



City of Ketchum

CITY COUNCIL MEETING AGENDA MEMO

Meeting Date: March 3, 2023 Staff Member/Dept: Morgan Landers, AICP – Director of Planning and Building

Agenda Item: Recommendation to approve professional services contracts 22840, 22841, and 22842 for consultant services related to Interim Ordinance 1234 revisions and supplemental staff support for the Comp Plan/Code Rewrite.

Recommended Motion:

I move to approve Contracts #22840, #22841, and #22842 with Economic and Planning Systems, Jacobs, and Holst.

Reasons for Recommendation:

- Per the discussions at the March 27, 2023, meeting, the Planning and Building Department will need consultants support to execute the evaluation of Interim Ordinance 1234 and implement the update to the Comprehensive Plan and Code Rewrite
- Each of the firms has technical expertise in their field to adequately support the city with best practices and experience.
- The department’s additional revenue will be sufficient to cover the increased professional services needs of the department.

Policy Analysis and Background (non-consent items only):

Sustainability Impact:

None OR state impact here: Planning staff and consultants will review and recommend, where appropriate, inclusion of sustainability goals from the 2020 Sustainability Action Plan and 2014 Comprehensive Plan when developing regulations.

Financial Impact:

As discussed at the March 27, 2023 meeting with City Council, the department anticipated \$48,000 in professional services related to the interim ordinance and \$35,000 in supplemental staff support. Staff overestimated the cost of the architectural support and underestimated the financial feasibility analysis. As such the contracts total \$51,800 in professional services for the interim ordinance and \$35,000 in supplemental staff support as follows:

\$45,000 - Economic and Planning Systems - Commercial Demand Analysis and Feasibility Case Study

\$6,800 - HOLST – Architectural Resources

\$35,000 - JACOBS – Supplemental Staff Support

Attachments:

1. Contract #22840 – Economic and Planning Systems, Inc.

2. Contract #22841 – JACOBS

3. Contract #22842 - HOLST



CITY OF KETCHUM
 PO BOX 2315 * 191 5TH ST. * KETCHUM, ID 83340
 Administration 208-726-3841 (fax) 208-726-8234

PURCHASE ORDER
 BUDGETED ITEM? ___ Yes ___ No

PURCHASE ORDER - NUMBER: 23079

To: 5983 ECONOMIC AND PLANNING SYSTEMS, INC 730 17TH ST SUITE 630 DENVER CO 80202	Ship to: CITY OF KETCHUM PO BOX 2315 KETCHUM ID 83340
---	---

P. O. Date	Created By	Requested By	Department	Req Number	Terms
03/28/2023	bancona	bancona	Planning & Building	0	

Quantity	Description		Unit Price	Total
1.00	COMMERCIAL DEMAND ANALYSIS AND FINANCIAL FEASIBILITY STUDY	01-4170-4200	45,000.00	45,000.00
			SHIPPING & HANDLING	0.00
			TOTAL PO AMOUNT	45,000.00

_____ Authorized Signature



City of Ketchum

**Professional Services Agreement #22840
Economic and Planning Systems, Inc.**

THIS CONTRACT FOR SERVICES (“Agreement”) is entered into effective as of _____ by and between Economic and Planning Systems, Inc (“Contractor”), a California Limited Liability Company and the City of Ketchum (“City”), an Idaho municipal corporation (collectively referred to as the “Parties”) with reference to the following facts:

RECITALS

- A. The City of Ketchum desires to understand the city’s inventory of commercial space in various asset classes and desires to understand the current utilization and future demand of that space.
- B. The City of Ketchum adopted Interim Ordinance 1234 in October of 2022 and seeks to make revisions to the ordinance in advance of final adoption in October of 2023. The ordinance included various development standards and requirements that may have influence over certain assumptions in development prop formas. The city desires to evaluate a case study within the community core and the elements of the interim ordinance that may have an impact on development pro formas.
- B. Contractor has the necessary technical expertise and project experience to complete the above referenced work.
- C. City desires to retain the services of Contractor and Contractor desires to provide the services, as set forth herein beginning on the effective date of this contract.

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

- Description of Services.** Contractor shall complete the tasks on the schedule as outlined in Exhibit A, attached hereto and incorporated herein by this reference (the “Services”).
- Payment for Services.** In exchange for the Services, City of Ketchum shall pay Contractor on a time and materials basis with an amount not to exceed forty-five thousand dollars (\$45,000) to be billed at the end of each month of service. City shall remit payment within 60 days from the date of invoice.
- Term – Month to Month.** This Agreement shall be effective for a period of one year from the signing date of Contract unless terminated as provided herein. The Parties hereby agree that in the event City, in its sole and exclusive opinion, City may terminate this Contract without penalty upon thirty (30) days written notice to the Contractor. Upon receipt of such notice, neither party shall have any further obligation to the other. In the event of such termination, Contractor shall submit a report of expenditures

to the City. If this Agreement is terminated by the City as provided herein, Contractor shall be paid for the work performed prior to termination, less payment or compensation previously made.

4. **Independent Contract/No Partnerships or Employee Relationship.**

a. By executing this Agreement, the Parties do not intend to create a partnership, joint venture, agency employee/employer relationship or any other relationship other than that of Independent Contractor. Neither Party shall have the power to bind the other in any manner whatsoever.

b. In rendering the services contemplated by this Agreement, Contractor is at all times, acting as an Independent Contractor and not as an employee of the City. Contractor shall have no rights or obligations as an employee by reason of the Agreement, and City shall not provide Contractor with any employee benefits, including without limitation, any City-sponsored retirement, vacation or health insurance program.

c. City shall not exercise any control whatsoever over the manner in which Contractor performs the obligations contemplated herein.

d. Contractor may perform services similar in nature to the services contemplated in this Agreement for other individuals and entities during the term of this Agreement.

e. City shall not withhold any local, state or federal payroll or employment taxes of any kind from any compensation paid to Contractor. Contractor hereby warrants and represents that it will pay all such employment and payroll taxes, if any, and hereby releases, holds harmless and indemnifies City and the directors, officers, members, employees and agents thereof from any and all costs, expenses or liability of any kind whatsoever that may be incurred as a result of Contractor's failure to pay such payroll or employment taxes.

5. **Assignment.** Neither Party shall assign any of its rights and/or obligations under this Agreement to any other person or entity.

