



CITY COUNCIL AGENDA REPORT

MEETING DATE: JUNE 5, 2012

ITEM NUMBER:

SUBJECT: PROFESSIONAL SERVICES AGREEMENT FOR THE GENERAL PLAN UPDATE AND ENVIRONMENTAL IMPACT REPORT

DATE: MAY 25, 2012

FROM: DEVELOPMENT SERVICES DEPARTMENT - PLANNING DIVISION

PRESENTATION BY: CLAIRE L. FLYNN, AICP, ASST. DEV. SVCS. DIRECTOR

**FOR FURTHER INFORMATION CONTACT: CLAIRE FLYNN, 714 754 5278
claire.flynn@costamesaca.gov**

RECOMMENDED ACTION

Award contract to Hogle-Ireland, Inc. in the amount of \$664,705 for the Costa Mesa General Plan Update and Program Environmental Impact Report and authorize Mayor and Acting Deputy City Clerk to sign and execute the contract.

BACKGROUND

Costa Mesa General Plan

State law requires that each city adopt a general plan "for the physical development of a city and any land outside its boundaries which bears relation to its planning" (§65300). In addition, a General Plan should be updated periodically approximately every ten years.

The General Plan states the community's vision for development and public infrastructure. The General Plan is the foundation for establishing goals, purposes, land use, and activities. It expresses the community's development goals and embodies public policy relative to the distribution of future land uses, both public and private.

The 2000 Costa Mesa General Plan represents its "constitution" for development and is comprised of ten elements: Land Use Element, Circulation Element, Housing, Conservation, Open Space, Noise, Safety, Community Design, Growth, and Historic and Cultural Resources.

The Land Use and Circulation Elements of the City's 2000 General Plan were updated in 2002. Minor amendments to these Elements were made over the past ten years. However, there were no significant revisions to the overall goals, objectives and policies. Therefore, an update to the existing General Plan is now needed to appropriately reflect changes within the document as well as Council goals and objectives.

Request for Proposals

In January 2012, a Request for Proposals (RFP) was released to qualified consulting firms to prepare a comprehensive update of certain elements of the General Plan and an Environmental Impact Report.

The key components of the scope of services involve the following:

- General Plan Update of the Land Use, Circulation Element, Housing, and Growth Management
- Zoning Ordinance Update
- Environmental Impact Report (EIR)
- Public Engagement / Public Process (supportive assistance to City staff)

The above key components of the General Plan update will address current community objectives and legal requirements. The corresponding Zoning Ordinance, as appropriate, will be updated by City staff but will also need to be addressed in the environmental review. The proposed work activity involves assistance in a supportive role in a Public Engagement Program.

ANALYSIS

The purpose of the GP Update is to serve the City's planning efforts for the next 10 years without significant revisions, comply with state regulations, and provide the community with a vision for the future containing policies and guidelines for the way land is developed and used. The GP Update will incorporate goals, objectives, policies, and programs for certain Elements – and specifically promote development flexibility in consort with the community's goals for development in the City.

Particular emphasis will be placed on the Land Use, Circulation, Housing, and Growth Management Elements. The overall work activity will occur over an 18-month period, from June 2012 through December 2013. Additionally, State law mandates updating the City's Housing Element by October 2013. Other Elements will be updated thereafter and as necessary. The need for the update is based on the following:

Land Use Element

- The City's Land Use Element requires a comprehensive update every 10 years pursuant to State legal requirements.
- A comprehensive review of the Land Use Element will promote development flexibility similar to the spirit and objectives of the recently-adopted mixed-use overlay zones.

- New mixed-use overlay areas may be established to create new development options in certain land use designations.
- Increased residential densities or commercial FARs may be considered in certain revitalization areas and nonconforming developments containing mobile home parks and motels.
- The currently established "stepped FAR" limits for low, moderate, and high traffic-generating uses may be modified to allow greater flexibility in development intensities.
- New land use designations and overlay zones may be created to promote redevelopment.
- There may be new objectives or a processing framework to consider site-specific FARs within certain limits may be included.

Circulation Element

- The City's transportation model was last developed in 2000 and requires updating.
- Several major circulation and development projects and land use changes were made over the past ten years. These will need to be reflected in the transportation model to reflect current conditions and to identify future transportation needs.
- Development opportunities in the Westside Costa Mesa and other parts of the City are currently restricted due to reliance solely on the 2000 General Plan and the 2000 transportation model.
- There is a need for a comprehensive review of City's Master Plan of Bikeways to enhance bicycle facility connections and opportunities.

Assembly Bill 1358, the 2008 California Complete Streets Act, requires that any substantive revision of the Circulation Element requires planning for a balanced, multimodal transportation network that meets the needs of all users of streets, roads, and highways. The users are defined as including motorists, pedestrians, bicyclists, children, persons with disabilities, seniors, movers of commercial goods, and riders of public transportation. The State enacted this law to help fulfill the commitment to reduce greenhouse gas emissions through efficient use of urban land and transportation infrastructure.

Housing Element

State Housing Element law requires "An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs." The law requires:

- An analysis of population and employment trends.
- An analysis of the City' s fair share of the regional housing needs.
- An analysis of household characteristics.
- An inventory of suitable land for residential development.
- An analysis of governmental and non-governmental constraints on the improvement, maintenance and development of housing.
- An analysis of special housing needs.
- An analysis of opportunities for energy conservation.
- An analysis of publicly-assisted housing developments that may convert to non-assisted housing developments.

Growth Management Element

This Element will be updated to directly correspond with any relevant changes that arrive from land use, circulation, and housing policies.

Zoning Ordinance Update

It is important to make any corresponding changes to the Zoning Code (Title 13 of the Costa Mesa Municipal Code) to ensure that the Zoning Code is consistent with the General Plan. City staff will prepare the Zoning Code amendments as applicable. The Consultant will be responsible incorporating the Zoning Code amendment into the environmental review process.

Public Engagement Program

Critical to the success of the General Plan update is public outreach. The Public Engagement Program will involve a General Plan Update Committee and/or community meetings. Staff will separately agendize a request for Council approval to initiate the process to create the General Plan Update Committee.

The Consultant will have a supportive role to City staff in this respect. The proposed update of the City' s Land Use and Circulation Element of the General Plan will address this question based on community feedback. Based on the goals and values of the community, the proposed update will provide a longterm framework for good decision making far into the future. It will provide flexibility for changes in the City' s economy and land use, and establish goals, policies, and objectives to measure progress towards attaining the community' s goals for the overall development of the City.

Program Environmental Impact Report

In accordance with the California Environment Quality Act (CEQA) s, an initial study and a "Program Environmental Impact Report" should be prepared. CEQA stipulates that a "Program EIR is appropriate if there is a "series of actions that can be characterized as one large project and that are related." Program EIRs are also prepared for projects when there are common rules, regulations, plans, or other general criteria to govern the conduct of a continuing program.

A Program EIR for the General Plan Update could serve as a master environmental document and baseline for future project applications that are processed in the City. Staff is seeking a "turnkey" environmental program for the General Plan reformat where a consultant will prepare all CEQA notices, technical studies as needed, administrative draft, draft and final EIR, mitigation monitoring program, statement of facts and findings, and statement of overriding considerations, if necessary, and consult with affected public agencies.

CONTRACT AWARD

Staff evaluated all consultant proposals and selected the firm of Hogle-Ireland based on the quality of the proposal, interview performance, previous work experience and recommendations from references. The other firms submitted proposals that were not consistent with the scope of work outlined in the RFP or did not exhibit a keen understanding of the land use and circulation issues in Costa Mesa, as compared to the Hogle-Ireland team.

While each firm submitted competitive proposals, staff believes that Hogle-Ireland, Inc. is the most qualified firm to perform the work due to the following:

- *Excellent responses during interview and comprehensive proposal.* Due to the recency and relevancy of their previous experience, Hogle-Ireland staff most effectively communicated important issues during the interview.
- *Demonstrated relevant experience with General Plan updates and EIRs.* Hogle-Ireland possessed technical capabilities for General Plan updates for cities with similar demographics and land use development patterns as the City of Costa Mesa. They have completed General Plan work for cities such as Brea, Arcadia, Redwood City, and Rancho Cucamonga.
- *Highly qualified technical environmental staff and subconsultants.* The project team members are experienced environmental analysts with 20+ years experience in the preparation of environmental impact reports and General Plans.

