



# MARIPOSA COUNTY

Administration · 966-3222



## **RESOLUTION - ACTION REQUESTED 2019-467**

MEETING: August 13, 2019

TO: The Board of Supervisors

FROM: Dallin Kimble, County Administrative Officer

RE: Approve Amendment to NBS Development Services Fee Schedule Consulting Contract

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### **RECOMMENDATION AND JUSTIFICATION:**

Approve an Amendment to the NBS Consulting Services Agreement for the County Development Fee Schedules to Cover Existing Cost Overruns \$4,300 and a Not-To-Exceed Additional Cost Coverage of \$7,700.

The amendment is driven by the following.

Slow responses from County staff: The fires in Mariposa in August of 2018 impacted the duration of the project, placing it on hold (especially for Public Works) for several months. While NBS continued to work with Building and Planning during this time, it was not until December of 2018 and early 2019 that Public Works fully engaged in the study. The slow response rate also resulted in the need to re-start and re-explain tasks to Public Works and Environmental Health in early 2019. These project delays have caused some unanticipated iterations of work product and review.

Going "above and beyond" the normal process: In order to obtain workload data required for the building fee model, NBS manually transferred approximately 6 months of permit record data from hardcopy records into Excel. Most of our clients have a permitting software for this purpose. Also, to try and save time for County staff and progress the project during the August to December time period, we attempted to utilize existing time tracking data for both Public Works and Environmental Health, which once at draft, required further review and iteration by these departments. We also assisted the County in clarifying and understanding the need to divide the Environmental Health operating budget into two "divisions" for purposes of the fee study.

Further iterations of fee model: As of the April 25, 2019 draft report on the study, there appears to be further need for fee model iteration in Environmental Health and Building. Once the report is finalized, we still have an adoption process and public representation of the project to assist with.

The original contract overview follows.

The County Planning Department (PD), County Building Department (BD), County Environmental Health Division of the Health Department (EHD), and County Public Works Department (PWD) have primary responsibility for regulating and permitting land development activities within the County's jurisdiction. The Departments are responsible for reviewing applications, issuing permits and performing inspections related to encroachments, new construction, public infrastructure, code enforcement, and food handling, to name just a few.

PD, BD, EHD, and PWD collect fees from permit applicants and other users that directly benefit from the services they are receiving. Collected fees are intended to offset the costs incurred in providing

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these services. Fees collected by the Departments are based on the County's adopted Fee Schedules.

The goal of county fees schedules is to collect fees that fairly and equitably recover development services costs incurred by the County. Many of the fees and fee deposit amounts in the current fee schedules are based on analyses that are over 5 years old, some much older, and no longer correspond to current operating conditions. Since the time of the last fee study, the County's operating costs have increased significantly. In addition, the structure in which the County is organized to provide land development services has changed in a variety of ways, and there are some services provided today that were not provided at all for which no fees have been established in the fee schedules. Because fee schedules have not been comprehensively reviewed and updated recently, it is anticipated that the adjustments to many existing fees and inclusion of some new fees will likely be required to meet this goal.

### **BACKGROUND AND HISTORY OF BOARD ACTIONS:**

On April 24, 2018 in Resolution 2018-176, the Board approved the selection of and contract with NBS.

### **ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:**

Do not approve the amendment and contract will wrap up prior to full completion of project and final edits to fee schedules.

### **FINANCIAL IMPACT:**

**The amended contract includes additional costs not-to-exceed \$12,000 which will be taken from Administration's Professional Services FY20 Budget**

### **ATTACHMENTS:**

**NBS signed contract (PDF)**

**Mariposa\_AmendmentProposal\_06042019 (PDF)**

**RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]**

**MOVER:** Merlin Jones, District II Supervisor

**SECONDER:** Rosemarie Smallcombe, District I Supervisor

**AYES:** Smallcombe, Jones, Long, Cann, Menetrey



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August 13, 2019

Leigh Westerlund  
 Assistant County Administrative Officer  
 Mariposa County  
 5100 Bullion Street  
 Mariposa, CA 95338

**RE: User Fees and Collections Processes Study – Project Scope and Budget Amendment**

Dear Leigh:

Thank you for the recent discussion regarding status and plan for completion of the User Fees and Collections Processes Study. NBS began work on this project in approximately July of 2018. Overall, the project is approximately 90 percent complete. We issued a Draft Final Report on April 15, 2019, and a revised version on April 25, 2019.

As of May 31, 2019, our internal project tracking system indicates that we have exceeded the project budget by approximately \$8,600. Per your request, the following is the total number of consulting hours and associated costs we have incurred on the project, by month, since the project’s initiation.

	Hours	Sum of Total Amount
<b>2018</b>		
Apr	1	\$90
Jun	5	\$655
Jul	56	\$7,940
Aug	41	\$4,988
Sep	36	\$5,089
Oct	18	\$2,270
Nov	24	\$2,880
Dec	25	\$3,068
<b>2019</b>		
Jan	49	\$6,399
Feb	46	\$5,885
Mar	44	\$5,620
Apr	12	\$1,886
May	10	\$1,416
<b>Total</b>	<b>364</b>	<b>\$48,185</b>

For quick reference, the following shows our originally proposed budget for the project at \$39,590.