6. **Representations and Warranties by Contractor.** Contractor hereby represents and warrants to City as follows:

a. Contractor has the knowledge, experience, expertise and office equipment resources necessary to promote, organize, manage, coordinate and produce materials, and to provide management of social media outlets, required by City.

b. Contractor hereby acknowledges that all writings and documents, including without limitation, email containing information relating to the conduct or administration of the public's business prepared by Contractor for City, regardless of physical form or characteristics, may be public records pursuant to Idaho Code Section 74-101 *et seq.* Contractor further acknowledges that, subject to certain limitations, the public may examine and take a copy of all such public writings and records. Accordingly, Contractor shall maintain such writings and records in such a manner that they may be readily identified, retrieved and made available for such inspection and copying.

7. **Default.** In the event either Party hereto defaults in its performance of any of the obligations created hereunder, the other Party may pursue any and all remedies whether at law or equity, including without limitation terminating this Agreement.
9. **Voluntary Agreement.** This Agreement is freely and voluntarily entered into by each of the Parties. The Parties acknowledge and agree that each has been represented in the negotiation of this Agreement by counsel of its own choosing or has had an opportunity and ability to obtain such representation, that it has read this Agreement, or had it read to it, that it understands this Agreement, and that it is fully aware of the contents and legal effects of this Agreement.
10. **Binding Agreement.** The provisions of this Agreement shall be binding upon, and shall obligate, extend to, and inure to the benefit of each of the legal successors, assigns, transferees, grantees and heirs of each of the Parties, and all persons who may assume any or all of the above-described capacities subsequent to the execution of this Agreement.
11. **Mediation.** Should a dispute arise and is not resolved by the Parties, the Parties shall first proceed in good faith to submit the matter to non-binding mediation with a mediator licensed in the State of Idaho. Upon completion of one attempt at mediation, either party may pursue any available legal or equitable remedy.
12. **Attorneys' Fees and Costs.** In the event that any of the Parties is required to incur attorneys' fees and/or costs to enforce or interpret any provision of this Agreement or is required to defend any action brought by any of the Parties, based on, arising from or related to this Agreement, the unsuccessful Parties agree to pay to the prevailing Parties their reasonable actual costs and attorney's fees, whether or not litigation is actually commenced and including reasonable attorney fees and costs on appeal.
13. **Entire Agreement.** This Agreement contains the final, complete, exclusive and entire agreement and understanding between the Parties on this topic and supersedes and/or replaces any and all prior negotiations, proposed agreements and agreements, whether written or oral on such topic.
14. **Modification.** This Agreement may not be modified except by a writing signed by all Parties affected by such purported modification.
15. **Waiver.** In the event of any default hereunder by either Party, if the other Party fails or neglects for any reason to demand full performance, such failure or neglect shall not be deemed to be a waiver of the right to demand full performance or a waiver of any cause of action, or as a waiver of any of the covenants, terms or conditions of this Agreement or of the performance thereof. None of the covenants, terms or conditions of this Agreement can be waived by either Party hereto except in a signed writing.
16. **Severability.** In the event that any portion of this Agreement is held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining portions of this Agreement and the application thereof shall not in any way be affected thereby.

17. **Interpretation.**

a. Whenever in this Agreement the context may so require, the neuter gender shall be deemed to refer to and include the masculine and the feminine, the singular number shall be deemed to refer to and include the plural, and vice versa.

b. This Agreement is the result of negotiations, and no Party shall be deemed to have drafted this Agreement for purposes of construing any portion of the Agreement for or against any Party.

c. The descriptive headings in this Agreement are included for convenience of reference and are not intended to affect the meaning or construction of any of the provisions herein.

d. Any exhibit attached hereto shall be deemed to have been incorporated herein by this reference as if set forth herein at length.

18. **Time is of the Essence.** Time is hereby made expressly of the essence in every term.

19. **Governing Law and Jurisdiction.** This Agreement shall in all respects be interpreted, enforced, and governed by and under the laws of the State of Idaho without giving effect to its conflicts of law provisions. The Parties each expressly agree to the appropriateness of and consent to the venue and jurisdiction of the State of Idaho in the County of Blaine and all state and federal courts having geographical jurisdiction for such County as the exclusive forum for the purposes of any action to enforce or interpret this Agreement.

20. **Capacity to Execute.** Each of the Parties, and each person signing this Agreement, represents and warrants that it and its representative(s) executing this Agreement on its behalf each has the authority and capacity to execute this Agreement.

21. **Counterparts.** The Parties may execute this Agreement, and any modification(s) hereof, in two or more counterparts, which shall, in the aggregate, be signed by all of the Parties. Each counterpart shall be deemed an original instrument as against any Party who has signed it. A faxed copy of the signature of any of the Parties shall have the same force and effect as an original signature of such Party.

22. **Indemnification.** Contractor shall indemnify and hold harmless City and its directors, agents and employees free, clear and harmless, from and against any and all losses, liabilities, costs, expenses (including amounts paid in settlements and reasonable attorney's fees), claims, penalties, judgments and damages, resulting from or arising out of, by reason of any negligent act, error, or omission of Contractor or its respective agents, employees or contractors in any way connected with or arising out of any accident, injury or damage, any breach of representation, injury to person or property, any activity conducted, or action taken by the City, directly or indirectly, in conjunction with this Agreement.

NOW THEREFORE, by executing this Agreement each signatory affirms that they have read and understand its

terms, and that each has the full power and authority to enter this Agreement on behalf of the entity for which they have signed.

CITY OF KETCHUM

Economic and Planning Systems, Inc.

Neil Bradshaw
Mayor

Name: _____

ATTEST:

Trent Donat
City Clerk



303 623 3557

epsys.com

Denver | Los Angeles | Oakland | Sacramento



About Economic & Planning Systems

Economic & Planning Systems, Inc. (EPS) is a land economics consulting firm experienced in the full spectrum of services related to real estate development, the financing of public infrastructure and government services, land use and conservation planning, and government organization.

EPS was founded on the principle that real estate development and land use-related public policy should be built on realistic assessment of market forces and economic trends, feasible implementation measures, and recognition of public policy objectives, including provisions for required public facilities and services.