ALTERNATIVES CONSIDERED

An alternative would be to reject all bids and reinstate the RFP process.

There are no other viable alternatives that would meet the City's legal obligations to update the General Plan in compliance with State law. Additionally, the City's CEQA guidelines do allow EIRs to be prepared by in-house staff. However, the nature, scope, and complexity of this project and current staff demands do not make this a viable or practical option.

FISCAL REVIEW

The total proposed contract amount is \$664,705. Since this work will take place over the next 18 months, staff anticipates funding this item over the next three fiscal years as follows:

- \$300,000 currently budgeted in FY 11 – 12 (current year) will be carried over.
- \$175,000 currently requested in FY 12-13 (next fiscal year).
- \$189,705 will be requested in FY 13-14.

Therefore, sufficient funding is/will be available for the General Plan Update.

LEGAL REVIEW

The attached draft professional services agreement has been reviewed and approved as to the form by the City Attorney's office.

CONCLUSION

Staff recommends that Hogle-Ireland, Inc. be awarded the environmental consulting contract for the General Plan Update and Program EIR. Through a competitive selection process, staff believes that this firm is the most qualified to complete the work in a comprehensive and timely manner, based on their relevant experience and technical expertise. This work activity will occur over the next 16 to 18 months with the delivery of updated Land Use, Circulation, Housing, and Growth Management Elements and a new Program EIR.

The Public Engagement Program will involve a General Plan Update Committee and/or community meetings. Staff will separately agendaize a request for Council approval to initiate the process to create the General Plan Update Committee.



CLAIRE L. FLYNN, AICP
Asst. Dev. Svcs. Director



PETER NAGHAVI
Economic & Development Director/
Deputy CEO



BOBBY YOUNG
Finance & I.T. Director

Attachment: Professional Service Agreement

cc: Chief Executive Officer
Assistant Chief Executive Officer
Public Services Director
City Attorney
Transportation Services Manager
City Engineer
City Clerk (9)
Staff (7)
File (2)

Laura Stetson/Lisa A. Brownfield
Project Manager
Hogle-Ireland, Inc.
630 North Rosemead Boulevard, Suite 150
Pasadena, CA 91107

**PROFESSIONAL SERVICES AGREEMENT
CITY OF COSTA MESA**

THIS AGREEMENT is made and entered into this **5TH** day of **JUNE 2012** ("Effective Date"), by and between the CITY OF COSTA MESA, a municipal corporation ("City"), and **HOGLE-IRELAND**, a California corporation ("Consultant").

W I T N E S S E T H :

- A. WHEREAS, City proposes to utilize the services of Consultant as an independent contract to provide the services as more fully described in Consultant's Scope of Work attached as Exhibit "A"; and
- B. WHEREAS, Consultant represents that it has that degree of specialized expertise contemplated within California Government Code, Section 37103, and holds all necessary licenses to practice and perform the services herein contemplated; and
- C. WHEREAS, City and Consultant desire to contract for the specific services described in Exhibit "A" (the "Project") and desire to set forth their rights, duties and liabilities in connection with the services to be performed; and
- D. WHEREAS, no official or employee of City has a financial interest, within the provisions of California Government Code, Sections 1090-1092, in the subject matter of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

1.0. SERVICES PROVIDED BY CONSULTANT

1.1. Scope of Services. Consultant shall provide the professional services described in Consultant's Scope of Work, a copy of which is attached hereto as Exhibit "A" and incorporated herein by this reference.

1.2. Professional Practices. All professional services to be provided by Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields and circumstances in accordance with sound professional practices. It is understood that in the exercise of every aspect of its role, within the scope of work, consultant will be representing the City of Costa Mesa, and all of its actions, communications, or other work, during its employment, under this contract is under the direction of the department. Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and shall advise City of any changes in any laws that may affect Consultant's performance of this Agreement.

1.3. Performance to Satisfaction of City. Consultant agrees to perform all the work to the complete satisfaction of the City and within the hereinafter specified. Evaluations of the work will be done by the City Clerk or her designee. If the quality of work is not satisfactory, City in its discretion has the right to:

- (a) Meet with Consultant to review the quality of the work and resolve the matters of concern;
- (b) Require Consultant to repeat the work at no additional fee until it is satisfactory; and/or
- (c) Terminate the Agreement as hereinafter set forth.

1.4. Warranty. Consultant warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws including, but not limited to, those laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; workers' compensation insurance and safety in employment; and all other Federal, State and local laws and ordinances applicable to the services required under this Agreement. Consultant shall indemnify and hold harmless City from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description including attorneys' fees and costs, presented, brought, or recovered against City for, or on account of any liability under any of the above-mentioned laws, which may be incurred by reason of Consultant's performance under this Agreement.

1.5. Non-discrimination. In performing this Agreement, Consultant shall not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religion, color, national origin, ancestry, age, physical handicap, medical condition, marital status, sexual gender or sexual orientation, except as permitted pursuant to Section 12940 of the Government Code.

1.6. Non-Exclusive Agreement. Consultant acknowledges that City may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

1.7. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior written consent of City. Consultant may engage a subcontractor(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Consultant's sole cost and expense.

1.8. Confidentiality. Employees of Consultant in the course of their duties may have access to financial, accounting, statistical, and personnel data of private individuals and employees of City. Consultant covenants that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by City. City shall grant such authorization if disclosure is required by law. All City data shall be returned to City upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

2.0. COMPENSATION AND BILLING

2.1. Compensation. As compensation for the provision of services outlined in Exhibit "A" and in accordance with this agreement, Consultant shall be paid in accordance with the fee schedule set forth in Exhibit "B," attached hereto and incorporated by reference. Consultant's total compensation shall not exceed **SIX HUNDRED SIXTY-FOUR THOUSAND SEVEN HUNDRED FIVE DOLLARS (\$664,705)**.

2.2. Additional Services. Consultant shall not receive compensation for any services provided outside the scope of services specified in the Consultant's Proposal unless the City or the Project Manager for this Project, prior to Consultant performing the additional services, approves such additional services **in writing**. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable.

2.3. Method of Billing. Consultant may submit invoices to City supervisor for approval on a progress basis, but no more often than two times a month. Said invoice shall be based on the total of all Consultant's services which have been completed to City's sole satisfaction as of the date the invoice is created. City shall pay Consultant's invoice within forty-five (45) days from the date City receives said invoice. Each invoice shall describe in detail, the services performed, the date of performance, and the associated time for completion. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.4. Records and Audits. Records of Consultant's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to City or its Project Manager for inspection and/or audit at mutually convenient times for a period of three (3) years from the Effective Date.

3.0. TIME OF PERFORMANCE

3.1. Commencement and Completion of Work. The professional services to be performed pursuant to this Agreement shall commence within five (5) days from the Effective Date of this Agreement. Said services shall be performed in strict compliance with the Project Schedule approved by City as set forth in Exhibit "C," attached hereto and incorporated herein by this reference. The Project Schedule may be amended by mutual agreement of the parties. Failure to commence work in a timely manner and/or diligently pursue work to completion may be grounds for termination of this Agreement.

3.2. Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party.

4.0. TERM AND TERMINATION

4.1. Term. This Agreement shall commence on the Effective Date and continue for a period of **TWENTY EIGHT MONTHS** ending on **OCTOBER 1, 2014**, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties. Paragraph 4 can simply be modified to provide receiver will secure a separate certificate and funding for any fees awarded...prior to discharge of the receiver for up to four (4) term periods of one (1) year each.

4.2. Notice of Termination. The City reserves and has the right and privilege of canceling, suspending or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing written notice to Consultant. The termination of this Agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, Consultant shall immediately stop rendering services under this Agreement unless directed otherwise by the City.