PROJECT COST DETAIL	Consultant Labor (Hours)			Consultant Cost		TOTAL	
	NBS - Director	NBS - Analyst	MAS - Subcontractor	NBS Consultant Cost	MAS Consultant Cost	Consultant Labor (Hours)	Consultant Cost
<i>Hourly Rate</i>	\$205	\$120	\$225				
<b>USER FEE STUDY</b>							
Task 1 Commencement and Data Collection	2	2	2	\$ 650	\$ 450	6	\$ 1,100
Task 2 Design Fee Structure	24	20	-	7,320	-	44	7,320
Task 3 Conduct Time Study	20	32	-	7,940	-	52	7,940
Task 4 Prepare Iterations and Time Study Module	10	16	-	3,970	-	26	3,970
Task 5 Develop Time/Cost Module	8	16	-	3,560	-	24	3,560
Task 6 Determine Full Cost of Services	8	12	-	3,080	-	20	3,080
Task 7 Comparative Fee Survey	4	26	-	3,940	-	30	3,940
Task 8 Conduct Divisional Meetings and Revisions	8	8	-	2,600	-	16	2,600
Task 9 Issue Study Documentation	12	8	-	3,420	-	20	3,420
Task 10 Assist with Implementation	12	2	-	2,700	-	14	2,700
Task 11 Review Current Fee Collection Practices*	2	-	36	410	8,100	38	8,510
<b>Subtotal</b>	<b>110</b>	<b>142</b>	<b>38.0</b>	<b>\$ 39,590</b>	<b>\$ 8,550</b>	<b>290</b>	<b>\$ 48,140</b>
NBS Sub consultant Administrative Fee (10%)							855
<b>TOTAL ALL PROJECTS</b>							<b>\$ 48,995</b>

While we do not track our time and expenses by work plan task exactly as shown in our proposal, the first table above does provide a summation of time across all tasks to date. In general, most aspects of the County’s fee study have been typical as compared to other projects, with a few exceptions. The fires in Mariposa in August of 2018 impacted the duration of the project, placing it on hold (especially for Public Works) for several months. While NBS continued to work with Building and Planning during this time, it was not until December of 2018 and early 2019 that Public Works fully engaged in the study. We believe most of the project over-run has occurred on Tasks 2 through 5, and Task 8 of the project, where NBS was slow to receive responses to data requests and also needed to re-start and re-explain tasks to Public Works and Environmental Health in early 2019. These project delays have caused some unanticipated iterations of work product and review.

We would also like to point out a few areas of the project where we have gone “above and beyond” our normal process. In order to obtain workload data required for the building fee model, NBS manually transferred approximately 6 months of permit record data from hardcopy records into Excel. Most of our clients have a permitting software for this purpose. Also, to try and save time for County staff and progress the project during the August to December time period, we attempted to utilize existing time tracking data for both Public Works and Environmental Health, which once at draft, required further review and iteration by these departments. We also assisted the County in clarifying and understanding the need to divide the Environmental Health operating budget into two “divisions” for purposes of the fee study.

As of the April 25 draft report on the study, there appears to be further need for fee model iteration in Environmental Health and Building. Once the report is finalized, we still have an adoption process and public representation of the project to assist with. As such, we kindly request additional compensation to finish the project.

The following are two options for proposed updates to professional fees for this project. Option 1 includes a budget we believe is adequate to complete the project. Option 2 includes a budget that collects for approximately half of the over-run noted above.

Task	Option 1	Option 2	Fee Type
Project Over-run	n/a	\$ 4,300	Fixed
Anticipated Additional Iterations / Review	\$ 5,000	\$ 5,000	NTE
Task 10 - Adoption Process	\$ 2,700	\$ 2,700	Fixed
<b>Total</b>	<b>\$ 7,700</b>	<b>\$ 12,000</b>	

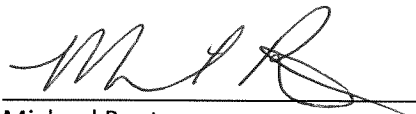
As we discussed previously, we do not intend to collect in arrears for the full project delay caused by the fire, or for project management decisions made by NBS that deviate from our standard process. Please note that we do understand if the County does not wish to, or cannot, meet us half-way on the over-run. The Fee Type as shown in the table above indicates whether the fee is fixed or suggested as a not-to-exceed (NTE) amount. For the NTE item, we suggest further iterative and review efforts be billed to the county on an hourly basis, not to exceed \$5,000. If the County does not require the full amount of funds, we would not bill the County for the unused portion.

Thank you again for the opportunity to revisit the professional fees for this project. Please contact Nicole Kissam or me at 800.676.7516 or via email at nkissam@nbsgov.com if you have any questions or concerns.

Sincerely,

**NBS Government Finance Group,  
DBA NBS**

**Mariposa County**

  
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Michael Rentner

  
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Miles Menetrey

President and CEO  
Title 8/13/19 Date

Board Chair  
Title SEPT 13 2019 Date

**APPROVED AS TO FORM:**

  
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STEVEN W. DAHLEM  
COUNTY COUNSEL