

RFP AMENDMENT #1 – 2018 FLOOD PROTECTION AND STORM WATER DRAINAGE DEVELOPMENT IMPACT FEE STUDY AND AN INITIAL FINANCING STRATEGY FOR THE SMMP

Thank you for your interest in the RFP for 2018 Flood Protection and Storm Water Drainage Development Impact Fee Study and an Initial Financing Strategy for the SMMP. Zone 7 is issuing RFP Addendum #1 as an email to provide further context to the RFP in question.

I'm including a link to the Draft Zone 7 Water Agency: SMMP Hydrologic and Hydraulic Modeling Report prepared by ESA for reference of what type of modeling was involved:

https://www.dropbox.com/s/a08jm3sv3jqtvob/Zone7_Hydrology_TechnicalReport_DRAFT_2017-3-24.pdf?dl=0

Questions/Responses about RFP:

1. Does the 15 page limit include the cover letter?
No.
2. Should the cover letter be separate from the proposal or a part of it?
Cover letter should be separate.
3. Does the page limit include front and back covers, table of contents, cover letter, and blank pages to facilitate double-sided printing?
Blank pages will not be counted as part of the page limit. As mentioned previously, a cover letter will also not be counted as part of the page limit.
4. Should resumes be added as an attachment or appendix to the proposals?
Resumes should be added as an Appendix.
5. Section 2.1 Scope Work: Task 1 Project Meetings. We are sensitive to efficient use of the Agency's time and resources. After the initial on-site kick-off meeting, may a webinar format be used for bi-weekly status update meetings with staff?
A webinar format for bi-weekly status update meetings are welcomed, however, there still may be a need for on-site meetings, which should be reflected in the work and cost schedule proposed.
6. Please provide a copy of the March 2009 DIF study prepared by HDR.
A copy of the previous study is available at the following link:
https://www.dropbox.com/s/jht7ywupgs201rm/Zone%207%20Impact%20Fee%20Report_Final_Print%20Version.pdf?dl=0
7. How much did Zone 7 pay HDR to prepare the study?
Zone 7 spent approximately \$130K for the 2009 DIF Study.
8. How much is Zone 7's consulting budget to prepare the proposed 2018 DIF study?
Zone 7 presently has \$175K budgeted for the DIF Study and \$50K budgeted for the Financing Strategy, which encompasses all aspects of the project, including Staff time, outreach, Consultant time, and other miscellaneous needs.
9. What is the estimated planned budget or range for this project?
\$225K is budgeted for the entire project, which encompasses all aspects of the project, including Staff time, outreach, Consultant time, and other miscellaneous needs.
10. What is the source for the impervious surface area data that will be needed in this study to calculate DIFs?
Impervious surface areas were determined based on existing and future Land Use designations identified in General Plans obtained from the local City/County Agencies. The land use

designations were assigned a percentage of impervious area for the various types of Land Use. Below are the estimated Impervious Areas under existing and future conditions for solely Alameda County and the Alameda Creek Watershed (which includes Alameda County and portions of Contra Costa County and Santa Clara County), respectively.

Impervious area, Alameda County (acres)		
Existing	Future	Change
18,787	23,613	4,826

Impervious area, AC Watershed (acres)		
Existing	Future	Change
23,902	30,115	6,212

11. The Scope of Work for the DIF study and financing plan shall include a “review and analysis of the proposed SMMP project costs”. We fully understand the need to be thoroughly familiar with the proposed projects and their costs, and the potential benefit of the proposed projects to future new development, but is it the Agency’s intent that the consultant’s analysis include a review of the assumptions and findings of the Administrative Draft of the SMMP?
Ideally, the Consultant should look at the project costs and determine whether there are additional costs that are not identified, but should be covered under a Development Impact Fee; Consultant should suggest additions to the Scope of Work, as necessary, to fully capture the intent of the Development Impact Fee. While the goal of the DIF Study is to identify new Development’s fair share of the project costs, it is also to determine what percentage of the project expenses should be borne by existing developments.
12. Is the Agency envisioning that respondents include an engineering sub to independently validate proposed facilities costs, or can we assume that the updated cost estimates mentioned in the RFP and presented in the Draft 2017 Amended SMMP Report have already been substantiated?
While Zone 7 is not asking the Consultant to validate the programmatic project costs, Consultant should be able to identify whether additional costs should be assessed to be covered under a Development Impact Fee. In addition, Consultants’ team should include resources capable of understanding the hydrologic and hydraulic modeling utilized to develop the projects and how the present modeling work differs from what was utilized in 2009.
13. Do you expect a similar level of developer participation in this impact fee study as there was for the 2016/17 M&I Connection Fee study?
The Consultant participated in one meeting with developers during the 2016/17 M&I Connection Fee study. During the previous Development Impact Fee Study, there were several meetings held with the Home Builders Association alone, that lead to negotiation on implementation of the DIF at a step-interval.
14. When do you expect the Draft 2017 Amended SMMP Report to be adopted?
We are expecting to have the Board adopt the 2017 Amended SMMP Report in Feb 2018.
15. Do you expect any projects included in the Draft 2017 Amended SMMP Report to change significantly?
There are a couple of Management Areas with project components that will likely be reduced in the City of Livermore.

16. How far out would the long-term financing plan be for the SMMP? We typically look 10 and 20 years out.

While we are preparing for a 10-year Capital Improvement Program, the SMMP is planned to cover build-out of the General Plans, which is typically 30 years out.

17. The RFP states that “while District Act 205 grants Zone 7 the authority to impose Development Impact Fees, the Mitigation Fee Act (aka AB1600) may be used as a guideline for implementation”. District Act 205 allows for “fees” to be used for maintenance and operations. This is contrary to the Mitigation Fee Act as generally applied. Will the basis of the DIF be only capital improvements costs and not ongoing operations and maintenance?

From District Act, Sec 12.1:

12.1. Collection of fees for facilities furnished: Disposition of proceeds

The board shall also have power to prescribe, revise, and collect fees or charges for facilities furnished or to be furnished

to any area, new building, improvement or structure that will benefit from any flood control, storm drainage, water

conservation or supply or sewerage system constructed or to be constructed in a zone of the district. Revenues derived

under this section shall be used for the acquisition, construction, engineering, reconstruction, maintenance, and operation

of the flood control, storm drainage, water, or sewerage facilities of the said zone, or to reduce the principal or interest of any bonded indebtedness thereof.

The board may also provide that any fees or charges collected pursuant to Section 12.2 of this act may be credited to or

deducted from any fees or charges imposed under this section. [Added by Stats 1953 ch 1148 § 1 p 2648; Amended by

Stats 1965 ch 1833 § 1 p 4229.]

Zone 7 typically funds operations and maintenance through the collection of property taxes. Capital improvements have been primarily funded by Development Impact Fees, with a percentage being attributed from the operations and maintenance fund, based on the previous nexus study. At this time, the basis of the DIF is focused only on the projects proposed in the amended SMMP report, however, as the expert, Consultant should suggest why operation and maintenance costs could be factored into the DIF, if that is an option. As previously mentioned, the DIF Study should identify how much of the SMMP project costs should be borne by new development versus existing development.

Any questions regarding this Addendum should be submitted by email to me (jtang@zone7water.com) by 5pm Dec 6, 2017. Once again, thank you for your interest!

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