4.3. Compensation. In the event of termination, City shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of City's written notice of termination. Compensation for work in progress shall be prorated as to the percentage of work completed as of the effective date of termination in accordance with the fees set forth herein. In ascertaining the professional services actually rendered hereunder up to the effective date of termination of this Agreement, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents pertaining to the services contemplated herein whether delivered to the City or in the possession of the Consultant.

4.4. Documents. In the event of termination of this Agreement, all documents prepared by Consultant in its performance of this Agreement including, but not limited to, finished or unfinished design, development and construction documents, data studies, drawings, maps and reports, shall be delivered to the City within ten (10) days of delivery of termination notice to Consultant, at no cost to City. Any use of uncompleted documents without specific written authorization from Consultant shall be at City's sole risk and without liability or legal expense to Consultant.

5.0. INSURANCE

5.1. Minimum Scope and Limits of Insurance. Consultant shall obtain, maintain, and keep in full force and effect during the life of this Agreement all of the following minimum scope of insurance coverages with an insurance company admitted to do business in California, rated "A," Class X, or better in the most recent Best's Key Insurance Rating Guide, and approved by City:

- (a) Commercial general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this

Agreement or shall be twice the required occurrence limit.

- (b) Business automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence for bodily injury and property damage.
- (c) Workers' compensation insurance as required by the State of California. Consultant agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving, subrogation rights under its workers' compensation insurance policy against the City, its officers, agents, employees, and volunteers arising from work performed by Consultant for the City and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.
- (d) Professional errors and omissions ("E&O") liability insurance with policy limits of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made" policy, the retro date shall be prior to the start of the contract work. Consultant shall obtain and maintain, said E&O liability insurance during the life of this Agreement and for three years after completion of the work hereunder.

5.2. Endorsements. The commercial general liability insurance policy and business automobile liability policy shall contain or be endorsed to contain the following provisions:

- (a) Additional insureds: "The City of Costa Mesa and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the Consultant pursuant to its contract with the City; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; automobiles owned, leased, hired, or borrowed by the Consultant.."
- (b) Notice: "Said policy shall not terminate, be suspended, or voided, nor shall it be cancelled, nor the coverage or limits reduced, until thirty (30) days after written notice is given to City.
- (c) Other insurance: "The Consultant's insurance coverage shall be primary insurance as respects the City of Costa Mesa, its officers, officials, agents, employees, and volunteers. Any other insurance maintained by the City of Costa Mesa shall be excess and not contributing with the insurance provided by this policy."
- (d) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the City of Costa Mesa, its officers, officials, agents, employees, and volunteers.

- (e) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5.3. Deductible or Self Insured Retention. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by City. No policy of insurance issued as to which the City is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

5.4. Certificates of Insurance: Consultant shall provide to City certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by City, prior to performing any services under this Agreement.

5.5. Non-limiting: Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

6.0. GENERAL PROVISIONS

6.1. Entire Agreement: This Agreement constitutes the entire Agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

6.2. Representatives. The City Manager or his or her designee shall be the representative of City for purposes of this Agreement and may issue all consents, approvals, directives and agreements on behalf of the City, called for by this Agreement, except as otherwise expressly provided in this Agreement.

Consultant shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives and agreements on behalf of Consultant called for by this Agreement, except as otherwise expressly provided in this Agreement.

6.3. Project Managers. City shall designate a Project Manager to work directly with Consultant in the performance of this Agreement.

Consultant shall designate a Project Manager who shall represent it and be its agent in all consultations with City during the term of this Agreement. Consultant or its Project Manager shall attend and assist in all coordination meetings called by City.

6.4. Notices: Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery, facsimile or mail and shall be addressed as set forth below. Such communication shall be

deemed served or delivered: a) at the time of delivery if such communication is sent by personal delivery; b) at the time of transmission if such communication is sent by facsimile; and c) 48 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

IF TO CONSULTANT:

Lisa A. Brownfield
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IF TO CITY:

Claire L. Flynn, AICP
Act. Asst. Dev. Svcs. Director
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626

Tel: 714-754-5278

Fax: 714-754-4856

6.5. Drug-free Workplace Policy. Consultant shall provide a drug-free workplace by complying with all provisions set forth in City's Council Policy 100-5, attached hereto as Exhibit "D" and incorporated herein by reference. Consultant's failure to conform to the requirements set forth in Council Policy 100-5 shall constitute a material breach of this Agreement and shall be cause for immediate termination of this Agreement by City.

6.6. Attorneys' Fees: In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

6.7. Governing Law: This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California.

6.8. Assignment: Consultant shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Consultant's interest in this Agreement without City's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of City's consent, no subletting or assignment shall release Consultant of Consultant's obligation to perform all other obligations to be performed by Consultant hereunder for the term of this Agreement.

6.9. Indemnification and Hold Harmless Consultant agrees to defend, indemnify, hold free and harmless the City, its elected officials, officers, agents and employees, at Consultant's sole expense, from and against any and all claims, actions, suits or other legal proceedings brought against the City, its elected officials, officers, agents and employees arising out of the performance of the Consultant, its employees, and/or authorized subcontractors, of the work undertaken pursuant to this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence or wrongdoing by the Consultant, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, errors, omissions or misconduct of the Consultant, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the City, its elected officials, officers, agents and employees based upon the work performed by the Consultant, its employees, and/or authorized subcontractors under this Agreement, whether or not the Consultant, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the Consultant shall not be liable for the defense or indemnification of the City for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of the City. This provision shall supersede and replace all other indemnity provisions contained either in the City's specifications or Consultant's Proposal, which shall be of no force and effect.

6.10. Independent Contractor. Consultant is and shall be acting at all times as an independent contractor and not as an employee of City. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it or any of its or employees are in any manner agents or employees of City. Consultant shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Consultant further agrees to indemnify and hold City harmless from any failure of Consultant to comply with the applicable worker's compensation laws. City shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to City from Consultant as a result of Consultant's failure to promptly pay to City any reimbursement or indemnification arising under this paragraph.

6.11. PERS Eligibility Indemnification. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

6.12. Cooperation. In the event any claim or action is brought against City relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation which City might require.

6.13. Ownership of Documents. All findings, reports, documents, information and data including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by Consultant or any of its subcontractors in the course of performance of this Agreement, shall be and remain the sole property of City. Consultant agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of City. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at the sole risk of City and without liability or legal exposure to Consultant. City shall indemnify and hold harmless Consultant from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from City's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by Consultant. Consultant shall deliver to City any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other Project related items as requested by City or its authorized representative, at no additional cost to the City.

6.14. Public Records Act Disclosure: Consultant has been advised and is aware that all reports, documents, information and data including, but not limited to, computer tapes, discs or files furnished or prepared by Consultant, or any of its subcontractors, and provided to City may be subject to public disclosure as required by the California Public Records Act (California Government Code Section 6250 et. seq.). Exceptions to public disclosure may be those documents or information that qualifies as trade secrets, as that term is defined in the California Government Code Section 6254.7, and of which Consultant informs City of such trade secret. The City will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The City shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the Court.

6.15. Conflict of Interest. Consultant and its officers, employees, associates and subconsultants, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this agreement, including, but not limited to, the Political Reform Act (Government Code Sections 81000, et seq.) and Government Code Section 1090. During the term of this Agreement, Consultant and its officers, employees, associates and subconsultants shall not, without the prior written approval of the City Representative, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subconsultants to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

6.16. Responsibility for Errors. Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the City's representative, regarding any services rendered under this Agreement at no additional cost to City. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to City, provide all necessary design drawings, estimates and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of City and to participate in any meeting required with regard to the correction.

6.17. Prohibited Employment. Consultant will not employ any regular employee of City while this Agreement is in effect.

6.18. Order of Precedence. In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the extent this Agreement incorporates by reference any provision of any document, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, this Agreement shall govern over the document referenced.

