

<b>Subject</b>	<b>Approval of Consultant Services Agreement No. 249 with Economic &amp; Planning Systems, Inc. for a Transportation Regional Fee Study</b>
<b>Summary</b>	The Authority authorized Request for Qualifications 08-3 to evaluate and forecast revenues derived from transportation impact fees collected from jurisdictions in East Contra Costa County. Services to be provided by the consultant include: analyzing current fee collection status and providing an annualized forecast (through 2020) of revenues to be collected based on current economic conditions, absorption of existing housing stock and remaining development capacity. Two statements of qualifications were received.
<b>Recommendations</b>	Staff recommends that the Authority enter into a consulting service agreement with Economic & Planning Systems, Inc. (EPS) to evaluate and forecast transportation impact fees collected in East Contra Costa County. The impact fee is a critical funding source for the repayment of Measure J revenues advanced to the East Contra Costa Regional Fee and Financing Authority, and is one of the funding sources for the State Route 4 East widening project.
<b>Financial Implications</b>	The fee component of the EPS proposal is based on the completion of milestones with a total not-to-exceed amount of \$44,500, inclusive of expenses.
<b>Options</b>	<ol style="list-style-type: none"> <li>1. Enter into a contract with EPS to evaluate and forecast transportation impact fees.</li> <li>2. Reject all statements of qualification.</li> </ol>
<b>Attachments</b>	None
<b>Changes from Committee</b>	

**Background**

On March 19<sup>th</sup> the Authority authorized Request for Qualifications (RFQ) No. 08-3 to obtain a consultant to evaluate and forecast transportation impact fees collected in East Contra Costa County. The fee has been collected since 1994 and is designed to provide a contribution from new development toward a series of regional transportation improvements, such as State Route (SR) 4 Bypass and the widening of SR 4 East through Pittsburg and Antioch. The financing plan for such improvements relies on this impact fee and Measure J funds. To assist with the cash flow requirements of the SR 4 Bypass project, funds have already been advanced with the expectation of repayment from the impact fee.

Nine firms were asked to submit qualifications, of which two firms respectfully declined to respond, and two firms responded. The process for evaluating the two statements of qualifications was based against criteria including qualifications, relevant experience, the understanding of the Authority’s objectives, and pricing for the provision of services. Following this evaluation by a panel of Authority staff and the SR 4 Bypass Authority, the panel concluded that the proposal submitted by EPS was the most responsive to the Authority’s scope of services. EPS has worked with the Authority previously and has also assisted other jurisdictions throughout the county in similar engagements. The fees for services as stated are on a not-to-exceed basis of \$44,500, inclusive of expenses.

According to EPS' response, they are uniquely qualified to assist the Authority using well organized and well documented models and methods. EPS has a track record of working with jurisdictions developing land use projections, establishing development impact fee programs, and evaluating the impacts of market fluctuations on development forecasts. Specifically, EPS is prepared to provide a comprehensive analysis of the current status of East Contra Costa Regional Fee Program and prepare an annualized impact fee revenue forecast through 2020. The forecast will be prepared within the context of market uncertainties related to subprime mortgage exposure and a possible recession. EPS is currently under contract to provide similar services to WCCTAC in conjunction with a bond financing program.