



City of Colusa City Council
STAFF REPORT

DATE: July 6, 2010
TO: Mayor Critchfield and Members of the City Council
FROM: Jan McClintock, City Manager

AGENDA ITEM:

Consideration of Request for Proposal (RFP) results for a Consultant to Conduct a Redevelopment Project Area do an RDA Boundary Study and Provide Redevelopment Plan Adoption Services.

CITY COUNCIL PRIORITIES ADDRESS:

- Operate and manage the City in a fiscally responsible manner with open, accurate and comprehensible reporting.
- Provide a safe environment for businesses and residents.
- Promote economic vitality within the City and region.
- Provide for the City's infrastructure including streets, water, sewers, parks, storm drainage, curbs, gutters, sidewalks, etc.).
- Provide for the quality of life of the residents and businesses
- Promote intergovernmental understanding and cooperation.

REQUESTED ACTION:

Authorize the City Manager and City Attorney to negotiate final terms and conditions with Burns and Watry not to exceed \$251,000 plus a 7% contingency of \$17,570 and staff time of \$15,000 plus a contingency of 10% or \$1500 for a final project costs (staff and consultant costs) of \$285,070; should those negotiations fail the City Manager and City Attorney may negotiate with Rosenow Spevacek Group (RSG) under the same not to exceed total project budget limitations.

BACKGROUND:

The City of Colusa completed a Redevelopment Feasibility study in 2008 that showed that the City could benefit both economically and financially from a Redevelopment Agency. The next step in that process is to select a firm that specializes in redevelopment to perform a study to define the redevelopment boundaries. The final products of that study are a defined redevelopment area complete with boundaries and a plan for that area that specifically addresses how to correct the issues found to exist in the area selected for redevelopment.

The City issued an RFP for a consulting firm. The RFP was distributed through the California Redevelopment Association as well as direct emails to parties who had expressed an interest. There were three responses to the RFP.

All respondents appeared to be qualified; however, they presented very different project team structures. Staff, including the City Manager, the City Planner, and the City Engineer interviewed each responding team. The City Attorney's office reviewed the RFP responses and sent questions to the interview team to ask during the interviews.

Based on the results of the interviews, the team found that one of the major differences in the responses was were the amount of work required by City staff.

- Seifel relied most on City resources including all engineering and legal work, including drafting of the Redevelopment DA Planplan. They also required the use of City Planning services and administrative services. This would have required the City Manager to spend significant time coordinating the day to day processes of the project as balanced with regular workloads.
- RSG relied slightly less on City resources but still required the City Engineer and Attorney to complete all engineering and legal work. They also needed significant amounts of time from the City Planner. They needed minor administrative work such as mailings so they would have a Colusa postage stamp.
- Burns and Watry provided an almost turn-key response, relying very little on City staff. They needed some assistance with questions and ideas as well as having staff be integral to the document review process. Mailings would require some administrative work.

All firms have good references.

All firms demonstrated illustrated the ability to do a quality job for the City.

All firms were able to articulate specific instances where they had been creative with RDAs. However, Seifel and Burns & Watry gave particularly good examples of using creativity to achieve desired results.

All RFP responses contained the required content and were presented with clarity.

All firms were provided with the standard City Services Contract for review. Burns and Watry and Seifel requested reductions on the liability insurance, which the City frequently accommodates. RSG requested several contract modifications.

Based on staff estimates of the work required the pricing is as follows:

Firm	Bid	Staff Costs	Total
RSG	179,000	75,000	254,000
Burns and Watry	251,000	15,000	266,000
Seifel	335,000	125,000	460,000

Other notes: RSG proposed to use PMC for the EIR. There is the potential that PMC's knowledge gained during the General Plan could streamline the EIR; however, the EIR portion of the RSG bid did not reflect a significant discount. Seifel's EIR consultant seemed intent on having the EIR for the adoption of the Redevelopment Plan creation of the RDA consider the total build-out of the City as proposed by the General Plan.

This was an added expense that should not be needed due to the recent Master Plans and the fact that the RDA does not include large acreages of undeveloped land.

There is a critical date of July 20th 2011. This date is critical because, although the redevelopment area ordinance doesn't become effective active until 90 30 days after adoption (the period in which a referendum or legal challenge may be filed), after adoption. if the City can meet the 30-day time limit for transmitting the adoption ordinance and related documents to the taxing agencies and the State Board of Equalization by August 20, 2011, the Redevelopment Agency will not have to wait until the next property tax cycle to begin receiving revenue. We must meet August 20, 2011 or we miss revenue until the next property tax cycle. This is an ambitious schedule but can be done if we stay on task and concentrate.

Based on the closeness of the costs between RSG and Burns and Watry, staff recommends Burns and Watry because their proposal minimized the impact on City Hall staff. Of particular concern is the City Planner who is currently processing a tentative map, 3 annexations, the boat ramp project as well as participating on the revenue sharing agreement negotiations and the general plan work with the County in addition to smaller projects that come in such as lots splits. The City Planner could not take on this additional work load so the City would have to hire additional planning services, something staff doesn't recommend at this time.

Staff requests permission for the City Manager to negotiate a final contract with Burns and Watry not to exceed \$251,000 plus a 7% contingency of \$17,570 and staff time of \$15,000 plus a contingency of 10% or \$1500 for a final project costs (staff and consultant costs) of \$285,070. Should these negotiations fail, staff would turn to RSG but the total costs for RSG, including staff time, could not exceed the \$285,070. Final contract to be placed as a consent calendar accept and file item when contract signatures are available.

BUDGET IMPACT:

City staff would create a formal loan with a balloon payment due in 2012 from the City reserves to the City of Colusa Redevelopment Agency which would be formally booked as part of the 2010/2011 final budget. This loan would be repaid to the City from proceeds of the Redevelopment Agency.

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