6.19. Costs. Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

6.20. No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of City and Consultant and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

6.21. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

6.22. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

6.23. Amendments. Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

6.24. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative

of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

6.25. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

6.26. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

6.27. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

CITY OF COSTA MESA,
A municipal corporation

Mayor, Costa Mesa City Council

Date: _____

CONSULTANT

Signature

Date: _____

Name and Title

Social Security or Taxpayer ID Number

APPROVED AS TO CONTENT:

Project Manager

Date: _____

APPROVED AS TO FORM:

City Attorney

Date: _____

APPROVED AS TO INSURANCE:

Risk Management

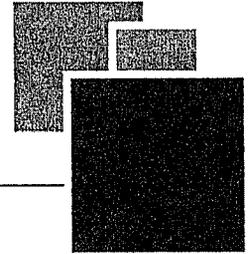
Date: _____

ATTEST:

Acting Deputy City Clerk

Date: _____

EXHIBIT A
CONSULTANT'S PROPOSAL



Task 1 - Project Initiation and Ongoing Coordination

Projects such as the Land Use, Housing, and Circulation Elements update require communication and collaboration with City staff and a unified consultant team. This initial task establishes project management procedures, including communications protocol, scheduling, and timely delivery of products and services. Lisa Brownfield, Hogle-Ireland's project manager, will maintain regular communication with the City's project manager to monitor and review project progress.

1.1 - Project Kick-Off and Work Program Refinement

Hogle-Ireland will conduct a kick-off meeting with City staff and the consultant team. Prior to the meeting but as part of this task, Hogle-Ireland will have revised the scope of work to reflect City staff comment. During the Kick-Off meeting, we will review the revised scope of work, identify key players' roles, and establish communication protocols and product review procedures.

1.2 - Ongoing Coordination/City Staff Teleconferences

For the duration of the project, Hogle-Ireland will conduct weekly teleconferences with the City's project manager to ensure project coordination and to support close collaboration. These calls will allow the team to review and discuss issues, documents, and plan presentations; and to review project status, milestones, project needs, etc. Hogle-Ireland, in coordination with City staff, will prepare electronic teleconference agendas.

1.3 - Senate Bill 18 - Native American Tribal Consultation

Hogle-Ireland will assist the City with Senate Bill 18 (SB18) consultation. The General Plan update requires formal government-to-government consultation between the City of Costa Mesa and Native American Heritage Commission (NAHC)-listed tribes. Hogle-Ireland will provide the City with a draft letter to be transmitted to NAHC. The NAHC will determine if any NAHC-listed Native American sacred lands are located within or adjacent to the City. In addition, the NAHC will provide a list of SB 18- specific Native American contacts for the City that NAHC staff believes should be contacted for additional information. Hogle-Ireland will provide the City a letter template and detailed instructions to ensure the City complies with SB 18. No telephone calls or meetings with Native American tribes or contacts are included in this proposal, as State law directs that the City take the lead in this regard. Should the City desire that Hogle-Ireland provide additional Native American coordination, we can perform this work as additional services.

Meetings

- Project Kick-Off Meeting
- Weekly Project Status Teleconferences

Deliverables

- Revised Scope of Work and Schedule
- Letter template and instructions for SB 18 Consultation

Task 2 - Community Engagement Events and Materials

The scope of work includes six General Plan Advisory Committee (GPAC) meetings, a Citywide Alternatives Workshop, a Planning Commission or Planning Commission/City Council study sessions, and four public hearings. The first event occurs early in the program and is described here. Subsequent engagement activities are integrated into and described under Tasks 4 and 5.

2.1 - General Plan Advisory Meeting #1

The first GPAC meeting will be conducted early in the planning process. This meeting will provide an overview of the planning program and an introduction to General Plans, review the GPAC's role and responsibility, and review the schedule. We will prepare the meeting's presentation and any handouts for the City staff to distribute. It is assumed that key consultant team members will participate in this meeting. This scope of work assumes that the City staff will be responsible for GPAC member selection and securing the meeting facilities for all GPAC meetings.

2.2 - Support Materials

Throughout the planning process, graphic materials may be needed to exemplify complex concepts. As such, Hogle-Ireland has provided an allowance for the preparation of color renderings, visualization tools, or other graphic materials (beyond those discussed below) that may be used as needed. If additional support materials are desired, Hogle-Ireland will provide the materials on a time and materials basis, with City staff's prior written authorization.

Meetings

- General Plan Advisory Committee Meeting #1

Deliverables

- GPAC Meeting Presentation - One electronic file
- GPAC Meeting Materials - One electronic file
- Graphic Materials (allowance) - Electronic files

Task 3 - Land Use, Circulation, and Housing Elements

3.1 - Land Use Alternatives, GPAC Meeting #3, and Citywide Alternatives Workshop

The purpose of this task is to develop conceptual land use alternatives for selected areas where future change is anticipated or encouraged. The land use alternatives will be evaluated and reviewed for implications. Hogle-Ireland and City staff will create up to three land use alternatives that focus on distinct neighborhoods, areas of increased commercial development, and mixed-use corridors. The land use alternatives developed in this task will form the base of the alternatives used in the environmental analysis process.

A Hogle-Ireland representative will review the land use alternatives with the GPAC (GPAC Meeting #3). Based on the GPAC's comments, Hogle-Ireland may make minor revisions to the alternatives, as needed, and prepare a PowerPoint presentation for a citywide alternatives workshop.

Hogle-Ireland will facilitate the citywide alternatives workshop and will prepare workshop materials including agenda, comment cards, directional signs, and sign-in sheets. It is anticipated that a preferred land use alternative will be selected at the conclusion of the workshop. Up to three project team representatives will attend the citywide workshop. It is assumed that City staff will secure workshop location and other logistical materials, as needed.

If a single land use alternative is not selected as the preferred plan at the workshop, Hogle-Ireland representatives will meet with City staff to develop a preferred plan based on public comment.

Meetings

- GPAC Meeting #3 - Alternatives

- Citywide Land Use Alternatives Workshop

Deliverables

- Up to three land use alternative maps
- Citywide Alternatives Workshop Meeting Materials - One electronic file
- Citywide Alternative Workshop Presentation - One electronic file
- Preferred Plan - One electronic file

3.2 - Preparation of Land Use and Circulation Elements

Hogle-Ireland and Stantec will prepare administrative draft Land Use and Circulation Elements for City staff review that reflect the alternatives and input received during previous tasks. The updated Elements may include use of GIS-based maps, illustrations, and photographs, such as maps identifying neighborhood boundaries, pedestrian-way maps, and Complete Streets cross sections.

In particular, we will develop a comprehensive Implementation Program and Matrix for the Land Use and Circulation Elements that tie implementation actions directly to specific goals and policies. This will allow City department heads and the City Council to readily use the matrix as part of the annual budgeting and Capital Improvement Program processes.

The Land Use and Circulation Elements have a strong tie to one another and will be developed in concert with each other to ensure consistency between the two General Plan Elements. This will help create more effective goals and policies that will help translate into real changes within the community..

3.2.1 - Administrative Draft Land Use Element

The Land Use Element update will be centered on allowing for mixed use development in the form of mixed use overlays. In addition, we anticipate addressing the following issues:

- Promote flexibility to help ensure the success of the recently adopted mixed-use overlay zones
- Guide future infill development and private redevelopment to promote more ownership units on the Westside
- Evaluate the need of new land use designations to promote private redevelopment in targeted areas
- Accommodate new commercial and mixed-use trends
- Evaluate the stepped FAR program

The Administrative Draft Land Use Element will be submitted to the City electronically for staff review. The City will be responsible for collecting all staff comments and creating a single "comment document" from which Hogle-Ireland will revise the Administrative Draft Element. This scope and budget assume one round of comments and revisions.

