

**RESOLUTION NO. 24-150**

**A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA, APPROVING AN AGREEMENT WITH RAFTELIS FINANCIAL CONSULTANTS, INC. IN AN AMOUNT NOT TO EXCEED \$70,000.00 FOR THE DEVELOPMENT OF A MUNICIPAL IMPACT FEE STUDY; AND AUTHORIZING A BUDGET AMENDMENT.**

**BE IT RESOLVED** by the City Council of the City of Panama City Beach that:

1. The appropriate officers of the City are authorized to execute and deliver on behalf of the City that certain Agreement between the City and Raftelis Financial Consultants, Inc. for the development of a Municipal Impact Fee Study in an amount not to exceed Seventy Thousand Dollars and No Cents (\$70,000.00) in substantially the form **attached** as Exhibit A and presented to the Council today, with such changes, insertions, or omissions as may be approved by the City Manager.
2. The following budget amendment #31 is adopted for the City of Panama City Beach, Florida for the fiscal year beginning October 1, 2023, and ending September 30, 2024, as shown in and accordance with the **attached** and incorporated Exhibit B.


**THIS RESOLUTION** shall be effective immediately upon passage.

**PASSED** in regular session this 27<sup>th</sup> day of June, 2024

**CITY OF PANAMA CITY BEACH**

By:   
Stuart Tettemer, Mayor

**ATTEST:**

  
Lynne Fasone, City Clerk



June 10, 2024

Holly White  
Assistant City Manager  
City of Panama City Beach  
17007 Panama City Beach Parkway  
Panama City Beach, FL 32413

**Subject: Proposal to Provide a Municipal Impact Fee Study**

Dear Ms. White:

Raftelis Financial Consultants, Inc. ("Raftelis") is pleased to submit this proposal in response to the City of Panama City Beach's (the "City") request for a proposal to provide consulting services associated with the development of a Municipal Impact Fee Study. The municipal services to be included as a part of this impact fee study will be police, fire, library, parks and recreation. We are committed to providing the City with the highest quality service and expertise to develop proposed fees for first time implementation.

### **SCOPE OF SERVICES**

The detailed scope of services to be performed by Raftelis is included in Attachment A. Generally, we would project that a project of this type could be anticipated to be completed within one hundred and eighty (180) days from receipt of the authorization to proceed.

### **PROJECT TEAM AND BILLING RATES**

With respect to the performance of this engagement, I will serve as the Project Director and Shawn Ocasio will serve as the Project Manager and primary contact with the City. Other staff consultants, analysts and administrative personnel will be utilized during the engagement as needed. The services covered by this Agreement shall be billed based on the direct labor rates set out in Attachment B.

### **COMPENSATION AND BILLING**

Based on the scope of services as summarized herein in Attachment A and the direct hourly labor billing rates as identified on Attachment B, we propose to establish a not-to-exceed contract budget of \$70,000 to provide consulting services associated with the performance of the Municipal Impact Fee Study. Attachment C provides a detailed breakdown of the proposed budget by task.

This project budget amount includes the direct cost of personnel anticipated to be assigned to the project as well as any other direct costs such as travel, telephone, and copying, printing and shipping charges. The costs incurred by Raftelis for such other direct costs, if any, will be billed to the City based on the standard unit costs or reimbursement schedule as reflected on Attachment B. It is proposed that Raftelis will bill monthly for services relative to this engagement based on the hourly amount of time spent by the project team members and any the other direct costs incurred that may be required for the engagement. No additional services above the cost estimate will be performed without the prior written authorization of the City.

### **TERM OF AGREEMENT**

The terms of this proposed agreement and the associated direct hourly labor billing rates for Raftelis personnel shall be in effect and continue through December 31, 2024, or some other contract period as mutually agreed to between the City and Raftelis. It is anticipated that the project will be submitted to the City within 180 days after receiving the City's capital planning information and other statistical data

Ms. Holly White  
City of Panama City Beach  
June 10, 2024  
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necessary to complete the study, which may depend on other, third party consultants not associated with this project team.