AREAS OF EXPERTISE

- ▶ Real Estate Economics
- ▶ Public Finance
- ▶ Land Use & Transportation
- ▶ Economic Development & Revitalization
- ▶ Fiscal and Economic Impact Analysis
- ▶ Housing Policy
- ▶ Public-Private Partnership (P3)
- ▶ Parks and Open Space Economics

Clients Served

Since 1983 EPS has provided consulting services to hundreds of public- and private-sector clients in Colorado and throughout the United States. Clients include cities, counties, special districts, multi-jurisdictional authorities, property owners, developers, financial institutions, and land use attorneys.

Staff Capabilities

The professional staff includes specialists in public finance, real estate development, land use and transportation planning, government organization, and computer applications. The firm excels in preparing concise analyses that disclose risks and impacts, support decision making, and provide solutions to real estate development and land use-related problems.



Real Estate Economics

EPS advances realistic and achievable land use and development programs with rigorous market and financial analysis.

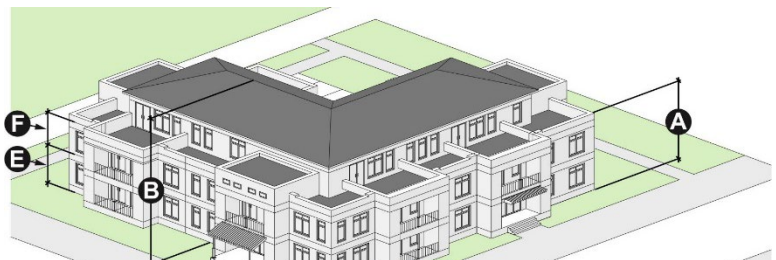
- Market Studies** – EPS provides a research-based assessment of market fundamentals to determine the viability of land use plans and real estate projects. Our analyses consider the full range of factors affecting real estate demand and supply, including socioeconomic trends, real estate performance, and consumer preferences. Our expertise covers the full range of real estate product types, including residential, retail, office, R&D, industrial, hospitality, and entertainment.
- Financial Feasibility Analysis** – EPS financial feasibility analyses evaluate the expected economic performance of real estate development projects, drawing on market research concerning product values, analysis of construction costs, and an understanding of investor objectives. Our feasibility work relies on pro forma cash flow models that test feasibility under a range of project alternatives, market assumptions, financing alternatives, partnership options, disposition strategies, and measures of financial return.
- Highest and Best Use Analysis** – EPS highest and best use analyses rely on market research and financial analysis to determine the most profitable use of a site, whether vacant land or an improved property. These studies consider the range of legally permissible and physically possible projects, assessing the likely market and financial performance of each viable land use option.

Project Profiles

Downtown Littleton Design and Zoning Guidelines

Littleton, Colorado

As part of an update to the City of Littleton’s design and zoning guidelines for the City’s downtown area, the City requested that EPS develop a financial model that could be used to better understand the impact of specific changes to the design and zoning guidelines on development feasibility. This analysis provided staff and the City Council with a more comprehensive understanding of the impact of specific design and zoning requirements on the feasibility of specific uses in the downtown area. EPS specifically tested the impact of alternative design requirements, such as setback and stepback, and zoning requirements, such as parking ratios, on development



DESCRIPTION	Baseline	Reduced Parking	Reduced Stepback	Reduced Parking and Stepback
Building Height	3-Story	3-Story	3-Story	3-Story
Parking Solution	Tuck Under / Surface	Tuck Under / Surface	Tuck Under / Surface	Tuck Under / Surface
Max stories within 20' of property line	2	2	3	3
Residential Parking Ratio	1.5/unit	1.0/unit	1.5/unit	1.0/unit
Retail Parking Ratio	5.0/1,000 sf	2.0/1,000 sf	5.0/1,000 sf	2.0/1,000 sf
Office Parking Ratio	N/A	N/A	N/A	N/A
Yield on Cost				
Target	6.23%	6.22%	6.17%	6.28%
Actual	5.93%	6.35%	5.96%	6.55%
Internal Rate of Return				
Target	9.20%	9.20%	9.15%	9.25%
Actual	8.62%	9.56%	8.78%	9.90%

feasibility for a range of uses. The results of this analysis allowed Council to fully understand the impact of specific regulations and align zoning and design guidelines with current market conditions in the downtown area.

Nashville Music Row TDR Feasibility Study

Nashville, Tennessee

EPS was contracted by the City of Nashville to study the feasibility of creating and utilizing a transfer of development rights (TDR) program in Music Row to preserve its rich history and present of more than 200 music-related businesses. Music Row is a national treasure, an official designation received from the National Trust for Historic Preservation, one of several agencies and community groups that have been working with Metro planners and Music Row stakeholders over the past three years to shape Music Row's future.

EPS made a series of 25 recommendations to the City leveraging best practices from TDR programs around the U.S., extensive market and economic analysis, and modeling of parcels within potential sending and receiving area scenarios. The recommendations gave guidance to the City on creating this regulatory tool, administrative procedures, a phasing of sending and receiving areas, an enhanced transfer ratio, guidance for documenting transactions, timing issues, potential zoning and market challenges, as well as a general gauge for likely pricing of development rights.

Boulder University Hill Feasibility Study

Denver, Colorado

The University Hill General Improvement District (UHGID) manages parking in the University Hill commercial district adjacent to the University of Colorado campus. UHGID had previously commissioned a study of the future build out of the University Hill area and concluded that additional parking would be needed to accommodate future growth. UHGID and the City of Boulder received an unsolicited proposal to develop one of UHGID's surface parking lots into a new parking garage with student oriented for-rent apartments above it. The City and UHGID engaged EPS to complete a feasibility analysis of the proposed project.

EPS evaluated the development proposal and designed a pro forma financial model to determine: 1) if the proposed project is feasible and provides a reasonable return to the City and the developer; and 2) what are the costs and benefits of building a parking garage through the proposed project as opposed to the City itself building the garage? Based on the analysis, the City determined there was a reasonable basis to move forward to negotiate a potential project with the developer. Since the initial review, the developer proposed a modified project due to zoning changes in the area that restrict student housing. EPS also reviewed the revised project proposal to assess return and impact on UHGID.

Project Understanding

The City of Ketchum adopted an interim ordinance (Ordinance 1234) in October of 2022. The ordinance is aimed at requiring development projects in certain zone districts to build a minimum density with amount of housing and commercial space to address housing needs in the community and achieve the vision for the community. The ordinance, so far, has been working successfully to produce greater housing density and housing units out of new development, but the impact on commercial space needs is unclear. The City is seeking to make the interim regulations permanent and wants additional analysis on the demand for commercial space in the City to support the ordinance requirements. The City also wants to help illustrate the impacts on development feasibility of the ordinance to address any barriers to development generated by the ordinance.