3.2.2 - Administrative Draft Circulation Element

The focus of the updated Circulation Element will be on creating connections and making it easier for Costa Mesa residents and business employees to get around the City more easily than they can today. We will establish a new classification system for City streets based on a Complete Streets approach. Required linkages to complete biking and pedestrian paths will be identified. Regional transit plans will be accommodated. In the Circulation Element, we anticipate addressing the following issues:

- Update to the City's Circulation Plan to reflect current conditions and future transportation needs
- Evaluate restrictions imposed on the Westside of Costa Mesa resulting from the 2000 General Plan and transportation model
- Include components of the City prepared Pedestrian Plan
- Evaluate the City's Master Plan of Bikes to enhance bicycle connectivity and improve the overall bikeway system
- Revise the Circulation Element to ensure compliance with Assembly Bill 1358, the 2008 Complete Streets Act

The goals, objectives, and policies in the existing Circulation Element will be reviewed and revised to reflect the Complete Streets Act, the updated LOS threshold policies, and the updated Land Use Element and future transportation needs. The Circulation Element will reflect a balanced, multi-modal approach to serve the City's existing and anticipated growth projections.

The Administrative Draft Circulation Element will be submitted to the City electronically for staff review. The City will be responsible for collecting all staff comments and creating a single "comment document" for each product from which the Hogle-Ireland team will revise the documents. This scope and budget assume one round of comments and revisions.

Deliverables

- Administrative Draft Land Use Element - One electronic file
- Administrative Draft Circulation Element - One electronic file

3.3 - GPAC Draft Land Use and Circulation Elements and GPAC Meetings #4 and #5

Upon the administrative draft documents' revision, Hogle-Ireland will forward the GPAC Draft Elements and Bikeway Master Plan (Task 5) to the City for distribution. Team representatives will facilitate the documents' review during two GPAC meetings. If additional meetings are necessary to complete the review, Hogle-Ireland will facilitate the additional meetings on a time and materials basis and upon receipt of written authorization from the City's project manager. As appropriate, the GPAC Draft Elements will be revised to address GPAC comments.

Meetings

- GPAC Meeting #4 and #5 - Draft Land Use and Circulation Elements and Bikeway Master Plan

Deliverables

- GPAC Draft Land Use Element - One electronic file
- GPAC Draft Circulation Element - One electronic file

3.4 - Preparation of Housing Element

3.4.1 - Administrative Draft Housing Element

Based on the Housing Element Technical Memorandum, Ms. Tam and Hogle-Ireland will craft a Housing Plan with goals, policies, and implementation programs relative to the maintenance, preservation, improvement, and development of housing to cover this new planning period. Quantified objectives will also be established to address housing needs for all income groups, including extremely low income households.

The Administrative Draft Housing Element (including any Technical Appendices) will be submitted to the City electronically for staff review. The City will be responsible for collecting all staff comments and creating a single "comment document" from which Hogle-Ireland will revise the Administrative Draft Housing Element. This scope and budget assume one round of comments and revisions.

3.4.2 - Draft Housing Element

Based on input from community leaders and residents, Hogle-Ireland will revise and prepare a draft of the Housing Element to transmit to HCD.

Deliverables

- Administrative Draft Housing Element
- Draft Housing Element

3.5 - Joint City Council/Planning Commission Study Session

Prior to release of the Draft Land Use, Housing, and Circulation Elements and the Bikeway Master Plan for public review and preparation of the Draft EIR, we recommend that the City conduct a joint City

Council/Planning Commission Study Session to review the Land Use, Circulation, and Housing Elements. This way, any substantive revisions they would like to see incorporated into the document can be accommodated prior to preparation of the Draft EIR. Hogle-Ireland will prepare the PowerPoint presentation for use in the Study Session.

Meeting

- Joint City Council/Planning Commission Study Session

Deliverable

- Joint City Council/Planning Commission Study Session Presentation - One electronic file

3.5.1 - Public Review Draft Elements

As appropriate, Study Session comments will be incorporated into the Draft Elements and Bikeway. The Draft Elements will form the basis for the CEQA analysis and be available for formal public comment.

Deliverables

- Draft Land Use Element - One electronic file
- Draft Circulation Element- One electronic file

3.6 - HCD Coordination

This task involves coordination with the California Department of Housing and Community Development (HCD) to review the City's Draft Housing Element for consistency with State housing element law.

Our scope assumes two rounds of HCD review for the draft Housing Element, and one round of HCD review on the adopted Housing Element, consistent with our previous experience. HCD is allowed 60 days to review a draft Housing Element and 90 days to review an adopted Housing Element. We anticipate that HCD staff will take the full 60 days allowed to complete its review. During this time – and during the course of element preparation – we will keep in contact with HCD staff to facilitate review and anticipate/respond to any specific concerns HCD may have. As necessary, we will provide HCD with any requested supplemental data or information on proposed programs, policies and strategies to meet the RHNA. In response to HCD's letter of findings, we will prepare a response to HCD comments to be included with the revised draft Housing Element. This response will be submitted to the City for its use in preparing appropriate Staff Reports.

As we cannot fully anticipate the depth and scope of comments HCD will offer (particularly given the recent HCD administration changes) nor the time required to effectively negotiate a position acceptable to the City, we have provided an allowance for this task in the program budget. If additional effort is required beyond this allowance, we will bill for additional work on a reimbursable basis with prior authorization from the City. Our scope assumes that we will be able to reach resolution on all issues, allowing work to move forward with preparation of the Public Hearing Draft Housing Element.

Deliverables

- Memo addressing HCD Comments - One electronic file
- Revised Draft Housing Element - One printed copy and one electronic file

Task 4 - Bikeway Master Plan

Cities generally use the guidelines set for the State Bicycle Transportation Account (BTA) in the preparation of Bikeway Master Plans. This assures a comprehensive document and preparation process. It also insures that the plan is eligible for funding through a committed funding source. Further, other bikeway funding programs often respect BTA eligibility as a qualification for funding under other programs. Caltrans reviews bikeways plans and verifies eligibility based upon established and published criteria.

Stantec will prepare an updated Master Plan of Bikeways consistent with BTA requirements. For the bicycle data needs, it is presumed that the vehicle traffic data program will include bicycle counts at

representative locations as required for BTA eligibility. The updated Master Plan of Bikeways will include an assessment of bikeway level of service (BLOS) for existing and proposed facilities or upgrades. The assessment will be pursuant to the new version of the Highway Capacity Manual, and tools for assessment of BLOS will be included in the documentation.

It is proposed that a GPAC meeting be convened focusing on bicycle planning. The environmental, societal, and planning benefits of bicycling will be clearly articulated throughout the BMP document. Relationships to other sections of the Circulation Element and in other plan elements will also be included.

Deliverable

- Draft Bikeway Master Plan - One electronic file

Meeting

- GPAC Meeting #6 - Draft Bikeway Master Plan

Task 5 - Growth Management Assistance

Hogle-Ireland will provide technical assistance to City staff in the City's effort to update the Growth Management Element. For the budgeting purposes, we have provided an allowance for this task. If additional expenditure is requested by the City, it will be provided upon receiving written authorization and will be invoiced on a time and materials basis.

Deliverables

- Technical Assistance

Task 6 - Economic Feasibility

The Natelson Dale Group, Inc. (TNDG) will evaluate the economic feasibility of various policy changes proposed as part of the Land Use, Circulation, and Housing Elements' update. TNDG's primary analytical tool will be a *pro forma financial model* that will evaluate the impacts of selected policies on the viability of private development. The model will also allow for a realistic evaluation of the policies' effect on supportable land values. TNDG's model will be used to complete customized analyses for each of the policy issues under consideration. TNDG understands that this work would occur in the middle to late stages of the General Plan update process and that the specific questions to be addressed may evolve based on the priorities that emerge from the earlier stages of the General Plan update. TNDG will, therefore, prepare a refined scope of work (reflecting the available budget of \$20,000) at the time that the City is ready to initiate the economic analysis.

For the purpose of this scope of work, TNDG would anticipate that the three specific issues may include:

6.1 - Potential Use of Overlay Zones

Whereas it is anticipated that an overlay zone would ultimately cause property values to increase and thereby provide an economic incentive for land owners to sell their properties for alternative land uses, unrealistic expectations about land values have the potential to result in "stalemates" where property owners "hold out" for prices that would make redevelopment financially infeasible to a developer. The pro forma will therefore be carefully designed to capture the full costs associated with higher-risk infill development, allowing for a more realistic assessment of supportable land values. TNDG understands that this will essentially be a citywide analysis applicable to a range of motel properties, although our proposed budget would allow for a focused analysis on a target area (e.g., Newport Boulevard) if desired by the City.