**ADDITIONAL TERMS AND CONDITIONS**

Additional standard terms and conditions, that are made part of this proposed agreement, are set forth in Attachment D, which is made a part of this proposal.

We appreciate your consideration and the opportunity to be of service to the City.

Very truly yours,  
**Raftelis Financial Consultants, Inc.**

ACCEPTED BY:  
**City of Panama City Beach, Florida**

  
Henry L. Thomas

  
Name Drew Whitman

Vice President  
Title

City Manager  
Title

June 10, 2024  
Date

7-3-24  
Date

**ATTACHMENT A**  
**CITY OF PANAMA ICTY BEACH, FLORIDA**  
**MUNICIPAL IMPACT FEE STUDY**

**SCOPE OF SERVICES**

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The scope of services to be performed by Raftelis is related to the preparation of a Municipal Impact Fee Study. The scope of services shall be as follows:

1. Data Acquisition and Review – Raftelis will prepare a written data request outlining the necessary information that will need to be compiled by the City in order to complete the Municipal Impact Fee Study. The data requested will include, but not be limited to, the following: a) listing of all capital assets currently owned by the various departments; ii) listing of the various department’s planned capital improvement projects; iii) population and development statistics; iv) service call information; v) listing of funded personnel positions; v) listing of park lands and open space currently in service; and vi) any other data and information considered necessary to adequately perform the study. Raftelis will attend one virtual project kickoff meeting with City staff to obtain direction and guidance on issues and objectives of the study and to collect and review information associated with the study.
2. Service Area Forecast and Functional Population Analysis – An evaluation of the current service area demographics and property uses as well as a forecast of the service area needs will be reviewed based on data made available to Raftelis. This task will include a review of service area demographics and property uses including any projections of service area population and new development by type of residential development (e.g., single-family and multi-family). Additionally, population projections and other service area demographics as contained in the City's Comprehensive Land Use Plan; Florida Statistical Abstract; other information provided by the Bureau of Economic and Business Research, University of Florida; data made available by the City; and other such information may be relied upon. The purpose of this task is to identify the future service area demands for service and to estimate the capital requirements (level of service relationship) required for the fair share cost apportionment of such costs to future growth. Additionally, an analysis to estimate future nonresidential growth and demand by land use will be developed. This analysis will require using data obtained from the Institute of Transportation Engineers (ITE) to develop factors to estimate nonresidential demands for services.
3. Review of Level of Service Standards – Based on available information, Raftelis will work with City staff to identify the level of service standards (LOS) for the various municipal services. This will include a review of existing population, parks related open space, currently funded police personnel positions, and other factors.
4. Cost Allocation – The capital costs associated with providing the various municipal services will be identified and allocated between existing and future properties where appropriate to support the overall determination of the fees. The allocation of such costs will be based on the service area demographics, level of service standards and development characteristics of the City and other factors as deemed appropriate by Raftelis and the City.
5. Design of Impact Fees – Raftelis will design the municipal impact fees based on the capital cost allocable to future growth and the level of service standards. Additionally, Raftelis will identify any external funding credits that should be recognized in developing the impact fees. During the development of the impact fee analysis, it has been assumed that Raftelis will attend two (2) virtual meetings with City staff to discuss the fee development and fee application methodology.

6. Impact Fee Comparison – A comparison of the proposed Municipal Service Impact Fees will be made with similar fees charged by other neighboring public jurisdictions.
7. Review of Impact Fee Ordinance – Raftelis will assist the City in reviewing the proposed impact fee ordinances as drafted by the City’s Attorney. The review of the ordinances may include issues such as the level of rates charged and methodology for application, allowance for alternative methods of calculation, and establishment of a fund for the use of monies as considered necessary for the adoption of the proposed fees.
8. Presentation of Findings – A detailed report and briefing document will be prepared by Raftelis detailing the data relied upon in the development of the proposed municipal impact fees, the assumptions and analyses performed relative to the derivation of such fees, and our conclusions and recommendations for consideration by the City. It is anticipated that a draft report will be prepared for consideration and review by City Staff prior to presentation to the City Council for adoption and implementation. This task will include attendance at two (2) public meetings to present the study results.