The City currently lacks reliable and comprehensive market data on commercial space to assess commercial conditions. To make an informed policy decision, the city is seeking a commercial demand analysis to assess needs of the community. The desired outcomes of the study are to:

- Develop an inventory of commercial space in the City.
- Data related to rental rates and vacancy rates of commercial space.
- Recommendations for how to create an on-going approach to tracking commercial space.
- An understanding of current demand for commercial space and estimate for future demand for commercial space based on historic growth rates.

The primary focus of the study is intended to be the “retail core” and “mixed-use core” areas of the city, which are the primary focus of Ordinance 1234. However, the City would also like to understand citywide commercial conditions and demand.

Additionally, the City wants to understand the impacts on feasibility of development projects impacted by the ordinance to address concerns of the ability to continue to build housing the City’s core. The City is planning to begin drafting a permanent ordinance in the summer with plans for seeking city council adoption in the fall. To support drafting, preliminary findings, at a minimum, are needed.

Scope of Work

The below scope of work was designed to address the city's needs and respond to the timing considerations.

Task 1 – Project Initiation and Outreach

EPS will meet with the city staff to gather all relevant data related to commercial space and infill development within the city. For commercial space, we will be building off the initial inventory being developed from county assessor data. EPS will also reach out to economic development, real estate brokers, and development professionals active in the city to obtain any available data. EPS will also utilize the Focus Group formed by the city related to Ordinance 1234 to gain input and feedback on the study.

Task 2 – Commercial Space Inventory

The following steps are envisioned to build the commercial inventory.

- The first step will be to build a data-based commercial space inventory for the City of Ketchum. EPS will build off of county assessor parcel data, available local real estate resources and listings, city business license data, and secondary data providers (such as CoStar and ESRI Business Analyst). A systematic approach to the inventory will be used and documented in order for the city or partner agency to maintain the inventory going forward. The inventory will be built using ESRI ArcMap GIS and Microsoft Excel. The inventory will have two primary areas of focus: the community core (inclusive of the retail core and mixed use core) and the rest of the city.
- The second step will include a site visit and tour to confirm visually and through interviews the initial inventory. Refinements to the inventory will be made based on the site tour.
- The third step will include vetting of the inventory with stakeholders in the community to address any additional issues and to gain feedback on on-going tracking of space in the city.
- The last step will be to document data related to rental rates and vacancy based on the inventory development. EPS may recommend the use and/or development of survey tool to track and document conditions over time.

Task 3 – Commercial Demand Analysis

The commercial demand analysis will assess the current demand for commercial space based on the existing household base, visitation totals, and employment based demand. The following steps are anticipated.

- Trade Area Definition - EPS will identify trade areas in order to estimate demand for the city and the community core. EPS anticipates assessing demand at the County, City, and Community Core geographies. The socioeconomic characteristics of the trade areas will then be profiled including population, households, income, housing tenure, employment by industry, hotel and "hot bed" inventory, and visitor data.
- Retail Sales Flows and Commercial Demand - EPS will first estimate the total retail spending potential of the trade areas, which will be based on household and visitor demand, and employment generated sales/demand. We will quantify existing sales flows in the county into and out of the city and community core including the number of sales captured by existing stores in each trade area by category and the number of unmet sales potentials represented by outflow or retail leakage.
- Future Retail/Commercial Demand - Additional retail sales and commercial space demand associated with new household and employment growth will also be estimated for a five and ten-year forecast period. The amount of additional retail space by store category supportable in the trade areas will then be estimated based on average sales per store and per square foot.

Task 4 – Infill Feasibility Analysis

To support the adoption of the permanent ordinance, EPS will model the financial feasibility of infill development projects subject to the ordinance. EPS will work with staff to identify two sites to create prototype development programs to test the impacts of the ordinance versus what was allowed prior to the ordinance.

Task 4.A – Market Inputs and Development Prototypes

Task 4.A will help establish basic proforma inputs and to gauge demand for different types of real estate. The following research and analysis is expected to be done.

- Growth trends and projections – Population, housing, and job trends and forecasts.
- Market inputs – Trends in and snapshots of home prices, rents, and vacancy levels.
- Recent development – Concise case studies of 2 to 4 recent development projects that typify the issues in the study.
- Market demand for possible building types – Estimate annual demand for attached and multifamily housing in the focus areas for feasibility modeling.
- Development costs – Estimates of hard costs (materials and labor) and soft costs (fees, financing costs, design and permitting costs), and parking costs for common construction types.

The market research will be summarized into a PowerPoint format for review and outreach to the development community. Stock imagery or local photographs will be used to enable people to visualize the building types.

Task 4.B – Proforma Models and Testing

Next, we will construct proforma feasibility models for the 2 prototypes. The proformas are expected to be static models, not time series models. A static model estimates costs, revenues, and financial performance at completion. For static proformas, the primary metrics will be profit (for-sale projects) and return on cost for income producing properties (net operating income divided by cost). EPS will reach out to local development community stakeholders to confirm proforma inputs and to vet findings to match with local market conditions and realities.

Task 5 – Final Reports and Commercial Space Inventory Database

EPS will develop two final deliverables. A final report for the commercial demand study will be created that will include a summary of the commercial space inventory, the methodology for developing the inventory and direction for how to maintain the inventory going forward and estimates of current and future commercial space demand. EPS will also provide a GIS based inventory of commercial space with associated data within Excel. The second deliverable will be a report documenting the findings of the infill development feasibility analysis.

Project Schedule

EPS proposes a five-month schedule for the project with a major mid-course milestone to support ordinance drafting using two project phases.

- The first phase (April through June) will focus on building an initial inventory and estimating current commercial space demand. EPS will work to develop an initial comparison of current commercial space demand with existing commercial space and business/retail mix. Estimates of future commercial demand will also be developed to assist with assessment requirements for commercial space in the ordinance. The infill development prototypes will be developed, including gathering all needed proforma inputs, in this phase in order to produce initial findings for review. EPS site tour will occur in this phase.
- The second phase (June through August) will focus on refining the inventory, finalizing an approach to maintaining the inventory, and completing the assessment of commercial market conditions in the city. Refinements to the financial feasibility models will also be made in this phase. The final deliverables will also be produced. EPS anticipates a workshop (or interviews) with a stakeholder group to vet the inventory and findings.

