



CITY OF  
BAINBRIDGE ISLAND

**PLANNING AND COMMUNITY DEVELOPMENT  
100% COST RECOVERY FEE STUDY**

**REQUEST FOR PROPOSALS**

**ADVERTISEMENT**

The City of Bainbridge Island is requesting proposals from qualified consultants for a Planning and Community Development (PCD) 100% cost recovery fee study (i.e. fully burdened rate). In 2018, the City reviewed 285 planning permits, 774 building permits and conducted 5,021 inspections. Permit fees were last updated in 2006.

For further information on the City of Bainbridge island, you may visit our website at <http://www.ci.bainbridge-isl.wa.us/>

**Current Rates:**

The City currently has a permit fee structure with varying fee rates for planning and building permit reviews that is a flat rate that has not been adjusted since 2006 and includes an hourly rate option. The fee rates were designated for a 2/3 ratio to full cost recovery for building and development services less enforcement, or 3 total fund costs.

**Proposals should include:**

- General statement of the project understanding.
- Project team including proposed subconsultants.
- The project team's experience in fee rate studies and development of 100% cost recovery
- The experience of the proposed project manager and individuals who will be working on the project.
- A proposed task list and level of effort for each task.
- A schedule for completing the project.
- An approach to managing and completing the project.
- An approach to communicating with the City, including the City Council.

Proposals shall be 25 pages or less including any resumes and cover letter. Five (5) copies of the proposal shall be delivered to City of Bainbridge Island, 280 Madison Ave. N., Bainbridge Island, WA 98110, Attn: Heather Wright. Questions concerning this request should be directed to Heather Wright at 206-780-3754.

**Project Title:** Planning and Community Development 100% Cost Recovery Fee Study

**Proposals Due:** 4:00 p.m. Friday, September 27, 2019

Any firm failing to submit information in accordance with the procedures set forth in the Request for Proposals may be considered nonresponsive and be subject to disqualification.

## **PLANNING AND COMMUNITY DEVELOPMENT, 100% COST RECOVERY FEE STUDY**

### **REQUEST FOR PROPOSALS**

#### **I. INTRODUCTION**

A. This Request for Proposals ("RFP") outlines the information necessary to understand the consultant selection process and the required documentation a Proposer must submit. After reviewing this RFP, any firm that determines it has the necessary expertise and experience and could successfully perform the required services may submit its Submittal, addressing the items set forth herein. A general overview of the selection process is as follows:

1. Proposers shall deliver the Submittal to the City no later than **4:00 p.m. on Friday, September 27**, after which time they will be reviewed and evaluated. The Submittal shall be delivered to:

**City of Bainbridge Island  
280 Madison Avenue North  
Bainbridge Island, WA 98110  
Attn: Heather Wright**

2. The City may, at its option, contact a Proposer and ask clarifying questions concerning the Proposer's Submittal.
3. At the City's option, the City may conduct interviews with Proposers qualifying as finalists.

B. The purpose of this RFP is to obtain a qualified consultant team to provide professional services to conduct a 100% cost of service rate study (i.e. fully burdened rate) for planning and building permit fees, and update the City's permit fees. A preliminary scope of services is provided as follows.

#### **II. PROJECT BACKGROUND**

The City of Bainbridge Island administers their permit reviews through Dude Solutions, formerly known as SmartGov and has recently began the use of Blubeam for their reviews. The City currently offers three permit types to be submitted and issued on-line. The City has approximately 65 planning permit types and 66 building permit types, the majority of which are reviewed by our Development Engineers.

The adopted City's 2019 work plan priorities include a fee schedule update study with the goal of 100% cost recovery. The last fee study for the City was completed in 2006 and was designed for 2/3 ratio to full cost recovery and is available at <https://www.bainbridgewa.gov/DocumentCenter/View/12366/FCS-GROUP-BD--S-STUDY-2006>.

### III. PROCUREMENT PROCESS

#### A. General Information

##### 1. Compliance with Legal Requirements.

- a. The procurement of these consultant services will be in accordance with applicable City, federal, state and local laws, regulations and procedures. The City reserves the right to reject any and all Submittals received. Any Proposer failing to submit information in accordance with the procedures set forth herein may not be considered nonresponsive and may therefore be subject to disqualification by the City.
- b. In accordance with the provisions of this RFP, The City will evaluate the Submittals. The final selection, if any, will be that Consultant Team which, in the opinion of the City, best meets the requirements set forth in the RFP and is determined to be the most highly qualified for the services requested.

