



**House Moran Consulting, Inc.**  
*Water Resources and Environmental Engineering*

**Attachment A**

September 28, 2021

Mr. Tim Thompson  
Planning Director  
595 Silverlace Blvd  
Fernley, NV 89408

**Re: City of Fernley Impact Fee Program Feasibility Study Proposal**

Dear Mr. Thompson:

House Moran Consulting, Inc. (House Moran) is pleased to submit to the City of Fernley (Client) this Impact Fee Program Feasibility Study - Scope of Services, Schedule, and Fee Proposal.

**OVERVIEW**

Impact Fees are monetary charges imposed by the City on new development to recoup or offset a proportionate share of public capital facility costs required to accommodate such development with new facilities. Determination of an Impact Fee begins with calculating demand-to-capacity ratios for different capital facilities and then estimating the number and cost of facilities that will be necessary for meeting a prescribed level-of-service to meet growth projections within the City.

In many communities, financing capital improvements place a substantial burden of the cost for new infrastructure on existing residents. Accordingly, Impact Fees would allow the City to address a myriad of potential financial inequities and challenges, while ensuring adequate capital facilities to support new development, such as:

- Protects existing residents from the additional costs of new development;
- Helps keep the general tax burden down, and earmarks revenue exclusively for infrastructure that benefits new development; and
- Helps to synchronize development with the installation of new infrastructure.



## **SCOPE OF SERVICES**

### **TASK 1 – Data Collection and Analysis**

House Moran will request data required to evaluate the efficacy of an Impact Fee program. Typical infrastructure considered for inclusion in an Impact Fee program include: transportation, stormwater/flood control, fire stations, parks, sanitary sewer systems, water supply for residential and non-residential development, and other capital improvements of public facilities to maintain the desired level-of service for the City’s projected growth. Accordingly, the evaluation of these infrastructure type requires data, existing and proposed. The type of data required includes but is not limited to the following: Comprehensive Master Plan, capital improvement planning, transportation/roadway planning, inventory of current water and stormwater infrastructure, proposed development/projected land use, demographic data, and current fee collections.

The Impact Fee Feasibility Study will evaluate the land use data, financial records of existing infrastructure with remaining capacity, and projected costs of new infrastructure requirements under a full build-out scenario. The evaluation will help determine if an effective Impact Fee System can be implemented in conformance with the requirements of Nevada Revised Statutes Chapter 278B – “Impact Fees for New Development”.

Distribution of costs associated with new development types generates fees that developers pay to obtain building permits. The feasibility of an Impact Fee Program will depend on the results of an extensive evaluation of fundamental Program Cornerstones, specifically:

- Legal Establishment: City and Nevada statutes review and assessment;
- Impact Fee Structure: Which capital improvements would be subject to Impact Fees;
- Service Area(s) Determination: What projected growth centers would be subjected to fees;
- Fee Collection: Required accounting systems to manage the fee collection systems;
- Implementation: Incrementally/phased-in, or immediately in-full; and
- Plan Updates: Impact Fee Plans are required to be updated every 3 years per NRS 278B.

### **TASK 2 – Meetings**

The evaluation of an Impact Feasibility Study will include several meetings typically facilitated online, as required. Public meetings are anticipated to be in-person with proper noticing by City staff. Some of the typical meetings are described below:

1. Planning & Engineering - Staff from Planning, Engineering, Public Works, Transportation to discuss data needs and Program Cornerstones listed above;
2. Legal - City’s Attorney’s office to obtain legal opinions related to the Program Cornerstones;
3. Public - Development community/City residents; and
4. Planning Commission/City Council.



**TASK 3 – Final Report**

House Moran will prepare an Impact Fee Program Feasibility Study - Final Report that documents the research and assessment of the Program Cornerstones and Feasibility of an Impact Fee Program.

**SERVICES NOT INCLUDED**

This Proposal involves evaluation of data provided by the City and does NOT include:

1. Determination of the footprint of the area to be considered for an Impact Fee Program;
2. Program implementation; and
3. Identification of infrastructure requirements and associated costs for capital improvements.

House Moran’s Impact Fee Program Feasibility Study will only be as valuable to the City as the data received and the cooperation of City staff.

**INFORMATION PROVIDED BY CITY**

House Moran shall be entitled to rely on the completeness and accuracy of all information provided by the Client, and the Client’s consultants or representatives. The Client shall provide all information requested by House Moran during the project, including but not limited to data listed in Task 1 above.

**SCHEDULE**

House Moran proposes to complete the Impact Fee Feasibility Study in 90 days from Notice-to-Proceed. The schedule is based on timely and thorough responses to data all requests. Any deviation from this anticipated schedule will be noted in-writing and provided to the City.

**FEE**

The fee for the work described herein is \$20,000.00 on a lump sum basis, with a breakdown of tasks/costs below. This fee will not be exceeded without prior written authorization from the City.

Tasks	Costs
TASK 1 – Data Collection and Analysis	\$14,000
TASK 2 – Meetings	\$2,500
TASK 3 – Final Report	\$3,500
TOTAL	\$20,000



**CLOSURE**

In addition to the matters set forth herein, our Agreement shall include and be subject to, and only to, the City's Contract for Services of Independent Contractor, in which the City's Terms & Conditions are hereby acknowledged, incorporated by reference, and accepted by House Moran. This Proposal serves as Attachment A of the City's Contract for Services of Independent Contractor.

We appreciate the opportunity to provide these services to the City of Fernley. Please contact me at (775) 293-4000 or Jeff Moran at (412) 537-3502, if you have any questions.

Very truly yours,

HOUSE MORAN CONSULTING, INC.

*Nevada PE Firm License No. 23484*

A handwritten signature in blue ink, appearing to read 'JH', is positioned above the name of the signatory.

Jeff House, CEO