TOWN OF MILLIKEN
TOWN BOARD OF TRUSTEES
AGENDA MEMORANDUM

To: Mayor Tokunaga and Members of the Board of Trustees From: Seth Hyberger, Community Engagement Specialist/Planner Via: Kent Brown, Administrator			Meeting Date: May 13, 2015
Agenda Item #	Action: X	Discussion:	Information:
Agenda Title: Select Proposal for Implementation of a Stormwater Utility for the Town of Milliken			
Attachments: Proposals from ICON Engineering (StormGroup 1) and Lamp Rynearson & Associates			

PURPOSE

The Town of Milliken has recently established a Stormwater Utility Fee through the passage of an ordinance on December 10, 2014. The next step in the process is the implementation of setting up the Stormwater Utility Fee. Jon Sorenson with ICON Engineering Inc. and Storm Group 1 put together a revised proposal to assist the Town with implementing the Stormwater Utility Fee. The previous proposal was presented to the Town Board on February 11, 2015. The Board requested the proposal to be simplified. The revised cost for the six phase Storm Water Utility Implementation Proposal is $35,726. The six phases include: Public Education & Involvement, Funding Needs, Stormwater Utility Rate Structure Options, Geographic Information System Analysis, Assistance to Town with Impervious Area Data, and Project Management. Mr. Sorenson has previously assisted 15 other Colorado communities with setting up and implementing stormwater utility fees.

Lamp Rynearson & Associates also submitted a proposal for the Stormwater Utility Fee Implementation as well. The proposal consists of 5 phases. These phases are Project Management, GIS Analysis, Rate Structure Options and Revenue Projections, Public Participation, and Billing Database. Lamp Rynearson & Associates cost for its five phase Storm Water Utility Implementation Proposal is $31,000.

Both proposals are similar in regards to implementing the Stormwater Utility Fee. Each proposal achieves the same outcome of having a Stormwater Utility Fee implemented for the Town and the justification regarding the establishment of a fee.

TWO SUGGESTED MOTIONS

"I move to approve the Town entering into a contract with Stormwater Group 1 to establish a Stormwater Utility Fee for the Town and authorize the Town Administrator to execute such contract."

"I move to approve the Town entering into a contract with Lamp Rynerson and Associates to establish a Stormwater Utility Fee for the Town and authorize the Town Administrator to execute such contract."

TOWN OF MILLIKEN
STORMWATER UTILITY IMPLEMENTATION STUDY
SUBMITTED BY LAMP RYNEARSON

Project Description

The Town of Milliken has taken the first step toward implementation of a stormwater utility with the adoption of Ordinance No. 704 on December 10, 2014. It is our understanding that the Town is ready to proceed with implementation of the stormwater utility utilizing methodology that is as simple as possible. Outlined below is our detailed scope of services and fees for this project. Our approach assumes that the recently completed Stormwater Master Plan will serve as the basis for the determination of funding needs compared to the potential revenue generated by the stormwater utility.

1. **Project Management. (38 hours)**
   - Facilitate up to three (3) meetings with a staff task force. The purpose of these meetings is to discuss options, review information on neighboring communities, and reach consensus on a recommended option. We will prepare all supporting documents for these meetings.
   - Internal project management functions.

2. **GIS Analysis. (100 Hours)**
   - Estimate average impervious surface percentage for Single Family Residential (SFR) properties using recognized references.
   - Develop a GIS database for the Town using most current available data that can be obtained from the Town, Weld County, and other reliable sources.
   - Review and update parcel data for non-SFR properties. Based on our preliminary review of available data, it has been noted that the Weld County parcels layer and the aerial imagery are not spatially consistent as the property boundaries appear to be shifted to the north in relation to the aerial. As the parcels layer will serve as the basis from which the area of impervious surfaces will be calculated, it is essential that these spatial inconsistencies be addressed prior to delineating impervious areas
   - Measure and tabulate impervious surfaces for non-SFR properties using "heads-up" digitizing methods. As these areas are digitized, the technician will note each polygon with a surface type and confidence score gauging their level of confidence of the accuracy of the surface type and boundaries.
   - After the initial heads-up digitizing effort is complete, areas of low confidence will be checked in the field to assure that the delineations and surface types are accurate. A random sample of high confidence areas would also be field verified to further check the accuracy of the digitized area.
   - Develop exhibits and a written summary to illustrate the process.

