



and Associates

PLANNING, LAND USE
AND DEVELOPMENT SERVICES

Memorandum

Date: August 20, 2013
To: Integrated Shoreline Master Program Project Management Team
From: Bill Stalzer, Project Team Leader
Re: Consultant Draft Scope of Work and Budget

The following table compares the budget for the proposed scope of work for the four SMP updates compared to the budget in The Watershed Company's response to the SMP Request for Proposal. The major reasons for the increase in the budget are twofold:

1. I increased the number of meetings in years 1 and 2 to allow for more involvement in the review of the consultant's work by a regional working group.
2. The consultant proposed a larger budget contingency based on the direction from the project management team during the interview process that their proposed contingency was too low. The amount of the contingency should be discussed again. This item is basically to provide for a cushion primarily for unanticipated additional review meetings by the regional working group, planning commissions, and legislative bodies.

Phase	RFP Scope of Work		Current Scope of Work		Difference	Comments
	Cost	Mtgs	Cost	Mtgs		
Phase 1	\$14,229	0	\$13,929	0	-\$300	Reduction in scope per Ecology
Phase 2	\$102,798	2	\$105,668	3	\$2,870	Reduction in scope per Ecology; I added 1 regional wkg group mtg for the shoreline inventory
Phase 3	\$172,754	13	\$188,903	15	\$16,149	I added 2 joint planning commission mtgs for a briefing on the SMP process and status
Task 4.1	\$18,200	0	\$20,550	1	\$2,350	I added 1 regional wkg group mtg on the restoration plan
	\$307,981	15	\$329,050	19		

Year 3	Cost	Mtgs	Cost	Mtgs	Difference	Comments
Tasks 4.2-4.4	\$25,018	0	\$25,518	1	\$500	I added 1 regional wkg group mtg on revisions to the draft SMP
Phase 5	\$47,943	16	\$55,673	15	\$7,730	Reduction by doing joint planning commission workshop mtgs.
	\$72,961	16	\$81,191	16		

Expenses **\$19,047** **Included**

Note: Expenses are included within the current scope of work budget for each phase

Summary

Total Costs	\$399,989	31	\$410,241	35	\$10,252
Contingency	\$10,000		\$25,000		\$15,000
Contract Total	\$409,989		\$435,241		\$25,252

Budget Compared to Grant Funds

1. The scope of work is the same one dictated by Ecology in their grant announcement. I emailed it to our grant manager, discussed it with her, and other than a few minor cost savings that she proposed by eliminating Tasks 1.3 and 2.4, the scope is consistent with Ecology's requirements. I did not discuss budget details, wanting to wait until the project management team had discussed it.
2. The total grant funds available for years 1 and 2 is \$440,000. With the cost of the current scope of work at \$329,050 for two years, \$110,950 would be available for project management and other staff involvement. I have not yet estimated a budget for project management and other staff involvement costs for the first two years.
3. Grant funds available in year 3 are planned to be \$110,000 (dependent on funding by the State legislature.) With the cost of the current scope of work at \$81,191 for year 3, \$28,809 would be available for project management and other staff involvement in year 3. Given the tasks that have to be accomplished in year 3 and the number of planning commission and legislative meetings, it is likely that the year 3 funding would be inadequate to cover all project management and other staff costs. One option for freeing up funds for project management and other staff is to reduce the number of workshops and public hearings that the consultant has to attend in Phase 5, in particular Tasks 5.4, 5.5 and 5.6. See #5 below regarding the 80%/20% split.
4. At this point the State's position is that funds saved in years 1 and 2 cannot be carried over to year 3 so any cost savings in the first two years is not available in year 3.
5. Additionally, in the past the State has required that the grant funds be split 80% in the first two years and 20% in the final year hence the \$440,000 and \$110,000 split of the total grant. However, our grant manager has indicated that it might be possible to alter the percentage split. This change would allow some of the funding for years 1 and 2 to be used for project management and other staff in year 3.

Recommendations

1. Validate the assumptions regarding the number and type of meetings that the consultant has to attend in years 1 and 2 and in phase 5 of year 3.
2. Recommend to the County Board of Commissioners that the consultant's scope of work and budget subject to a discussion of item 1. Their budget is realistic based on my review of the scope and discussions with the grant manager of the level of effort required for each task and the consultant's overall budget for the first two years.
3. Recommend to the County Board of Commissioners that the project team leader and the consultant begin work immediately to lessen the pressure to complete Phase 1 by September 30th and to establish a regional working group. According to our grant manager, the letters received by each jurisdiction from the Department of Ecology awarding grant funds for the SMPs are authorization that grant funds are available for reimbursement of expenditures beginning July 1, 2013, regardless of when a grant agreement is executed with the Department of Ecology. Additionally, the County prosecuting attorney's office has said that contract provisions can be included in the contract with The Watershed Company that provide for payment of their costs prior to the date the contract is approved by the County Board of Commissioners. I would recommend that the date for such provision(s) be August 22, 2013.
4. Continue discussions with our grant manager regarding the feasibility of adjusting the 80%/20% split of grant funds and the possibility of carrying over funds to year 3.