





## MEMORANDUM

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**DATE:** April 7, 2022  
**TO:** Mayor Hill and City Councilmembers, City of Algona  
**FROM:** Eric Jensen, Director of Planning  
**RE:** Traffic Impact Fee Analysis Memo

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Good afternoon, Mayor Hill and City Council members,

This memo is to provide a set of information via a representative proposal for undertaking the development of a Traffic Impact Fee (TIF) analysis in support of the City's intent to establish a Traffic Impact Fee program.

Upon direction of the Mayor, I reached out to a well-qualified financial and economic firm specializing in this type of municipal fee analysis to provide a set of proposals for undertaking traffic studies, performing analysis of data results, and outlining capital infrastructure needs to support the justification for establishing this impact fee program upon all new residential development.

I will be prepared to walk you all through the information and process at the Council meeting on Monday evening.

Please note: while this submitted information/proposal is current and effective in the event the City chooses to select this team of firms, it is understood that the City may choose to place the TIF proposal need out for bids through a *Request For Qualification* Process. If that is the desired direction, I will be prepared to provide a template RFQ for the City to consider publishing.

March 29, 2022

Eric Jensen  
City of Algona  
200 Washington Blvd  
Algona, WA 98001

Subject: Transportation Impact Fee

Dear Mr. Jensen:

On behalf of FCS GROUP, I am pleased to provide the following proposed scope and budget for development of a transportation impact fee (TIF) for the City of Algona. The work plan described herein is intended to complement the work plan provided by DKS Associates under separate cover. Their work will result in several of the inputs needed to calculate the TIF. FCS GROUP will lead the associated TIF policy discussions and calculate the fee.

FCS GROUP proposes to take the following general approach:

- **Policy Framework.** In this step, we will work with City staff to develop a set of recommendations on key TIF policy issues, such as multi-modal TIF approaches, fee basis (average daily v. peak-hour trips), and project allocation methods. These recommendations will provide guidance for the technical analysis.
- **Technical Analysis.** The technical analysis includes using the information developed by DKS to compile growth-related project costs to the TIF basis, establish customer base and growth assumptions, and calculate the TIF. The charge calculation will reflect the agreed-upon policy recommendations.
- **Documentation.** In this step, we will write the methodology report describing the recommended policies and resulting charges, and draft the adopting ordinance.
- **Outreach.** This step includes meetings with the City Council.

## Task Plan

The following task plan is for a transportation impact fee study for the City of Algona.

1. **Data Collection / Kickoff Meeting**
  - i. Provide the City a data needs list. Meet with City staff to collect and discuss initial data, review the work plan and schedule, discuss TIF policy and technical issues, and kickoff the study.
2. **Policy Framework**
  - i. Write a technical memorandum defining key policy issues, describing alternatives, and providing recommendations – for discussion and agreement with City staff. Key issues would likely include some if not all of the following:
    - » Multi-modal (e.g., vehicle, bike, pedestrian) TIF methodology.
    - » Basis of the Fee (average daily v. peak-hour trips; vehicle v. person trips)

- » Project cost allocation methodologies.
- » Credits and exemptions.

### 3. Technical Analysis

- i. Compile the TIF project list and growth allocations, incorporating DKS' work into the impact fee analysis. The list will include the list of projects and updated costs to be used as the TIF basis – and the capacity-increasing portion of each project for inclusion in the TIF, consistent with the policy direction agreed upon in Task 2.
- ii. Set up a spreadsheet model for the TIF analysis, based on the preliminary policy direction from Task 2.
- iii. Calculate the impact fee from information on the eligible cost of planned future facilities. TIFs will be calculated for up to two different fee structure alternatives.

### 4. Documentation

- i. Prepare a draft methodology report describing policy recommendations, methodology, and results for review by City staff.
- ii. Prepare a draft ordinance reflecting the recommended TIF and TIF structure.
- iii. Provide a final report after Council action (Task 5).

### 5. Meetings

- i. Meet up to three times with City staff to review and discuss the following general topics:
  - » Policy options (technical memorandum) and recommendations.
  - » Analytical findings and results.
  - » Implementation of recommended charges.
- ii. Prepare for and attend up to two meetings (total) with the City Council (or other interested parties).

All deliverables will be provided to City staff in Microsoft Word, PowerPoint, and Excel, and, as needed, Adobe Acrobat (.pdf). The consultant will prepare and provide presentation materials in support of meetings as needed, and the presentation packet will include a survey of comparative TIFs.

## Budget

The following budget would apply.