6.2 - Existing Westside Overlay Zone Efficacy

As with the above analysis, this pro forma would focus on identifying realistic land values for sites being recycled from older uses. The intent would be to identify any adjustments to the overlay zone policy that may be necessary in order to more effectively incentivize private development.

6.3 - Stepped FAR Policy

TNDG understands that the existing stepped FAR policy groups land uses in terms of their traffic generation characteristics (low, medium and high), with different FARs allowed for each group. In order to evaluate the impacts of this policy, TNDG (along with City staff and consultant team members) will select a representative business type from each group (i.e., a high traffic generator, a moderate traffic generator and a low traffic generator). For each representative business type, TNDG will complete a case study analysis to determine the extent to which the stepped FAR policy effectively precludes a particular business type from locating in the City. This analysis will utilize TNDG's pro forma financial model. In addition to adapting the pro forma financial model to address this issue, TNDG will also interview commercial real estate brokers familiar with the policy to assess the extent to which it has impacted their ability to market commercial properties in the City.

Deliverables

- Economic Feasibility Memorandum with spreadsheet attachments - One electronic file

Task 7 - CEQA Compliance

Hogle-Ireland will prepare a Program EIR for the Costa Mesa Land Use, Housing, and Circulation Element Updates as required by Section 15063(b) of the State California Environmental Quality Act (CEQA) Guidelines. Although we will prepare a new Program EIR, we will tier from the adopted General Plan EIR wherever possible to minimize duplication of analysis. The purpose of the EIR is to provide a comprehensive evaluation of the long-term environmental consequences resulting from implementation of the proposed Land Use, Housing, and Circulation Elements.

7.1 - Document Review

The Hogle-Ireland team will conduct a detailed review of project area and documents relevant to the update of the Land Use, Housing, and Circulation Elements. This may include:

- Project area review
- Existing General Plan
- Specific Plans and Urban Plans
- Zoning Ordinance and Overlay Zones in particular
- Environmental documentation for the prior General Plan and major projects
- Traffic Impact Fee program
- Traffic Model
- Recent development applications
- Planning Commission minutes for major development projects and policy considerations

7.2 - Land Use Technical Memorandum

We understand that the City's GIS data contains a relatively accurate existing land use data base. As such, we will primarily rely on the City's existing land use information contained within its GIS system; however, we will supplement the information with a limited windshield survey to verify land uses in specific neighborhoods, corridors, or districts identified by the City. If additional existing land use information is required, Hogle-Ireland will conduct land use surveys or review tax assessor or other data sources at an additional cost.

The existing land use data will be compiled as will existing General Plan policy, urban plans, specific plans, and zoning data. This information will be used to conduct a nonconforming use analysis, and development potential and consistency analysis.

In addition, we will include analysis and policies required to address recent State regulations including AB 162 (and other flood risk management measures), AB 32, and SB 244 (infrastructure).

Upon completion of the land use analysis, we will prepare a technical memorandum that relies upon maps, graphics, charts, and photographs. The budget assumes up to two rounds of City staff review and comment. The budget also assumes that all City staff comment will be combined into a single electronic

comment document for the consultant team to use in revising the technical memorandum. Upon revision of the technical memorandum, it will then serve as the basis for the EIR's existing land use conditions analysis.

Deliverable

- Land Use Technical Memorandum - One electronic file

7.3 - Circulation Technical Memorandum and Bikeway Technical Memorandum

7.3.1 - Transportation Model Update

In this task, Stantec will update the City's transportation model. This model was developed in 2000 and an updated existing version and a new long-range version will be prepared.

The updated model will use the network and zone structure of the current City model and the most recent Orange County Transportation Analysis Model (OCTAM) will be used in the refinement process. The updated model will have City of Costa Mesa approval, and will meet all OCTA requirements for subarea model development guidelines (certification by OCTA will provide the approval for using the model in the update of Circulation Element as well as other planning studies).

Some refinements to the zone structure will be made based on information from the land use update. The network will be refined to yield acceptable forecasts on the Circulation Element roadway system. Mode choice will be based on the most recent OCTAM, and within the City of Costa Mesa, adjustments will be made to reflect local conditions. The traffic assignment component will include post processing techniques to produce morning and evening peak hour intersection turning movement information at all signalized intersections on the Circulation Element roadway system, as well as daily and morning and evening peak hour forecasts on all segments included in the network. Validating to current conditions will be carried out using up to 10 screen lines. Existing and future land use data by traffic zone will be provided by the City.

Work items to be carried out for this task are as follows:

- **Prepare existing traffic count database.** All links and intersections to be included in the traffic model will be part of this database. Where appropriate, raw count data will be refined to provide flow continuity along selected links.
- **Adjust zone structure.** The zone system will be updated to be consistent with the latest OCTAM and also to provide zonal boundary adjustments and zone splits as appropriate for improved forecasting capability.
- **Network development.** Existing and future networks will be prepared for use in the model validation and forecasting respectively.
- **Land use and trip generation.** The land use categories in the current model will be revised as necessary and the trip rates updated. As noted in the approach section, attention will be given to updating the land use categories to be used, and the depiction of mixed use developments will be part of this refinement.
- **Model validation.** In this work item, the existing year version of the model will be validated. Screenlines will be selected and used for comparing count data to model data. Refinements will be made as necessary to achieve reasonable agreement between the two.
- **Traffic forecasts.** Using the updated future land use database, traffic forecasts will be prepared for two alternative networks, the MPAH and the constrained.
- **Documentation.** A transportation model report will be prepared describing the traffic model and its validation and providing the necessary information for OCTA certification.

7.3.2 - Future Level of Service (LOS) Methodology

This task will update the current methodology to address the City's move toward a multi-modal approach to LOS. The Complete Streets Act affects the manner in which streets are designated and designed, and has implications for measuring LOS. Stantec will work with City staff in revising such methodology, bringing our experience from other locations to establish procedures that are practical while realizing the expanded goal of this part of the Circulation Element.

7.3.3 - Future Transportation Needs

Using the traffic model forecasts from Task 4.2.1, future deficiencies will be identified based on the updated land use element and two transportation network alternatives (constrained and MPAH). An improvement program to mitigate those deficiencies will then be prepared, with some iterations in which the updated LOS procedures and the potential for multi-modal mitigation measures and different LOS values for selected locations will be considered. The result will be a program to serve long-range transportation needs in the context of building out the updated Land Use Element.

Deliverable

- Circulation Technical Memorandum - One electronic file

7.4 - General Plan Advisory Committee Meeting #2 - Technical Memoranda

The technical memoranda findings will be reviewed with the GPAC by the consultant team staff. For budget purposes, we have assumed the consultant team will prepare PowerPoint presentation for the meeting and a project team representative will present the material. Hogle-Ireland will also prepare an agenda and other meeting materials.

Meeting

- General Plan Advisory Committee Meeting #2

Deliverables

- GPAC Meeting Presentation(s) - One electronic file
- GPAC Meeting Materials - One electronic file

7.5 - Housing Technical Memorandum

7.5.1 - Housing Needs Assessment

Veronica Tam will serve as the technical advisor and Hogle-Ireland staff will conduct the technical analysis for the Housing Technical Memorandum. We will review the 2008-2014 Housing Element and other data provided by the City, and will update information in the new draft as necessary. We anticipate updating the Housing Needs Assessment with housing and population data based on the 2010 U.S. Census, latest three- and five-year estimates from the American Community Survey, and other up-to-date City data available related to existing housing units and recent development projects. The project team will assess housing conditions and evaluate housing needs within the City, including housing needs for special population groups. Hogle-Ireland will address any applicable new State laws, including AB1867, which requires an analysis of developmentally disabled persons housing needs.

