinance designed to incorporate all administrative and procedural requirements relative to the imposition, calculation, deposit, appropriation, expenditure and administration of the development fees adopted by the County. The reasons for the design and adoption of such an ordinance are to ensure that the development fees meet all statutory and legal requirements and to ensure that both County staff and officials responsible for administering the development fees as well as applicants for development approval need only familiarize themselves with one basic procedure.

1.16 Task 16 – Develop Agreement Policy Recommendations.

Contractor will prepare recommendations with respect to the County’s existing development agreement requirements, whether these agreements should be continued, the relationship and usefulness of development agreements in conjunction with the development fee program, and how annexations affect the usefulness of development agreements.

1.17 Task 17 – Nonresidential Policy Recommendations.

Contractor will address how development fees can be used as incentives and disincentives. This will include defensible ways to issue partial or full waivers or exemptions, especially for retail.

1.18 Task 18 – Intergovernmental Policy Discussion.

A section of the memorandum prepared for this task will summarize how the cities affect the demand for Countywide development fees. Another topic will be how annexation affects County development fees, particularly roads. The influence of BLM, State Law and State infrastructure will be discussed.

1.19 Task 19 – Accounting Structure Recommendations.

Contractor will provide recommendations on how the required annual report should be prepared. This task will address the likely staff impact of implementation and administration of a development fee program.

**Meetings and Presentations**

1.20 Task 20 – Meetings and Presentations.

Contractor will attend two meetings/public hearings to explain the analysis and conclusions.

1.21 Task 21 – 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 calculation of development fees. This will not be a forum to discuss the political and/or philosophical use of fees. Rather it will be an opportunity for these interested parties to understand the soundness and the reasonableness of the technical development fee methodology. We anticipate two meetings with this group. The first would be to discuss the basic requirements of Arizona County development fees and 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 implementing fees, not the technical approach.

**2.0 DELIVERABLES:**

<b>TASK</b>	<b>DELIVERABLE</b>
Task 1. Initial Meeting	Memorandum
Task 2. Introduction To Development Fees	Memorandum
Task 3: Interview Staff and Review Appropriate Data	Memorandum as Appropriate
Task 4: Prepare Land Use Assumptions	Memorandum as Appropriate
Task 5: Prepare Demographic Forecast Report	Demographic Forecast Report
Task 6: Presentation	Material and Graphics as Appropriate
Task 7: Ascertain Demand Factors and Level of Service for Relevant Public Facilities	Memorandum as Appropriate
Task 8: Review Capital Needs and Costs and Allocate to Growth	Memorandum as Appropriate
Task 9: Draft Capital Improvement Plan (CIP)	Draft Capital Improvement Plan (CIP)
Task 10: Revise Capital Improvement Plan	Revised Capital Improvement Plan (CIP)
Task 11: Determine Need for and Calculate “Credits” to be Applied Against Capital Costs	See Below
Task 12: Complete Development Fee Methodology and Calculation	Memorandum as Appropriate
Task 13: Conduct Funding and Cash Flow Analysis	Funding and Cash Flow Analysis
Task 14: Preparation of Development Fee Report	Development Fee Report
Task 15: Preparation of Development Fee Ordinance	Development Fee Ordinance
Task 16. Development Agreement Policy Recommendations	Memorandum
Task 17: Nonresidential Policy Recommendations	Memorandum
Task 18: Intergovernmental Policy Discussion	Memorandum
Task 19: Accounting Structure Recommendations	Memorandum
Task 20: Presentations/Meetings	Material and Graphics as Appropriate
Task 21. Liaison Committee	Memorandum as Appropriate

**3.0 ACCEPTANCE OF SERVICES:**

Upon completion of each task, Contractor’s work shall be deemed accepted if Contractor’s work is complete, accurate and timely and has not been returned by customer for additional information, correction or revision.

**4.0 TAX:**

No tax shall be levied against labor. It is the responsibility of the Contractor to determine any and all taxes and include the same in proposal price.

**5.0 PROJECT SCHEDULE:**

TASK	MONTHS						
	1	2	3	4	5	6	7
Task 1. Initial Meeting	█						
Task 2. Introduction To Development Fees	█						
Task 3: Interview Staff and Review Appropriate Data		█					
Task 4: Prepare Land Use Assumptions		█					
Task 5: Prepare Demographic Forecast Report			█				
Task 6: Presentation			█				
Task 7: Ascertain Demand Factors and Level of Service for Relevant Public Facilities			█	█			
Task 8: Review Capital Needs and Costs and Allocate to Growth			█	█			
Task 9: Draft Capital Improvement Plan (CIP)				█	█		
Task 10: Revise Capital Improvement Plan						█	█
Task 11: Determine Need for and Calculate “Credits” to be Applied Against Capital Costs				█	█		
Task 12: Complete Development Fee Methodology and Calculation					█	█	█
Task 13: Conduct Funding and Cash Flow Analysis					█	█	█
Task 14: Preparation of Development Fee Report					█	█	█
Task 15: Preparation of Development Fee Ordinance				█	█	█	█
Task 16. Development Agreement Policy Recommendations				█	█	█	█
Task 17: Nonresidential Policy Recommendations				█	█	█	█
Task 18: Intergovernmental Policy Discussion				█	█	█	█
Task 19: Accounting Structure Recommendations					█	█	█
Task 20: Presentations/Meetings	█	█	█	█	█	█	█
Task 21. Liaison Committee				█	█	█	█

**6.0 DELIVERY:**

It shall be the Contractor's responsibility to meet the proposed delivery requirements. County reserves the right to obtain services on the open market in the event the Contractor fails to make delivery and any price differential will be charged against the Contractor.

**7.0 CONTRACTOR TRAVEL:**

When requested and approved, in writing, from the County department for whom services are being provided to perform work that requires overnight accommodations or travel, the Contractor shall be bound and reimbursed by the policies and rates specified in Exhibit C, Contractor Travel and Per Diem Policy. The Contractor shall itemize all per diem and lodging charges and provide receipts for expenses in excess of \$25.00 with the next invoice for services. Non-reimbursable travel costs will not be reimbursed to the Contractor.

WILSON & COMPANY INC. E & A, 410 N. 44<sup>TH</sup> STREET SUITE #460, PHOENIX, AZ 85008

PRICING SHEET: NIGP CODE 9181204

Terms:	NET 30
Vendor Number:	W000006817 X
Telephone Number:	602/283-2708
Fax Number:	602/273-1230
Contact Person:	Dan Marum
E-mail Address:	<a href="mailto:Dan.Marum@wilsonco.com">Dan.Marum@wilsonco.com</a>
Certificates of Insurance	Required
Contract Period:	To cover the period ending <b>October 31, 2008.</b>