Tasks	Consultant/Staff Hours				Total Labor Hours	Budget
	Principal Ghilarducci	Technical Manager	Consultant	Admin		
<i>Effective Hourly Billing Rates:</i>	\$280	\$205	\$155	\$90		
<b>Task 1   Data Collection / Kick-off Meeting</b>						
i. Data Collection & Kickoff Meeting (1)	4	4	8	4	20	\$3,540
<b>Task 2   Policy Framework</b>						
i. Write Technical Memorandum	2	4	12		18	\$3,240
<b>Task 3   Technical Analysis</b>						
i. Compile TIF Project List	2	2	8		12	\$2,210
ii. Develop Spreadsheet Tool	2	4	12		18	\$3,240
iii. Calculate TIFs	2	4	8		14	\$2,620
<b>Task 7   Documentation</b>						
i. Draft Methodology Report	2	4	24		30	\$5,100
ii. Prepare Draft Ordinance	4	8	16		28	\$5,240
iii. Prepare Final Report	2	4	8	2	16	\$2,800
<b>Task 8   Meetings</b>						
i. Review Meetings with Staff (3)	6	12	12		30	\$6,000
ii. City Council Meetings (2)	8	4	6		18	\$3,990
<b>Labor Budget</b>	<b>34</b>	<b>50</b>	<b>114</b>	<b>6</b>	<b>204</b>	<b>\$ 37,980</b>
<b>Expense Budget</b>						<b>\$ 100</b>
<b>Total Project Budget</b>						<b>\$ 38,080</b>

## Schedule

The task plan described above, which includes the impact fee work only, can be completed in 90-120 days. This analytical work cannot be performed without the key inputs that DKS will develop as part of its work.

Thank you for your consideration of this proposal. Please let me know at (425) 336-1865 or [john@fcsgroup.com](mailto:john@fcsgroup.com) if you have any questions or comments.

Yours very truly,



John Ghilarducci  
 President / Principal



**APRIL 1, 2022**

Eric Jensen  
City of Algona  
200 Washington Blvd  
Algona, WA 98001

SUBJECT: SCOPE OF SERVICES FOR ALGONA TRANSPORTATION CAPITAL FACILITY PLAN AND TRAFFIC IMPACT FEE DEVELOPMENT

Dear Mr. Jensen,

DKS Associates is pleased to submit a scope of services and budget for the Algona Transportation Capital Facilities Plan Update. The scope of services is based on information provided by City staff in recent discussions. The overall project objective is to provide an Algona Transportation Capital Facilities Plan (CFP) update to support development of a traffic impact fee. The project will be delivered in two phases as described below with Phase 1 occurring in 2022 and Phase 2 occurring in 2023. DKS wants to ensure the scope of services meets the City's needs so please do not hesitate to let us know if revisions are necessary. We look forward to discussing next steps with you.

## **PROJECT SCOPE – PHASE 1**

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### **TASK 1 – REVIEW EXISTING PLANS AND POLICIES**

DKS will obtain and review applicable portions of the following transportation plans and policies:

- 2015 Algona Comprehensive Plan
- Transportation Plans of bordering agencies – Auburn, Pacific, King County
- 2018 Puget Sound Regional Council - Regional Transportation Plan
- Washington Department of Commerce Periodic Update Checklist for Cities

DKS will use relevant available data to supplement the new data collected in Task 2 and identify potential issues or conflicts with the CFP update. This scope does not include any updates to transportation vision, goals and policies provided in the 2015 Algona Comprehensive Plan.

### **TASK 2 – FACILITY INVENTORY AND EXISTING CONDITIONS ANALYSIS**

DKS will conduct a high level inventory of collectors and arterials for the existing conditions narrative for motor vehicles, transit, pedestrian and bicyclists. DKS will obtain available GIS mapping data from King County to support the creation of graphics for the CFP. The

inventory findings will be summarized in GIS figures for each mode. The maps and inventory will be used to identify gaps and deficiencies in the walking, bike and transit systems.

DKS will conduct weekday AM peak period (7 to 9 AM) and PM peak period (4 to 6 PM) turn movement counts at the identified study intersections. The proposed locations were selected to be consistent with the 2015 Algona Comprehensive Plan (Figure 9-2).

- Celery Avenue/Boundary Boulevard
- Algona Boulevard/Broadway Boulevard
- Algona Boulevard/Main Street
- West Valley Highway/1<sup>st</sup> Avenue
- Algona Boulevard/1<sup>st</sup> Avenue
- Seattle Boulevard/1<sup>st</sup> Avenue
- Main Street/1<sup>st</sup> Avenue
- Milwaukee Boulevard/1<sup>st</sup> Avenue
- Stanley Avenue/1<sup>st</sup> Avenue
- Washington Boulevard/1<sup>st</sup> Avenue
- Seattle Boulevard/Frontage Road
- Tacoma Boulevard/5<sup>th</sup> Avenue
- Milwaukee Boulevard/5<sup>th</sup> Avenue

DKS will obtain collision data from WSDOT for the past five years at the study intersections and along city collector and arterial facilities within the Algona city limits. DKS will review the collision data, calculate intersection and roadway crash rates, identify existing safety issues and recommend potential countermeasures, if needed.