2. Clear & Concise Submittal. Proposers are discouraged from submitting lengthy Submittals. The City requests that Submittals be concise and clearly written containing only essential information.

3. Costs borne by Proposers. All costs incurred in the preparation of a Submittal and participation in this RFP and negotiation process shall be borne by the proposing firms.

4. Public Disclosure. Once in the City's possession, Submittals shall become property of the City and considered public documents under applicable Washington State laws. All documentation that is provided to the City may be subject to disclosure in accordance with Washington State public disclosure laws.

##### 2. Schedule

1. Anticipated Schedule. The selection process is anticipated to proceed as outlined below and is subject to change:

**Submittals Due:** 4:00 pm, Friday, September 27, 2019

**Select Finalists:** Friday, October 11, 2019

**Conduct Interviews:** October 18 (Fri), 21 (Mon) & 25 (Fri)

**Council approval of consultant:** Tuesday, November 12, 2019

**Work Completed by:** Wednesday, April 30, 2020 (or as mutually agreed upon)

2. Notification. The City will notify appropriate firms of changes in the RFP and Notice of Selection.

3. Addenda. In the event it becomes necessary to revise any part of the RFP, addenda will be provided to all firms still under consideration at the time the addendum is issued. If any firm has reason to doubt whether the City is aware of the firm's interest, it is the responsibility of the firm to notify the City to be sure that addenda are received.

### 3. Negotiations

1. At the completion of the selection process, the selected Proposer will enter into contract negotiations with the City. Negotiation of a contract will be in conformance with applicable federal, state and local laws, regulations and procedures. The negotiated cost and pricing data, once agreed to by the City and the Consultant, shall form the basis for a billing/payment provision.

2. At the beginning of negotiations the selected Proposer and City shall meet to establish a Negotiation Schedule. Negotiations shall begin with the Scope of Work (SOW) identified in the Qualifications Statement and the Work Plan Level of Effort (LOE) submitted by the selected Proposer. A Project Schedule shall accompany all revisions to the SOW and LOE. The SOW, LOE and Project Schedule should be interrelated and identify tasks and subtasks by the same numbers.

3. If the City and selected Proposer cannot come to terms on LOE and SOW after three (3) revisions to the SOW and LOE, the City may discontinue negotiations and go to next highest ranked Proposer. Failure to reach agreement after three (3) revisions demonstrates an inability to reach agreement within a reasonable timeframe.

### 4. Cost and Pricing Data

1. The selected consultant shall provide the following information within **five (5) business days** after Notice of Selection has been received. Failure to provide such information in a timely manner may result in the City determining to discontinue negotiations with the selected Proposer and start negotiations with the next highest ranked Proposer.

a. **Direct Salaries.** Selected consultant and its subconsultants shall submit the following information:

(1) List of employees, in alphabetical order (last name first), with job classification, rate of pay, and salary review date.

b. **Overhead Rates.** Selected consultant and its subconsultants shall provide the following information:

(1) Provide current overhead schedule and cost detail by general ledger account.

(2) Provide a listing of all personnel who will perform work on this project and whose salaries, in full or in part. For each person identify his or her title, classification, position in company and salary rate.

c. **Billing Rates.** Submit only for certain qualifying small firms.

(1) Small firms that do not have an accounting system in place, that identify direct and indirect costs separately, generally use billing rates. Fully burdened billing rates, which include labor, overhead costs and profit are allowed on a case-by-case basis for those firms that typically use this method for billing purposes.

d. **Other Direct Cost(s).**

- (1) Identify all Other Direct Cost(s) (ODC) for this project and the rationale used as a basis for this cost.
  - (2) For each ODC, provide the unit prices and/or rates with supporting rationale, historical data and estimating methodology used to validate these rates.
  - (3) Failure to identify ODC results in a presumption that there are no ODC.
- e. **Profit.** Selected consultant and its subconsultants shall provide the following:
- (1) Proposed profit;
  - (2) Rationale and justification for the proposed profit rate.
- f. **Markup on Subconsultant Costs and ODC.** Selected consultant and its subconsultants shall provide the following:
- (1) Proposed markup on subconsultant costs and ODC;
  - (2) Rationale and justification for the proposed markups.

#### **IV. INSURANCE REQUIREMENTS**

Prior to execution of the Agreement, the Selected Consultant shall file with the City certificates of insurance and endorsements from the insurer(s) certifying to the coverage of all insurance required in accordance with the City's standard agreement.