**LIST OF DELIVERABLES**

The deliverables to be provided in this engagement include the following items:

- Municipal Service Impact Fee Initial Data Request;
- Municipal Service Impact Fee Comparisons with Other Jurisdictions;
- Briefing Document Section to Summarize Proposed Municipal Impact Fees; and
- Municipal Impact Fee Study Report.

**MEETINGS**

The following is a summary of the meetings included for the development of the scope of services herein.

Description	Client Meetings
Virtual Kick-Off and Data Review	1
Virtual Project Status Meetings with City Staff	2
Onsite Presentations to City Council	2
<b>Total Assumed Number of Meetings</b>	<b>5</b>

**ADDITIONAL SERVICES**

During the study, the City may request additional services from Raftelis. Examples of such additional services would include additional meetings above and beyond the meetings identified in the scope of services. Other examples of additional services include providing services relating to meeting with third parties regarding the derivation of the rates and fees, providing litigation support services in the event of a challenge of the rates or fees, performance of impact fee negotiations and the preparation of developer agreements for the payment of such impact fees with potential large developments within the City limits, updating of fee calculations and briefing documents associated with inaccurate data provided by the City, requests for updated impact fee scenarios after substantial completion of the initial work, and other related issues not contemplated in the above scope of services. No additional services are contemplated at this time and such services will not be conducted until authorized by the City and as mutually agreed upon between the City and Raftelis.

**ATTACHMENT B**

**RAFTELIS FINANCIAL CONSULTANTS, INC.**

**SCHEDULE OF DIRECT LABOR HOURLY RATES AND STANDARD COST RATES**

**DIRECT LABOR HOURLY RATES**

<u>Project Team Title</u>	<u>Direct Labor Hourly Rates [*]</u>
Executive Vice President	\$375.00
Vice President	\$340.00
Senior Manager	\$305.00
Manager	\$270.00
Senior Consultant	\$240.00
Consultant	\$210.00
Associate	\$175.00
Administrative	\$100.00

[\*] Direct labor hourly rates effective twelve months after the date of execution of the Agreement; rates will be adjusted by not more than the net percentage change (but not less than 0%) in the Consumer Price Index – Urban Consumers per annum (rounded to the nearest dollar) or as mutually agreed between parties for invoices rendered after each anniversary date of each year thereafter until project completion or termination of the Agreement between the parties.

**STANDARD COST RATES**

<u>Expense Description</u>	<u>Standard Rates [*]</u>
Mileage Allowance – Personal Car Use Only	IRS Standard Mileage Rate
Reproduction (Black and White) (In-House)	\$0.05 per Page
Reproduction (Color) (In-House)	\$0.25 per Page
Reproduction (Contracted)	Actual Cost
Computer Time	\$0.00 per Hour
Telephone Charges	Actual Cost
Delivery Charges	Actual Cost
Lodging / Other Travel Costs	Actual Cost
Meals	Not-to-Exceed per Employee: \$8.00 – Breakfast \$12.00 – Lunch \$25.00 – Dinner
Subconsultant Services	Actual Cost plus 5.0%
Other Costs for Services Rendered	Actual Cost

[\*] Standard cost rates effective twelve months after the date of execution of the Agreement; where applicable, rates will be adjusted by not more than the net percentage change (but not less than 0%) in the Consumer Price Index – Urban Consumers per annum (rounded to the nearest dollar) or as mutually agreed between parties for invoices rendered after each anniversary date of each year thereafter until project completion or termination of the Agreement between the parties. Any Standard Rate adopted by policy by Client will be substituted for the rates shown above.