7.5.2 - Housing Constraints Analysis

The Housing Constraints analysis identifies potential and actual governmental and nongovernmental (e.g. physical) constraints to housing production, including any constraints on people with disabilities, as required by SB520. We will update this section as necessary with up-to-date development processes and fees, as well as changes in market constraints due to the economic changes since the last Housing Element was adopted.

7.5.3 - Housing Resources and Sites Analysis

The Resources and Sites analysis will focus on site suitability for housing, drawing from earlier research completed for the 2008-2014 Housing Element, and will be augmented with our research to address the RHNA associated with the 2014-2021 Housing Element cycle. We will prepare GIS maps that identify sites to meet the RHNA for inclusion in the Housing Element based on the Land Use Element update. We assume that the Land Use Element will sufficiently designate areas to accommodate the City's 2014-2021 RHNA. Additionally, we will include a listing of funding sources for affordable housing projects, for-sale and for-rent.

7.5.4 - Progress Report on the 2008-2014 Housing Element

The Housing Element is required by State law to include a report on the progress the City has made in implementing the current Housing Element. Consistent with State law, we will assess the continued

appropriateness of the programs and policies in contributing to the attainment of the stated housing goals. The project team will specifically assess all housing programs pertaining to special needs groups, including the elderly, physically and developmentally disabled, female head-of-household, the homeless, and lower- and moderate-income groups to determine whether existing programs were successfully implemented and to inform future policy recommendations. The results of the 2008-2014 Housing Plan will be quantified where possible, but may be qualitative where necessary.

The budget assumes up to two rounds of City staff review and comment. The budget also assumes that all City staff comment will be combined into a single electronic comment document for the consultant team to use in revising the technical memorandum. Upon revision of the technical memorandum, it will then serve as the basis for the EIR's existing population/housing conditions analysis.

Deliverable

- Housing Element Technical Memorandum - One electronic file

7.6 - Initial Study/Notice of Preparation

Hogle-Ireland will prepare an Initial Study in accordance with Appendix G of the State CEQA Guidelines. The Initial Study will be used to screen-out environmental issues that would not be potentially significant and to identify those issues that will be analyzed at length in the EIR. Based upon our preliminary review of the project, we anticipate that the Agriculture and Forestry Resources topic be screened from further analysis in the EIR. Hogle-Ireland will respond to one round of comments by the City before finalizing the Initial Study.

A Notice of Preparation of a Draft Environmental Impact Report (NOP) will be prepared and circulated to the State Clearinghouse, Responsible Agencies, Trustee Agencies, and other interested and affected state, county and local government agencies, local Native American tribal representatives, and other groups and individuals who may have interest in the Program EIR. Hogle-Ireland will work with City staff to develop a distribution list for the NOP and subsequent notices and documents concerning milestones in the EIR process. The NOP will consist of a one page form letter with a brief description of the scope of the project, the name and address of a City staff contact to submit comments to, and a map of the City planning area. Notices sent to agencies will include an electronic version of the Initial Study. Notices sent to other parties will include a link to a downloadable version of the Initial Study. All notices will be sent certified mail. Hogle-Ireland will produce, mail, and track all notices.

A public scoping meeting is required for this EIR pursuant to Section 15082(c)(1) of the CEQA Guidelines. Hogle-Ireland will host one public meeting to solicit public comments concerning environmental impact topics of concern and suggested approaches to avoid or reduce impacts of the updated Elements. This proposal assumes that City staff will be responsible for arranging the date, time and place of the scoping meeting. Hogle-Ireland will lead the scoping meeting by giving an overview of the EIR purpose and process and giving directions on the kinds of comments that are appropriate for this meeting. Hogle-Ireland will record the meeting minutes, noting the environmental concerns raised during the meeting. The scoping meeting will be announced in the NOP.

Deliverables

- Notice of Preparation - 25 printed copies and one electronic file
- Initial Study - 5 printed copies and 25 electronic CD ROMs
- Scoping Meeting Presentation Materials (including sign-in sheet, PowerPoint presentation, and display exhibits, as needed)

7.7 - Screencheck EIR

A comprehensive Program EIR will be prepared, containing all information required by Sections 15124 through 15129 of the CEQA Guidelines. A table of contents is presented below:

- Introduction
- Executive Summary
- Project Description
- Environmental Setting, Impacts, and Mitigation Measures

- Significant Irreversible Environmental Changes
- Growth Inducing Impacts
- Cumulative Impacts
- Alternatives
- Organizations and Persons Consulted

For each of the impact topics, our approach will be to characterize the existing physical conditions and pertinent regulatory framework, then quantify or qualitatively describe the future conditions resulting from implementation of the proposed general plan elements. Impact significance will be assessed with respect to the thresholds defined in Appendix G of the CEQA Guidelines, using methodologies that are appropriate for a long range planning program. Impact significance will be determined after consideration of the beneficial effects of proposed policies that are designed to avoid or reduce environmental impacts.

Programmatic analysis requires a reasonable assessment of future, potential changes to the physical environment due to the policies of the Land Use, Housing, and Circulation Element updates. The analysis may not be based on buildout of the Land Use or Circulation Plans if buildout is not anticipated to occur within the planning horizon (20 years); however, considering the urban and developed character of Costa Mesa, we anticipate that buildout could reasonably occur within the life of the Land Use, Housing, and Circulation Element updates. Our analysis will hinge on the fact that the Land Use, Housing, and Circulation Elements do not, in and of themselves, result in the growth of population, household, employment, or traffic. Growth occurs from a dynamic system of birth, death, immigration, emigration, and other factors. The analysis will be based on the ability of the element updates to accommodate anticipated growth while avoiding impacts to the environment. Our approach will minimize incorporation of mitigation measures by ensuring policies adopted in the element updates serve as programmatic measures to minimize or eliminate environmental impacts.

To streamline the EIR preparation process and thus reduce costs, this proposal assumes that all background information and mapping compiled for each of the updated general plan elements is completed and available to the team when work on the EIR commences. This information is expected to be sufficient to fulfill the contents required for land use and circulation elements as prescribed in California Government Code Sections 65302, and sufficient to fully characterize the environmental setting for each impact topic, so that an adequate assessment of impacts can be made and there is no difference in baseline conditions assumptions between the element updates and the EIR. Hogle-Ireland anticipates that only one round of comments will be necessary to establish the Proofcheck EIR; however, we recognize that a second round of comments may be necessary if substantial changes are required. Our budget does not account for a second round of comments; we would complete a second Screencheck EIR with a budget amendment at cost for time and materials. The following highlights key components of our approach to the Program EIR.

7.7.1 - Project Description

This will consist of a summary of the main features of the proposed element updates, focusing on key land use policy changes and the major goals and objectives defined for the updated plan. Exhibits will include a regional and vicinity map, the proposed Land Use, Housing, and Circulation Plans, and photographic survey of key points in the planning area.

7.7.2 - Air Quality and Climate Change

Hogle-Ireland will model and analyze air quality and climate change impacts for the project. We will characterize the existing air quality environment, applicable regulatory framework, and assess long-term air quality impacts in accordance with the South Coast Air Quality Management District (SCAQMD) CEQA Air Quality Handbook. Hogle-Ireland will analyze greenhouse gas emissions and climate change in accordance with guidance provided by the California Air Pollution Control Officers Association (CAPCOA) and SCAQMD interim guidance. Climate change protocols are constantly evolving in light of AB32 and Hogle-Ireland will analyze climate change impacts in accordance with the latest guidance.

Hogle-Ireland will model criteria pollutants and greenhouse gas emissions using the California Emissions Estimator Model (CalEEMod) based on the proposed land use plan and the project traffic analysis. We will model emissions from existing developed uses and future potential uses and compare the difference

to the thresholds promulgated by SCAQMD. We will discuss construction emissions qualitatively because it is speculative to analyze construction impacts at the program level. We will also discuss carbon monoxide hotspots qualitatively. We will identify any existing toxic air contaminant emitters in and within one-quarter mile of the planning area and discuss land uses that could support future emitters. We will discuss land uses that produce odor impacts and analyze both existing and potential future impacts on the planning area and vicinity. We will also analyze consistency with the Air Quality Management Plan (AQMP). It is likely that significant and unavoidable air quality impacts will occur as a result of emissions of one or more criteria pollutants.