Estimated Budget

The following budget was developed based on above scope of work. EPS proposes to complete the scope of work on a time and materials basis with a not-to-exceed limit of \$45,000.

Table 1 Proposed Budget

Description	Principal Prosser	Vice President Shindman	Research / Production	Total
Billing Rate	\$250	\$195	\$95	
Labor				
Task 1 - Project Initiation and Outreach	8	8	0	\$3,560
Task 2 - Commercial Space Inventory	12	32	40	\$13,040
Task 3 - Commercial Demand Analysis	24	4	16	\$8,300
Task 4 - Infill Feasibility Analysis	24	32	24	\$14,520
Task 5 - Final Report and Inventory Database	6	6	4	\$3,050
Total Labor	74	82	84	\$42,470
Direct Expenses				
Travel	\$1,000	\$1,000	\$0	\$2,000
Data				\$530
Total Direct Expenses				\$2,530
Total Cost	\$19,500	\$16,990	\$7,980	\$45,000

Source: Economic & Planning Systems



CITY OF KETCHUM
 PO BOX 2315 * 191 5TH ST. * KETCHUM, ID 83340
 Administration 208-726-3841 (fax) 208-726-8234

PURCHASE ORDER
 BUDGETED ITEM? ___ Yes ___ No

PURCHASE ORDER - NUMBER: 23078

To: 5737 JACOBS ENGINEERING GROUP, INC. PO BOX 5018713 ST LOUIS MO 63150-8713	Ship to: CITY OF KETCHUM PO BOX 2315 KETCHUM ID 83340
--	---

P. O. Date	Created By	Requested By	Department	Req Number	Terms
03/28/2023	bancona	bancona	Planning & Building	0	

Quantity	Description	Unit Price	Total
1.00	SUPPLEMENTAL STAFFING SUPPORT 01-4170-4200	35,000.00	35,000.00
	SHIPPING & HANDLING		0.00
	TOTAL PO AMOUNT		35,000.00

 Authorized Signature



MASTER PROFESSIONAL SERVICES AGREEMENT

CLIENT: City of Ketchum
ADDRESS: 191 5th Street West
Ketchum, ID 83340

SCOPE OF SERVICES: CLIENT hereby authorizes JACOBS to perform the engineering, procurement, consulting, and other professional services as authorized from time to time by written Task Orders issued by CLIENT and accepted by JACOBS, as evidenced by CLIENT’s and JACOBS’ signatures thereon (“Services”).

COMPENSATION: JACOBS will be compensated for Services as set forth in the Task Order, as priced on a Task Order basis.
DIRECT EXPENSES. JACOBS’ Direct Expenses shall be those costs incurred on or directly for each Task Order, including but not limited to necessary transportation costs including mileage at JACOBS’ current rate when its automobiles are used, meals and lodging, laboratory tests and analyses, computer services, word processing services, telephone, printing and binding charges. Reimbursement for these expenses shall be on the basis of actual charges when furnished by commercial sources and on the basis of usual commercial charges when furnished by JACOBS.
OUTSIDE SERVICES. When technical or professional services are furnished by an outside source, when approved by CLIENT, an additional amount shall be added to the cost of these services for JACOBS’ administrative costs.

The Parties agree to the “Provisions” provided on page 2 of this Master Professional Services Agreement (“Agreement”).

Accepted for **CLIENT**

Accepted for **JACOBS ENGINEERING GROUP INC.**

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: Lena Gandiaga
Title: Manager of Projects
Date: _____

PROVISIONS

1. **TASK ORDERS.** CLIENT shall engage JACOBS to perform engineering and other related professional services pursuant to this Agreement by issuing a Task Order to JACOBS. Each Task Order shall clearly state that it is issued pursuant to this Agreement and shall identify the scope of services to be performed by JACOBS, the schedule for performance of the Services, the method of pricing and/or compensation for Services (if different from the method provided for herein), and other matters as may be pertinent to the individual authorization. The terms of this Agreement shall supersede any standard or preprinted terms that may be attached to or referenced in any Task Order.

2. **WARRANTY.** JACOBS warrants that it shall be responsible, to the level of competency presently maintained by other practicing professionals in the same type of work in CLIENT's community, for the professional and technical soundness, accuracy, and adequacy of all design, drawings, specifications, and other work and materials furnished under this Agreement. If within twelve (12) months after completion of the Services, CLIENT can demonstrate that the Services fail to conform to such warranty, JACOBS will reperform the deficient Services at no cost to the CLIENT, and JACOBS shall have no liability for repair or replacement, construction rework or other costs whether asserted under warranty, contract, tort or otherwise. JACOBS makes no other warranty, expressed or implied.

3. **ADDITIONAL SERVICES.** (a) Services in addition to those specified in the Task Order, will be provided by JACOBS if authorized in writing or otherwise confirmed by CLIENT. Additional services will be paid for by CLIENT as indicated in an Additional Services Authorization or such other document as deemed appropriate by CLIENT and JACOBS. In the absence of an express agreement to the contrary, JACOBS shall be entitled to an equitable adjustment in compensation and schedule for performing such additional services. (b) Unless the Additional Services Authorization specifies otherwise, the Additional Services will be priced under the terms of Appendix A.

4. **SALES TAX.** In addition to any other sums or amounts to be paid by CLIENT to JACOBS pursuant to this Agreement, CLIENT must also pay to JACOBS any applicable sales, use, excise or other tax (other than any general income tax payable by JACOBS) as the same may be levied, imposed or assessed by any federal, state, county or municipal government entity or agency.

5. .

6. **DISPUTES.** (a) All disputes arising out of this Agreement shall be mediated by the parties within a reasonable time after the first request for mediation, prior to either party filing a suit in a court of law, provided, however, that neither party shall be obligated to mediate prior to requesting injunctive relief. (b) In the event legal action is brought by either party to enforce any of the obligations hereunder or arising out of any dispute concerning this Agreement, the breaching party shall pay the non-breaching party reasonable amounts for fees, costs and expenses as may be set by the court (c) This Agreement is governed by the laws of the state in which the Services are performed, without regard to its choice of law provisions.