3. **Rate Structure Options and Revenue Projections. (40 hours)**
   - Create a revenue projection spreadsheet.
   - Identify and tabulate potentially exempt properties.
   - Prepare revenue projections resulting from several rate structure options.
     i. Fees for single family residential properties will be a uniform, flat fee for all properties.
     ii. Fees for other land uses will be based on each parcel's impervious area as determined from the GIS analysis.
     iii. Rate per square foot of impervious area will be consistent for all land use types.
   - Prepare a written summary and exhibits identifying the results of each rate structure option.

4. **Public Participation. (36 Hours)**
   - Lead and facilitate one public information meeting.
   - Lead and facilitate one presentation to Town Board.
   - Prepare presentation materials for public information meeting and Town Board meeting.
   - Prepare up to two additional educational brochures for Town use.

5. **Billing Database (4 hours)**
   - Consult with Town staff on integration of stormwater utility data into Town's existing utility billing system.
   - Prepare recommendations for annual update of billing database.

General Assumptions

1. Our scope of services does not include any updates to the Town's Stormwater Master Plan.
2. Lamp Rynearson & Associates will utilize GIS parcel boundaries and imagery from Weld County under the Town of Milliken data use agreement.
3. The Town of Milliken will contact affected land owners and obtain permission for Lamp Rynearson personnel to enter properties if deemed necessary for field verification.

Estimated Schedule

Task	Estimated Date
Project Kick-Off & Staff Meeting No. 1	Week of 5/11/15
GIS Analysis & Preliminary Revenue Projections	5/11/15 – 6/19/15
Staff Meeting No. 2	Week of 6/22/15
Field Verification & Refine Revenue Projections	6/22/15 – 7/17/15
Staff Meeting No. 3	Week of 7/20/15
Public Information Meeting	TBD
Town Board Presentation	TBD

Fees

We will bill for our services on the basis of hourly charge rate plus reimbursable expenses incurred with a not to exceed amount of $31,000 for the services described above. An approximate breakdown by task is listed below.

Task	Fee
1. Project Management	$7,500
2. GIS Analysis	$11,500
3. Rate Structure Options and Revenue Projections	$5,500
4. Public Participation	$6,000
5. Billing Database	$500

For any additional services we will bill on the basis or hourly charge rates in accordance with our current rate schedule.

Project Team

Mike McMeekin – Principal / Project Manager
John Tufte – Engineering Lead
Troy Spraker – Assistant Project Manager
Mark Steele – GIS Technician
Neil Brennan – Design Engineer
Candice Hartley – Marketing / Graphic Designer

	FINAL DRAFT	
	Proposal for Implementation of a Stormwater Utility for the Town of Milliken	
	ICON Engineering Inc. and StormGroup 1	
	3/6/2015	
	Town of Milliken Staff tasks are in RED.	
Task	**Task Description**	**TOTAL**
1	**Public Education and Involvement- SG1**	
1.1	Prepare draft and final schedule for public education and involvement activities. Town staff to review and revise for final.	
1.2	Preparation of 2 Summary PowerPoint presentations to a Town Staff Task Force; 1 of which will include a presentation prepared by ICON on the 5-year capital improvement plan. The presentations will include options for consideration by the Task Force and the Task Force will be asked to choose options based on information provided by the consultant. This is an important part of due deligence. This does not include presentations to any other community groups, but the groups and the public should be notified and encouraged to attend the Task Force meetings to provide input to the project.	
	1.2.a. Funding needs and possible funding sources. Description of a SWU and properties included and excluded.	
	1.2.b. Public involvement plan and rate structure options	
	1.2.c. Information on neighboring communities and comparisons to Milliken options. Timeline for implementation.	
	1.2.d. Revenue estimates for each rate option, selection of rate structure and rate. Implementation plans	
1.3	Attend 2 Meetings with Town Staff Task Force to present PowerPoint Presentations prepared above. Town staff to take meeting minutes and type summaries for project due deligence.	
1.4	Prepare 3 different draft articles describing different phases of the project, to be finalized by Town Staff, for use in Town Newsletter, utility bill inserts, posters, and Town Website.	
1.5	Town staff to provide customer service call in number and trained customer service representative(s).	
1.6	Technical phone support for Customer Service Representatives	
	TOTAL TASK 1	**$9,250**
2	**Funding Needs- ICON**	
2.2	Development of a 5-year draft and final capital improvement plan. Town staff to review and comment for final plan.	
2.1	Prepare short Power Point summary of 5-year CIP for insertion into SG1's PowerPoint above.	
	TOTAL TASK 2	**$3,120**
3	**Stormwater Utility Rate Structure Options, Credits, Revenues and Fee Comparison of Nearby Communities- SG1**	
3.1	Develop analysis of which properties to include in SWU, 3 rate structure options, credit options and projections of revenue.	
3.2	Town staff to select which properties to include in SWU, rate structure to implement, and credit options, if any.	
3.3	Develop comparison of fees in nearby communities to Milliken's potential fees. Include 5-10 community's single family residential (SFR) detached fees. Prepare comparisons for 3 typical businesses for 3 communities.	
3.4	Town staff to select rate for SFR and commercial, industrial, etc.	
	TOTAL TASK 3	**$5,550**