ATTACHMENT C

City of Panama City Beach, Florida

Cost Estimate for Municipal Impact Fee Study

Line No.	Activity	Vice President	Manager	Senior Consultant	Administrative	Totals
1	<b>Project Billing Rates (\$/Hr.) [*]</b>	\$340.00	\$270.00	\$240.00	\$100.00	
	<b>Scope of Services</b>					
2	Data Acquisition and Review	1	4	12	-	17
3	Virtual Project Kickoff Meeting x 1	1	1	1	-	3
4	Service Area Forecast and Functional Population Analysis	1	2	8	-	11
5	Review Level of Service Standards	1	4	16	-	21
6	Cost Allocation	2	12	24	-	38
7	Design Impact Fees	4	16	40	-	60
8	Impact Fee Comparison	-	1	8	-	9
9	Review Impact Fee Ordinance	1	4	3	-	8
	Presentation of Findings:					
10	Prepare Presentation Briefing Document and Report Section	2	8	24	8	42
11	Onsite Presentation of Findings and Recommendations x 2	16	16	-	-	32
12	Virtual Project Status Meetings x 2	2	4	4	-	10
13	<b>Project Management</b>	3	8	-	2	13
14	Total Project Hours	34	80	140	10	264
15	Total Direct Labor Cost - All Tasks	\$ 11,560	\$ 21,600	\$ 33,600	\$ 1,000	\$ 67,760
16	Average Hourly Billing Rate					\$256.67
	<b>Allowance for Other Direct Costs</b>					
17	Travel Expenses (2 Trips - Flights, Rental Vehicles, Hotels, Meals, Other)					\$ 2,160
18	Miscellaneous Expense Allowance (Delivery, Reproduction, etc.)					80
19	Total Allowance for Other Direct Costs					\$ 2,240
20	Total Estimated Project Cost					\$ 70,000

**I. SCOPE**

Raftelis Financial Consultants, Inc. (Raftelis) agrees to perform the professional consulting services described in the agreement (Work) that incorporates these standard terms and conditions. Unless modified in writing by the parties hereto, the duties of Raftelis shall not be construed to exceed those services specifically set forth in the agreement. These terms and conditions and the agreement, when executed by the Client, shall constitute a binding agreement on both parties (hereinafter the "Agreement").

**II. COMPENSATION**

The Client, as defined in the agreement, agrees to pay for the services as billed within 30 days of receiving the invoice. Amounts paid after 30 days may be subject to interest charges, not to exceed a monthly compound rate of one percent (1.0%) applied to the delinquent unpaid balance.

Time-related charges will be made in accordance with the billing rate referenced in the agreement. Other indirect expenses and subcontractor services, if any, will be billed in accordance with the standard unit cost rates as referenced in the agreement or, if no reference is provided, at the actual cost as incurred by Raftelis.

**III. RESPONSIBILITY**

Raftelis is employed to render a professional service only, and any payments made by Client are compensation solely for such services rendered and recommendations made in carrying out the Work. Raftelis shall perform analyses, make factual presentations, and provide professional advice and recommendations. Raftelis does not expressly warrant or guarantee its services.

**IV. RELIANCE UPON INFORMATION PROVIDED BY OTHERS**

If Raftelis' performance of services hereunder requires Raftelis to rely on information provided by other parties (excepting Raftelis' subcontractors), Raftelis shall not independently verify the validity, completeness or accuracy of such information unless otherwise expressly engaged to do so in writing by Client. Any opinions or recommendations are intended for the exclusive use of the Client and shall not be provided to any other party without the written consent of Raftelis. Any opinions or advice shall speak only as of the time it is provided to the Client and may not be valid after the passage of time.

~~**V. INDEMNIFICATION**~~

~~Raftelis agrees to indemnify, defend, and hold Client harmless from and against liability caused by the negligent errors or negligent omissions of Raftelis, its agents, employees, or representatives, in the performance of duties set forth in Article I. Regardless of any other term of this Agreement, in no event shall Raftelis be responsible or liable to Client for any incidental, consequential, or other indirect damages.~~

~~Client agrees to indemnify, defend, and hold Raftelis harmless from and against any liability caused by the negligent errors or negligent omissions of Client, its agents, employees, or representatives, in the performance of duties set forth in Article I.~~

**VI. INSURANCE**

Raftelis shall maintain during the life of the agreement the following minimum insurance:

1. Commercial general liability insurance, including hired and non-owned automobiles, with the following limits:

Each Occurrence	\$1,000,000
Damage to Rented Premises (Each Occurrence)	\$500,000
Medical Expense (Any One Person)	\$15,000
Personal and Advertising Injury	\$1,000,000
General Aggregate	\$2,000,000
Products – Completed/Operation General Aggregate	\$2,000,000

2. Statutory worker's compensation and employers' liability insurance as required by state law.
3. Professional liability insurance at a limit of liability of not less than \$5,000,000 aggregate.