7. **ASSIGNMENT TO RELATED ENTITY.** Notwithstanding anything to the contrary herein, in the event JACOBS is not qualified and licensed in the relevant jurisdiction to provide any Services required, JACOBS may, with the consent of the other party, which will not be unreasonably withheld, assign all or any part of its obligation to provide such Services to an entity related to JACOBS which is qualified and licensed to provide such Services in the jurisdiction involved, or JACOBS may request CLIENT to issue a Task Order in the name of such a related entity.

8. **PAYMENT TO JACOBS.** (a) JACOBS will issue monthly invoices for all Services. Invoices are due and payable net 30 days. CLIENT agrees to pay interest at the rate of 1½% per month on all past-due amounts, unless not permitted by law. Any interest charged or collected in excess of the highest legal rate will be applied to the principal amount owing to JACOBS, and if such interest exceeds the principal balance of CLIENT's indebtedness to JACOBS, will be returned to CLIENT, (b) CLIENT's failure to pay within the time required herein shall constitute a payment default. Without limiting any other available remedy, JACOBS may stop work or terminate this Agreement or any Task Order if CLIENT has not cured a payment default within 7 days after receipt of written notice from JACOBS. JACOBS' right to stop work or terminate this Agreement shall not be waived by JACOBS' continued performance. JACOBS shall have no liability for any delays resulting from or damages caused by such work stoppage or termination.

9. **CONSTRUCTION PHASE SERVICES.** (a) If JACOBS is called upon to observe the work of CLIENT's construction contractor(s) for the detection of defects or deficiencies in such work, JACOBS will not bear any responsibility or liability for such defects or deficiencies or for the failure to so detect. JACOBS shall not make inspections or reviews of the safety programs or procedures of the construction contractor(s), and shall not review their work for the purpose of ensuring their compliance with safety standards. (b) If JACOBS is called upon to review submittals from construction contractors, JACOBS shall review and approve or take other appropriate action upon construction contractor(s)' submittals such as shop drawings, product data and samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the contract documents. JACOBS' action shall be taken with such reasonable promptness as to cause no delay in the work while allowing sufficient time in JACOBS' professional judgment to permit adequate review. Review of such submittals will not be conducted for the purpose of determining the accuracy and completeness of other details such as dimensions and quantities. (c) JACOBS shall not assume any responsibility or liability for performance of the construction services, or for the safety of persons and property during construction, or for compliance with federal, state and local statutes, rules, regulations and codes applicable to the conduct of the construction services. JACOBS shall have no influence over the construction means, methods, techniques, sequences, or procedures. Construction safety shall remain the sole responsibility of the construction contractor(s). (d) All contracts between CLIENT and its construction contractor(s) shall contain broad form indemnity and insurance clauses in favor of CLIENT and JACOBS, in a form satisfactory to JACOBS.

10. **COST ESTIMATES.** Any cost estimates provided by JACOBS will be on a basis of experience

and judgment. Since JACOBS has no control over market conditions or bidding procedures, JACOBS does not warrant that bids or ultimate construction costs will not vary from these cost estimates.

11. **SEVERABILITY.** If one or more of the provisions contained in this Agreement shall be held illegal, the enforceability of the remaining provisions shall not be impaired.

12. **FORCE MAJEURE.** Any delays in or failure of performance by JACOBS, other than the payment of money, shall not constitute default hereunder if and to the extent such delays or failures of performance are caused by occurrences beyond the reasonable control of Jacobs, as the case may be, including but not limited to, acts of God or the public enemy; epidemic; pandemic; compliance with any order or request of any governmental authority; fires, floods, explosion, accidents; riots, strikes or other concerted acts of workmen, whether direct or indirect; or any causes of the same class or kind as those specifically named above, which are not within the reasonable control of Jacobs. In the event that any event of force majeure as herein defined occurs, Jacobs shall be entitled to a reasonable extension of time for performance of its Service..

13. **INDEMNIFICATION.** JACOBS shall defend and indemnify CLIENT from all claims, liabilities, demands, costs, expenses (including attorneys' fees) and causes of action arising out of third party claims for bodily injury (including death) and damages to tangible property to the extent caused by a negligent act or omission of JACOBS, its employee or subcontractant.

14. **INSURANCE.** During the term of this Agreement, JACOBS shall maintain insurance of the following types: (1) Workers' compensation in accordance with statutory requirements of the jurisdiction in which the Services are to be performed; (b) Employer's liability insurance in the amount of \$250,000; (c) Comprehensive General Liability Insurance subject to a limit for bodily injury and property damage combined in the amount of \$1,000,000 per occurrence; and (d) Automobile liability insurance subject to a limit for bodily injury and property damage combined in the amount of \$1,000,000 per occurrence.

15. **ELECTRONIC MEDIA.** (a) JACOBS may deliver electronic copies of documents or data ("Electronic Files") in addition to printed copies ("Hard Copies") for the convenience of CLIENT. CLIENT, its consultants, contractors and subcontractors may only rely on the Hard Copies furnished by JACOBS. If there is any discrepancy between any Electronic File and the corresponding Hard Copy, the Hard Copy controls. (b) CLIENT acknowledges that Electronic Files can be altered or modified without JACOBS' authorization, can become corrupted and that errors can occur in the transmission of such Electronic Files.

16. **THIRD PARTY BENEFICIARIES.** Except to the extent any claims alleging negligence are asserted directly against any JACOBS employee wherein such JACOBS employee shall be deemed a third party beneficiary to this Agreement and the protections in favor of JACOBS, there are no third party beneficiaries to this Agreement.

17. **CLIENT OBLIGATIONS.** CLIENT shall provide JACOBS full information regarding CLIENT's requirements for all Services and shall provide information regarding existing facilities, such as drawings, as-built drawings, legal description, easements, rights of way, agreements with any utilities, or any other information in CLIENT's possession which is necessary or useful in connection with the Services. CLIENT shall appoint a representative that will have the authority to make decisions on behalf of CLIENT regarding the Services. CLIENT shall make decisions regarding the Services in a timely manner.