DKS will create a Synchro operations model of the study intersections to represent 2022 existing conditions. The model will be used to report intersection performance (level of service, delay, volume to capacity ratio) and identify existing operational deficiencies and local system needs based on regional and local performance standards.

### **TASK 3 – FUTURE TRAFFIC VOLUME FORECASTS**

DKS will use the current regional travel demand models, provided by Puget Sound Regional Council (PSRC), to estimate growth in traffic volumes. DKS will conduct a high level review of the base and future models and refine the network and link attributes as needed. Future 2042 Baseline PM peak hour traffic volumes will be developed for the study intersections and key roadway segments.

DKS will document the traffic volume forecast methodology and the land use growth projections (residential and employment) obtained from the PSRC model.



#### **TASK 4 - FUTURE SYSTEM NEEDS AND RECOMMENDATIONS**

DKS will update the existing conditions Synchro model of the study intersections to represent 2042 Baseline conditions. The model will be used to report intersection performance (level of service, delay, volume to capacity ratio), and identify future operational deficiencies and local system needs based on state and local performance standards. These operations will be used to determine the need for roadway network improvements to be modeled in Task 3.

DKS will update the Baseline conditions Synchro model of the study intersections to represent 2042 Mitigated conditions. DKS will conduct a high level evaluation of additional street connectivity improvements based on an iterative process using the future travel demand model.

DKS will evaluate the need for pedestrian, bicycle, transit, and parking based on the transportation analysis and input from the project team.

DKS will prepare a 20-year transportation capital facility project list with descriptions and an accompanying project map. Planning level cost estimates will be prepared for each project.

DKS will develop a roadway classification map to identify the hierarchy of the street system. This figure will inform how city guidelines and standards are applied.

#### **TASK 5 - FINANCE PROGRAM AND SIX-YEAR TRANSPORTATION IMPROVEMENT PLAN**

The City will provide transportation funding sources and expenditures over the past five years. DKS will coordinate with the City to estimate future funds expected to be available to construct new transportation projects, for maintenance, and for other transportation-related programs. Funding forecasts will be prepared for the short-term year 2028 and long-term year 2042.

DKS will prepare recommendations for priority projects to include in a Six-Year Transportation Improvement Plan (Year 2028) with input from City staff. DKS will provide information on additional transportation revenue sources to consider for potential funding shortfalls.

DKS will provide support to the City to develop a Traffic Impact Fee (TIF) program using the CFP project list and cost estimates from Task 5. The land use growth projections (residential and employment) obtained from the PSRC model in Task 3 will be used to determine growth in trips through the year 2042.

### **PROJECT SCOPE - PHASE 2**

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#### **TASK 6 - DRAFT AND ADOPTION READY CAPITAL FACILITIES PLAN**

DKS will document the findings and recommendations in a Draft Transportation Capital Facilities Plan. DKS will respond to one round of consolidated and unified comments from the project team and provide an Adoption Ready Draft Transportation Capital Facilities Plan.

DKS will coordinate with City staff to prepare the Washington Department of Commerce Periodic Update Checklist for Cities to highlight Draft CFP compliance with state requirements.

#### **TASK 7 - MEETINGS/PUBLIC INVOLVEMENT**

To support the CFP update, DKS will attend the following meetings:

- Up to three project team coordination conference calls



- One Community Open House (optional online platform)
- One Planning Commission/City Council Work Session (optional online platform)
- One City Council Hearing for adoption (optional online platform)

## **FEE PROPOSAL**

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The following table summarizes the scope of work tasks and proposed budget for Phase 1 and Phase 2:

<b>Phase 1 Tasks</b>	<b>Budget</b>
Task 1 – Review Existing Plans and Policies	\$1,595
Task 2 – Facility Inventory and Existing Conditions Analysis	\$13,140
Task 3 – Future Traffic Volume Forecasts	\$8,960
Task 4 - Future System Needs and Recommendations	\$16,580
Task 5 – Finance Program and Six-Year Transportation Improvement Plan	\$8,280
<b>Total Budget – Phase 1</b>	<b>\$48,555</b>

<b>Phase 2 Task</b>	<b>Budget</b>
Task 6 – Draft and Adoption Ready CFP and Comp Plan Summary	\$11,024
Task 7 – Meetings/Public Involvement	\$7,460
<b>Total Budget – Phase 2</b>	<b>\$18,774</b>