**VII. SUBCONTRACTS**

Unless specifically specified in the Agreement, Raftelis shall be entitled, to the extent determined to be appropriate by Raftelis, to subcontract any portion of the Work to be performed under this Agreement.

**VIII. ASSIGNMENT**

These terms and conditions and the agreement to which they are attached are binding on the heirs, successors, and assigns



of the parties hereto. This agreement may not be assigned by Client or Raftelis without prior, written consent of the other.

**IX. INTEGRATION**

These terms and conditions and the agreement to which they are attached represent the entire understanding of Client and Raftelis as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered herein. The agreement may not be modified or altered except in writing signed by both parties.

**X. JURISDICTION**

This agreement shall be administered and interpreted under the laws of the State of Florida. Jurisdiction of litigation arising from the agreement shall be in that state.

**XI. SEVERABILITY**

If any part of the Agreement is found unenforceable under applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of the Agreement shall be in full force and effect.

**XII. FORCE MAJEURE**

Raftelis shall not be responsible for delays in performing the scope of services that may result from causes beyond the reasonable control or contemplation of Raftelis. Raftelis will take reasonable steps to mitigate the impact of any force majeure.

**XIII. NO BENEFIT FOR THIRD PARTIES**

The services to be performed by Raftelis hereunder are intended solely for the benefit of Client, and neither right nor benefit is conferred on, nor any contractual relationship intended or established with any person or entity not a party to this Agreement. No such person or entity shall be entitled to rely on Raftelis' performance of its services hereunder.

**XIV. WORK PRODUCT**

Raftelis and Client recognize that Raftelis' Work product submitted in performance of this Agreement is intended only for the Client's benefit and use. Change, alteration, or reuse on another project by Client shall be at Client's sole risk, and Client shall hold harmless and indemnify Raftelis

against all losses, damages, costs, and expenses, including attorneys' fees, arising out of or related to any such unauthorized change, alteration, or reuse. Nothing contained herein shall be deemed a transfer, assignment, or divestiture by Raftelis of its trade secrets, expertise, or intellectual property.

**XV. SUSPENSION OF WORK**

Client may suspend, in writing, all or a portion of the Work under the agreement in the event unforeseen circumstances beyond Client's control make normal progress of the Work impossible. Raftelis may request that the Work be suspended by notifying Client, in writing, of circumstances that are interfering with the normal progress of Work. Raftelis may suspend Work on the project in the event Client does not pay invoices when due. Raftelis shall be compensated for its reasonable expenses resulting from such suspension including mobilization and demobilization. The time for completion of the Work shall be extended by the number of days Work is suspended. In the event that the period of suspension exceeds 90 days, the terms of the agreement are subject to renegotiation and both parties are granted the option to terminate Work on the suspended portion of the project.

**XVI. TERMINATION OF WORK**

Client may terminate all or a portion of the Work covered by the agreement for its convenience. Either party may terminate Work if the other party fails to perform in accordance with the provisions of the agreement. Termination of the agreement is accomplished by 15 days prior written notice from the party initiating termination to the other. Notice of termination shall be delivered by certified mail with receipt for delivery returned to the sender.

This agreement may be terminated by Raftelis: (a) for cause, if Client breaches this Agreement through no fault of Raftelis and Client neither cures such material breach nor makes reasonable progress toward cure within 15 days after Raftelis has given written notice of the alleged breach to Client; or (b) upon five days' notice if Work under this Agreement has been suspended by either Client or Raftelis in the aggregate for more than 90 days.