18. **DESIGN WORK PRODUCT.** JACOBS owns all right, title and interest in all documents created or delivered by JACOBS under this Agreement, including but not limited to all plans, specifications, drawings, CAD files, electronic data, software programs and the source code (collectively the "Design Work Product"). CLIENT is granted the right to use the Design Work Product for itself and for its other contractors, subcontractors as needed for the use, occupancy or maintenance of the completed project. In the event this Agreement is terminated for any reason other than solely as a result of a material breach by JACOBS, CLIENT's right to use the Design Work Product automatically terminates without notice or further action of JACOBS. Subject to CLIENT'S legal requirement to keep and maintain documents pursuant to the Idaho Public Records Act and Idaho Code, CLIENT shall return all Design Work Product to JACOBS within ten (10) business days of such termination.

Task Order No.: 1

Effective Date: March 27, 2023

This Task Order is entered into on the effective date noted above pursuant to the "Master Professional Services Agreement" between the City of Ketchum ("Client") and Jacobs Engineering Group Inc. ("JACOBS"), dated _____ ("Agreement"). The Agreement is incorporated herein and forms an integral part of this Task Order. However, in case of conflict, the terms of the Agreement shall control.

Services Authorized:

Client authorizes JACOBS to perform the Services described in Exhibit A attached hereto and incorporated herein.

Pricing:

XXX Time and Expense per Exhibit A

_____ Firm Fixed Price of \$ _____

_____ Other (Describe):

CLIENT

JACOBS ENGINEERING GROUP INC.

By: _____

By: _____

Title: _____

Title: Manager of Projects

Date: _____

Date: _____

TASK ORDER #1
STATEMENT OF SERVICES & ESTIMATED FEE
KETCHUM COMPREHENSIVE PLAN AUDIT & ZONING ORDINANCE REWRITE
OWNER'S REPRESENTATIVE & PROJECT MANAGER
March 29, 2023

Project Understanding

The City of Ketchum intends to audit and update its comprehensive plan, develop a scope of work for the audit and update, and issue a request for proposals to perform the update along with the requisite public engagement. The update to the comprehensive plan is a necessary prelude to the intended rewrite of Titles 16 (Subdivision Regulations) and 17 (Zoning Regulations) of the city's Code of Ordinances and limited updates to Title 12 (Streets, Sidewalks, Public Utility Easements and Public Places) and Title 15 (Buildings and Construction). The city requests that Jacobs assists the city team in the execution of the comprehensive plan audit and update, and rewrite of the city Code of Ordinances by acting as the city's representative and project manager in the development of a scope of work, request for proposals, selection of a consultant, and the execution of the work. Roles and responsibilities of the representative/project manager may include:

- Act as project lead including meeting facilitation and direction of staff
- Management of the consultant work, project schedule and budget management including key milestone tracking and regular status reporting to the Planning and Building Director
- Work directly with the Senior Planner to coordinate project deliverables including interdepartmental coordination, preparation of engagement activities, research, and other project needs

Schedule

- The City's efforts noted above are intended to be completed over a three (3) year +/- time period beginning in March 2023; Jacobs will provide services described here on a scope-specific on-call type basis over a duration of time established based on funding authorization(s).
- It is anticipated that Jacobs will spend 8-10 hours weekly in the execution of this work, including at least one virtual internal coordination meeting per week with the Senior Planner.

Assumptions

- All meetings will occur virtually unless in person meetings are requested by the city. Travel expenses associated with such requests will be billed as direct expenses against the authorized not-to-exceed limit of this task order.
- Deliverable documents will be submitted electronically via email.

Cost

Jacobs will provide services described above on a time and materials basis with an initial not-to-exceed amount of \$35,000. Invoices will be submitted on a monthly basis in accordance with the Professional Services Agreement between Jacobs Engineering Group Inc. and the City of Ketchum dated _____, 2023. Invoices will be based on actual hours expended and bill rates attached, as well as authorized direct expenses.

Future Authorizations

Jacobs will prepare a proposed Supplemental Agreement to this Task Order (or a new Task Order, at the City's discretion) at such time that 90% of the authorized not-to-exceed budget has been expended and billed and/or as otherwise requested by the City. Neither party is obligated to extend this Task Order.



City of Ketchum

On-Call Professional Services Agreement

Labor Rate Schedule

Jacobs Engineering Group Inc.

Rates valid through December 31, 2023

Job Classification	Bill Rate (per hour)
<i>Administrative / Technical Writer</i>	
Junior	\$ 60.00
Senior	\$100.00
<i>CAD / GIS / Graphics</i>	
Junior	\$ 80.00
Mid-Level	\$ 120.00
Senior	\$ 150.00
<i>Professional</i>	
Intern	\$ 60.00
Junior	\$ 95.00
Mid-Level	\$ 160.00
Senior	\$ 195.00
Specialist/Expert	\$ 245.00
Sr. Expert	\$315.00

"Professional" classifications include planners, urban designers, engineers, architects, scientists, project managers, project controls and other similar professional consultants.

Jacobs will escalate rates at 4% each calendar year (or update the rate schedule as mutually agreed by both parties) throughout the duration of the term of services for the agreement.

Daren Fluke joined Jacobs in 2020 as a Senior Planner and Project Manager. He has thirty years of experience as a community planner specializing in transportation and land use. He is currently working for a variety of local governments including the cities of Hailey, Sun Valley, Sandpoint, and Ontario as well as the counties of Blaine, Ada, and Elmore. Prior to joining Jacobs, Daren led the Comprehensive Planning team at City of Boise for 7 years, delivering plans, projects, and initiatives such as the Transportation Action Plan, Grow our Housing, Energize our Neighborhoods, the State Street TOD Plan, and the city's first protected bike lanes. Prior to that he spent 12 years as a consultant leading projects for public and private sector clients where his portfolio included the design and entitlement of complex land development projects, zoning ordinance rewrites, and a wide variety of land use and transportation plans. He graduated from the University of Oregon with degrees in Geography and Environmental Studies, is a member of the American Institute of Certified Planners, a board member of the Treasure Valley Cycling Alliance, and a three-term past president of the Idaho Chapter of the American Planning Association.