#### **V. EVALUATION AND SELECTION CRITERIA**

- A. All Submittals will be evaluated by a Consultant Selection Panel ("Panel"), which will be responsible for ranking of the Submittals. The criteria outlined below will be used in evaluating the Submittals and determining the most qualified Proposer.
- B. The City may determine that the ranking is close and an interview with the top ranked firms is necessary. The number of Proposers to participate in interviews, if any, will be determined by the City based on the recommendation of the evaluation. The City may choose to use different criteria for the interview, in which case the finalists will be so notified in writing. The interview process may or may not include a Consultant presentation and the Consultants will not be given questions to prepare for in advance of the interview.

#### **VI. DOCUMENTATION**

- A. Proposers shall submit **five (5) bound copies** of the Submittal.
- B. Submittals shall be 25 pages or less, including any resumes and cover letter.
- C. The Submittal shall consist of the following parts:
  1. **Letter of Interest.** The Letter of Interest shall contain the following information:
    - RFP Title;
    - Proposer's name, mailing address, contact person, telephone and fax numbers; and
    - Complete list of proposed subconsultants.
  2. **Qualifications Statement.** The submittal shall include:
    - General statement of the understanding of the scope of services.
    - An approach to the project.
    - Cost proposal
    - The project team's experience in 100% cost recovery rate studies
    - The experience of the proposed project manager and individuals who will be working on the project.

- A proposed task list and level of effort for each task, (refer to proposed scope of work).
- Approach to managing and completing the project.
- Approach to communicating with the City.

The submittal shall be presented in a clear, comprehensive and concise manner and shall be submitted in a complete package by the Proposer.

## **Scope of Services**

This project includes a fully burdened, 100% cost recovery study for planning and building services. The full cost of service for the permitting process include not only expenditures associated with directly processing a permit or project application, but also an applicable share of labor and non-labor costs associated with supporting the regulatory functions of the City.

The Consultant will provide backup documentation of work products as appropriate to adequately record the Consultant's work, including assumptions made, regulation interpretations, methodology used, calculations, rationale supporting recommendations, and meeting or conversation records.

All draft and final deliverables are to be provided to the City in the following formats:

1. Five bound copies
2. One unbound, camera-ready copy
3. One electronic copy (Microsoft Word and Excel for all financial tables and models)

The City will create and distribute additional copies of the deliverables as required.

## **Task 100 – Data Collection & Interviews:**

### **1. Initial project meeting**

Kick off meeting with Building official, Director of Planning and Community Development and Engineering Manager to review the project scope.

### **2. Data collection**

1. Collect budgeted salary, wages and labor benefits for each employee to calculate the fully burdened rate of labor cost per work hour available for each PCD and Public Works employee.
2. Collect cost data on applicable overhead components such as support staff, IT services, Finance services, utilities, supplies, etc.
3. Collect all existing fees for PCD and Engineering permits.
4. Conduct group interviews to develop consensus estimates of the typical total person-hours required to process permits of the types issued by the City.

### **3. Staff interviews**

Conduct interviews with PCD and Engineering employees to understand all steps including permit intake, review, inspections and calculation of permit and inspection fees. Conduct interviews with reviewers from

Planning, Engineering and Building regarding the permit review process including the number of hours spent per permit review by staff positions.

**4. Review other comparable jurisdiction permit application fees:**

Review Washington Building Code fee structure for guidance and provide other comparable Washington cities fee structures that were updated in the last five years that apply cost recovery.

**Task 200 - Prepare Draft Rate Study Report:**

**The draft rate study report should include:**

1. A report that analyzes the fully burdened rate of employee functional activities revealed in the interviews that including time estimates, non-labor costs, labor costs and overhead costs;
2. A review of the overhead cost allocation methodologies; including direct and indirect services, department and city-wide overhead;
3. Identification of any fees that aren't being collected;
4. Define the full cost of service;
5. Comparison of other municipal fees;
6. Comparison of existing fees compared to proposed fees for each permit type;
7. Set Draft Fees that include electronic review fees.
8. Provide the cost recovery model to support the basis of the approach.
9. Provide options and a recommendation on implementation of the rate increase (staggered, one lump, annual increases, etc); including a proposal for an annual increase.

The report shall be shared with the City Council during a study session meeting (meetings occur on Tuesday evenings).

**Task 300 - Final Permit Review Study Report:**

After staff review, prepare a final report with revised permitting fees to be shared with the City Council at a second study session.

**Task 400 – Draft and Adopt Fee ordinance:**

Draft fee ordinance and present to City Council for adoption at a business meeting. Anticipate attending up to three meetings for this task.