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Task	**Task Description**	**TOTAL**
4	**Geographic Information System Analysis.- ICON- SG1 has an advisory role.**	
4.1	Obtain most recent parcel boundaries, assessor information and aerial photography	
4.2	Spatially calibrate mapping and parcel boundaries	
4.3	Formulate digitizing criteria and processes	
4.4	Train temporary staff hired by ICON in digitizing process and criteria	
4.5	Measure Statistical Sample of detached Single Family Residential Properties (estimate 10% or 190 at 15 min each)	
4.6	QA/QC of single family residential process above	
4.7	Measure all non-Single Family Residential Properties including commercial, industrial, government (exclude Town of Milliken properties), and non-profit (estimate 85 plus 15 for contingency for a total of 100 at 30 min. each)	
4.8	QA/QC above non-single family residential process	
	TOTAL TASK 4	**$10,725**
5	**Assistance to Town with Impervious Area Data- ICON and SG1**	
5.1	Town to complete this task: Design database considering existing Town billing system, ease of updating, and ease of operation. Database to include property owner name and address, property address, parcel area, impervious area, parcel identification from assessor's database, type of property from assessor's tax classification, and limited additional information. Prepare database of properties that do not receive utility bills but will receive stormwater bills.	
5.2	The Town staff will document the database contruction process, inlcuding how it was developed from the impervious area data, and how to update the database when new properties come on line.	
5.3	Work and meet with Town's billing staff for 2- 4 hour sessions to answer questions on impervious area data. Town staff to adjust billing database as necessary.	
	TOTAL TASK 5	**$2,340**
6	**Project Management- SG1 and ICON**	
6.1	Project coordination, meetings, invoicing and scheduling assuming 4-6 month project duration. .	
	TOTAL TASK 6	**$4,740**
	TOTAL	**$35,725**
	The consultant can move funds from one task to another without the City's approval.	
	Notes:	

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Task	**Task Description**	**TOTAL**
	1) This proposal is our best projection of the consultant fees that will be charged for a typical stormwater utility project in a small community. However, there are several unknowns in a project like this. The largest unknown is the reaction of the public to a stormwater utility. If this reaction is known during the public education and involvement process, we can modify the project accordingly. However, if an adverse reaction occurs after the first bills are mailed out, we have not included fees to assist the Town in dealing with the reaction. Such reactions could include changing the amount of the fee, changing the rate structure, changing properties included and excluded, changing credits and other aspects of the project. In such a situation, additional consultant fees may be required if desired by the Town. If the above public engagement is good, this late adverse reaction will most likely not occur.	
	2) The Town assumes responsibility for documentation of all project steps which will include Task Force Meeting summaries, Public Involvement Activity summaries.	
	3) The Town assumes responsibility for any additional public involvement that may be necessary.	
	4) Not all stormwater bills will be for the same customers as water bills currently are. Stormwater bills, in most cases, go to the property owner. So in cases where one property owner has multiple water meters, the property owner may just receive one stormwater bill. In addition, there may be stormwater bills for property owners who do not have water meters. The best example of this is parking lots.	