CITY OF KETCHUM
 PO BOX 2315 * 191 5TH ST. * KETCHUM, ID 83340
 Administration 208-726-3841 (fax) 208-726-8234

PURCHASE ORDER
 BUDGETED ITEM? ___ Yes ___ No

PURCHASE ORDER - NUMBER: 23077

To: 5975 HOLST 123 NE 3RD AVE PORTLAND OR 97232	Ship to: CITY OF KETCHUM PO BOX 2315 KETCHUM ID 83340
--	---

P. O. Date	Created By	Requested By	Department	Req Number	Terms
03/27/2023	bancona	bancona	Planning & Building	0	

Quantity	Description	Unit Price	Total
1.00	ARCHITECTURAL SERVICES RELATED TO EVALUATION OF INTERIM ORDANCE 1234 01-4170-4200	6,800.00	6,800.00
	SHIPPING & HANDLING		0.00
	TOTAL PO AMOUNT		6,800.00

 Authorized Signature

MORGAN LANDERS, AICP
DIRECTOR OF PLANNING & BUILDING
CITY OF KETCHUM
191 5TH STREET WEST
KETCHUM, ID 83340

03.24.2023

RE: PROPOSAL FOR SERVICES: CITY OF KETCHUM ORDINANCE 1234

Morgan and Abby,

Thank you for the opportunity to provide this proposal for Architectural Services. We are pleased propose the scope below to support The City as you analyze metrics in interim Ordinance 1234. We look forward to continuing our work with your team.

123 NE 3RD AVE.
SUITE 310
PORTLAND, OR
97232

HOLSTARC.COM

PROJECT SUMMARY

Holst will provide feasibility analysis for typical Ketchum Townsite lots by applying interim Ordinance 1234 standards to evaluate ground floor commercial square footage requirements, minimum residential density, and other application zoning requirements.

SCOPE OF SERVICES

FEASIBILITY STUDY:

TYPICAL COMMUNITY CORE 5500 SF INTERIOR AND CORNER PARCELS

- Apply Ordinance 1234 requirements with multiple topography scenarios.
 - Flat Lot
 - Sloping Lot - topography slopes down to the street
 - Sloping Lot - topography slopes up to the street
- Review of applicable regulatory requirements.
- Exploration and evaluation of massing/yield to analyze minimum residential density (section 4), the 55% ground floor commercial square footage requirement (section 11A), and other applicable zoning requirements such as parking for a typical site.
- Work with City of Ketchum staff to evaluate and refine feasibility analysis.
- Evaluate Ordinance 1234 for clarity.
- Create a final presentation package of site diagrams, massing options, Ordinance analysis and summary of findings for each typical site type.
- Schedule is anticipated to be the month of April 2023

H O L S T

FEE STRUCTURE

Our proposed fee for the scope outlined is lump sum as indicated in the table below. Holst will invoice monthly based on work complete. See Terms and Conditions for additional information.

SCOPE OF SERVICES	
ORDINANCE 1234 TEST FIT ANALYSIS	\$6,800

EXCLUSIONS AND CONDITIONS OF DESIGN

- Holst will work from survey documents provided by the City of Ketchum or other available sources.
- Civil, MEP and Structural Engineering services are not included.
- Landscape design services are not included.
- Traffic studies and coordination are not included.
- Permits, jurisdictional and system development fees are not included.
- Environmental and geotechnical reports are not included.
- Outsourced renderings if requested by Owner are not included.
- Land Use entitlement processes is not included.

TERMS AND CONDITIONS

This proposal is valid for 30 days commencing on the date of this document. Reimbursable expenses such as taxes, application/permit fees, travel, printing, and consultant fees shall be invoiced at cost plus 10%. Taxes include all state and local assessments, including the Oregon Corporate Activities Tax outlined under Oregon Laws 2019, chapters 122 and 579. All invoices will include a reimbursable expense using Holst's effective tax rate of 0.4% on all services, reimbursable expenses, and reimbursable consultant costs billed.

Invoices shall be payable within 30 days of the invoice date. Invoices not paid within 30 days of the invoice date shall be subject to interest at the rate of 1.5 percent per month. Invoices not paid within 60 days of the invoice date shall be considered substantial nonperformance on the part of the Owner and cause for suspension of performance of services or termination of services. Holst shall give seven days' written notice to the Owner prior to suspension or termination of services.

In the event of suspension of services, Holst shall have no liability to the Owner for delay or damage caused because of such suspension of services. Before resuming services, Holst shall be paid all sums due prior to suspension, including interest accrued. If the project is suspended for more than 30 consecutive days, Holst shall be compensated for actual expenses incurred in the interruption and resumption of services, if any. Holst's fees for the remaining services and the time schedules shall be equitably adjusted. Owner may cancel this engagement upon written notice to Holst if Owner pays all fees for

H O L S T

work completed and reimbursables incurred through the date of termination.

Holst shall be deemed the authors and owners of our respective Instruments of Service, including the Drawings and Specifications, and shall retain all common law, statutory and other reserved rights, including copyrights. Submission or distribution of Instruments of Service to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the reserved rights of Holst. In the event the Owner uses the Instruments of Service without retaining the authors of the Instruments of Service, the Owner releases Holst from all claims and causes of action arising from such uses. The Owner, to the extent permitted by law, further agrees to indemnify and hold harmless Holst from all costs and expenses, including the cost of defense, related to claims and causes of action asserted by any third person or entity to the extent such costs and expenses arise from the Owner's use of the Instruments of Service.

If any action is brought to enforce the terms of this Agreement, the prevailing party will be entitled to recover its reasonable attorneys' fees, costs, and expenses from the other party, in addition to any other relief to which the prevailing party may be entitled.

HOURLY RATES

Professional services shall be billed on an hourly basis according to the Rate Schedule currently in effect. The current Holst Hourly Rates are attached to this proposal. Holst Architecture reserves the right to adjust hourly rates on an annual basis.

AGREEMENT

If this proposal meets with your approval, please sign a copy of this proposal that will serve as your authorization for Holst to proceed with work.

Accepted by Owner:

CITY OF KETCHUM

DATE

If you have any questions or require additional information, please contact me directly.

Sincerely,



RENÉE STRAND, AIA
HOLST ARCHITECTURE

H O L S T

2023 RATE SCHEDULE

Work performed by Holst Architecture will be billed monthly according to the current rate schedule in effect at the time of the work performed.

PERSONNEL CHARGES

123 NE 3RD AVE.
SUITE 310
PORTLAND, OR
97232

HOLSTARC.COM

Principal	\$220.00/hour
Project Manager	\$180.00/hour
Project Designer	\$180.00/hour
Project Architect	\$180.00/hour
BIM Coordinator	\$180.00/hour
Inclusive Design Facilitator	\$150.00/hour
Architect / Designer	\$130.00/hour
Project Accountant	\$180.00/hour

EFFECTIVE THROUGH DECEMBER 2023