In the event of termination, Raftelis shall perform such additional Work as is necessary for the orderly filing of documents and closing of the project. The time spent on such additional Work shall not exceed five percent (5%) of the time expended on the terminated portion of the project prior to the effective date of termination. Raftelis shall be

compensated by the client for Work actually performed prior to the effective date of termination plus the Work required for filing and closing as described in this Article.

**XVII. ~~ARBITRATION~~**

~~All claims, disputes and other matters in question between the parties to this agreement arising out of or relating to this agreement or the breach thereof, which are not disposed by mutual agreement of the parties, shall be decided by arbitration in accordance with the Florida Arbitration Code. No arbitration arising out of or relating to this agreement shall include any person not a party to this agreement except by written consent containing a specific reference to this agreement and signed by the parties hereto and persons to be joined.~~

~~This agreement to arbitrate shall be specifically enforceable under prevailing arbitration law.~~

~~Notice of demand for arbitration shall be filed in writing with the other parties to this agreement. The demand shall be made within a reasonable time after the claim, dispute, or other matter in question has arisen, but in no event after the date when the institution of legal or equitable proceedings would be barred by the applicable statute of limitations. The award rendered by the arbitrators shall be final and judgment may be entered in accordance with applicable law in any court having jurisdiction.~~

**XVIII. E-VERIFY REQUIRED**

Raftelis and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees. Raftelis agrees and acknowledges that the Client is a public employer that is subject to the E-Verify requirements as set forth in Section 448.095, Florida Statutes, and that the provisions thereof apply to this Agreement. Raftelis by entering into this Agreement with the Client, certifies: (i) it is registered with and uses the E-Verify system operated by the U.S. Department of Homeland Security to verify the work authorization status of all newly hired employees; (ii) during the year prior to making its submission or entering into this Agreement, no contract of Raftelis was terminated by a public employer in compliance with Section 448.095, Florida Statutes; and (iii) Raftelis is and shall remain in compliance with Sections 448.09 and 448.095, Florida Statutes, including securing and maintaining subcontractor affidavits as required by Section 448.095(2)(b), Florida Statutes. Additionally, Raftelis shall require all subcontractors performing work under this Agreement to use the E-Verify system for any employees hired on and after January 1, 2021. Contractor

must provide evidence to the Authority of compliance with Section 448.095, Florida Statutes, prior to entering into the Agreement and then annually on each anniversary of the Agreement's Effective Date. The Client's receipt of proof that Raftelis and each subcontractor performing through Raftelis are E-Verify system participants is a condition precedent to entering this Agreement. The submission of an executed affidavit, similar to the affidavit in Exhibit A, from the Raftelis and any subcontractor stating it is in compliance with Section 448.095, Florida Statutes, and all employees hired on and after January 1, 2021, have had their work authorization status verified through the E-Verify system shall satisfy this requirement.

Notwithstanding any other provision herein, if the Client has a good faith belief that Raftelis or its subcontractors have knowingly hired, recruited, or referred an alien who is not duly authorized to work by the immigration laws or the Attorney General of the United States for employment under this Agreement, the Client shall terminate this Agreement. Raftelis shall be liable for any additional costs incurred by the Client as a result of the termination of this Agreement based on the failure of Raftelis or its subcontractors to comply with the E-Verify requirements referenced herein.

**XIX. NOTICES**

All notices required under this Agreement shall be by personal delivery, facsimile or mail to the Raftelis Project Manager and to the person signing the Agreement on behalf of the Client and shall be effective upon delivery to the address stated in the Agreement.

**XX. PUBLIC RECORDS**

Pursuant to applicable Florida law, Raftelis' records associated with this Agreement may be subject to Florida's public records laws, Florida Statutes 119.01, et seq., as amended from time to time. Raftelis shall comply with all public records obligations set for in such laws, including those obligations to keep, maintain, provide access to, and maintain any applicable exemptions to public records, and transfer all such public records to the Client at the conclusion of this Agreement, as provided for in Florida Statutes 119.0701 (2013).