The EIR analysis will be designed pursuant to Section 15183.5 (Tiering and Streamlining the Analysis of Greenhouse Gas Emissions) of the CEQA Guidelines. In essence, a climate action plan will be developed within the EIR to eliminate the need for future GHG emissions analysis in compliant projects. The threshold for determining greenhouse gas emissions impacts will be coordinated with SCAQMD and will likely require that emissions from the planning area be reduced by approximately 30 percent. We will also analyze consistency with the state Scoping Plan and the 2012 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS), assuming it is adopted when preparation of the EIR commences.

7.7.3 - Noise

Terry A. Hayes Associates (TAHA) will model and analyze the existing and future noise levels in the community. Completed work products will provide essential information for incorporation analyzing the potential impacts of changes in land use and circulation in EIR. Noise measurements will be obtained to calibrate the traffic noise model and to establish representative examples of fixed and transportation-related sources. Using traffic data provided by the traffic consultant, an analysis of the existing and future traffic noise levels adjacent to the arterials and highways within the planning area. Noise contours will be developed each segment of arterial and highway included in the traffic study relative to the roadway centerline. The contours will be developed using either the community noise equivalent level (CNEL) or the day-night sound level (Ldn) metric, as preferred by the City. The report will also identify areas where significant noise impacts could occur and suggest programmatic measures to avoid such impacts through implementation of standard planning and environmental review procedures.

The noise and vibration analysis will characterize existing conditions through noise monitoring and mobile source noise contours, discuss applicable regulatory framework, discuss construction noise and vibration impacts, develop future mobile noise contours, and identify measures that mitigate noise and vibration impacts. Substantial sources of existing noise in the City include freeways (e.g., I-405), arterial roadways, John Wayne Airport, the Orange County Fairgrounds, and various commercial and industrial land uses. A noise monitoring protocol will be developed to characterize existing noise levels associated with these noise sources at a representative sample of sensitive land uses. Sensitive land uses include, but are not limited to, residences, schools, and hospitals. In addition to noise monitoring, existing noise levels will be characterized through mobile source noise contours. The contours will be developed using guidance provided by the Federal Highway Administration related to predicting mobile source noise. The analysis will use average daily traffic to present the distance from the roadways to the 60 dBA, 65 dBA, and 70 dBA contours. The regulatory framework discussion will contain federal, State, and local standards. This includes United States Environmental Protection Agency guidelines, the State Noise and Land Use Compatibility Matrix, and the City Noise Ordinance.

The impacts analysis will begin by assessing noise and vibration levels associated with typical construction activity associated with the implementation of a land use element. The analysis will discuss standard construction techniques that affect noise and vibration levels. The discussion will present typical construction noise and vibration levels and how the levels reduce over distance. Similar to existing conditions, mobile noise contours will be developed using future traffic volumes proposed in the circulation plans. The impact analysis will also discuss land use compatibility associated with future operations of John Wayne Airport and the Orange County Fairgrounds (e.g., the Pacific Amphitheater and the Speedway), and stationary sources of commercial and industrial noise. If noise and vibration impacts are identified, the existing Noise Element will be reviewed to assess the effectiveness of existing policies and programs to reduce impacts. If necessary, new programmatic measures will be recommended to further control noise and vibration levels.

7.7.4 - Transportation/Traffic

Existing and future traffic volumes and level of service for the main elements of the City's transportation network will be obtained from the traffic study being prepared by Stantec for the Circulation Element update. The traffic study will identify near-term and long-term transportation system improvements that will need to be constructed to provide adequate capacity for the projected traffic volumes resulting from implementation of the updated Land Use Element. The Circulation Element will identify programmatic measures to ensure that an adequate transportation infrastructure is supported by sufficient funding through private and public means, and that it will define appropriate thresholds to guide preparation of project-level traffic impact analyses that will be prepared after adoption of the updated elements. The traffic study and Circulation Element will adequately address impacts to any elements of the CMP network that are within the arterial network serving the City's planning area. The traffic study and Circulation Element update will also address alternative modes of transportations and Complete Streets.

7.7.5 - Cumulative Impacts

This issue will generally be examined in terms of how the updated elements are consistent with or may conflict with applicable regional growth management plans and policies adopted by the Southern California Association of Governments (SCAG). The EIR will be designed to account for planning area wide impacts for project-level cumulative impact tiering.

7.7.6 - Alternatives

In summary narrative and matrix format, alternatives will be described and impacts of each will be compared to those of the proposed General Plan. These will include a No Project Alternative. Alternatives will be identified in collaboration with the City and the viability of each will be screened to identify: 1) if the alternative meets most or all of the objectives of the project and 2) if it could avoid any significant impacts of the project. Alternatives not meeting both of these criteria will be excluded from analysis pursuant to CEQA.

Deliverable

- Screencheck EIR - One electronic file

7.8 - Proofcheck EIR

Following receipt of one consolidated set of City Staff comments concerning the adequacy of the Screencheck EIR, we will discuss and clarify specific comments as needed, and prepare appropriate revisions to the document to address those concerns. A Proofcheck EIR will then be submitted for final review to identify any remaining minor revisions necessary to complete the EIR sufficiently to commence the public review process. Hogle-Ireland will make final minor revisions, as necessary.

Deliverable

- Proofcheck EIR - One electronic file

7.9 - Draft EIR

Hogle-Ireland will produce and circulate the Draft EIR for the mandatory 45-day public review period with the Notice of Availability (NOA). The NOA will identify the project and explain the public review process. Particularly, the NOA will identify what types of comments are helpful and require responses pursuant to CEQA and the appropriate format. City staff will be responsible for publication in the local newspaper. Hogle-Ireland will produce, mail, and track all notices. We will provide public agencies with a notice and an electronic copy of the DEIR. Other parties will receive a notice and a link to downloadable version of the DEIR. We will send 15 executive summaries and electronic copies of the DEIR to the State Clearinghouse including the mandatory Notice of Completion (NOC).

Deliverables

- Notice of Availability - 25 printed copies and one electronic file
- Notice of Completion - One printed copy and one electronic file
- Draft EIR - One printed copy and 20 CD ROMs
- Executive Summary - One electronic file

7.10 - Response to Comments

Following the end of the 45-day public review and comment period on the Draft EIR, we will prepare written responses to all written comments submitted to the City concerning the adequacy of the information and analysis presented in the Draft EIR. All correspondence will be included, and all comments that are specific to the adequacy of the EIR will be highlighted and numbered to correspond to the appropriate response to each comment, for each author. If there are a substantial number of comments expressing the same concern(s), we will prepare a "master response" to that (those) comment(s), to be repeated in the response to all persons/agencies that had that same comment. Comments that do not require responses will be identified and a summary from the CEQA Guidelines explaining why no response is provided will be included. Hogle-Ireland will respond to one round of comments by the City. Hogle-Ireland has budgeted 100 hours of primary analyst services to address responses to comments. If more than this allowance is required to respond to comments and prepare the Final EIR, we will alert the City and ask that additional funds be made available.

Deliverable

- Responses to Comments - One electronic file

7.11 - Statement of Facts and Findings

To expedite the final phase of the project approval process, Hogle-Ireland will prepare Findings required under Section 15091 and, if necessary, a Statement of Overriding Considerations (SOC), pursuant to Section 15093 of the State CEQA Guidelines. The draft Findings and SOC will be prepared using templates provided by the City and submitted for one round of review by City staff and the City Attorney. We will make one set of revisions to each. We assume minor revisions to the project and/or mitigation measures will occur and that the Facts and Findings will need to be revised. For budget purposes, we have assumed an allowance for this task.

Deliverable

- Statement of Facts and Findings - One electronic file

7.12 - Final EIR

Minor revisions may be made to EIR text and exhibits, if warranted, to correct errors and/or provide clarifications or additional information. Minor changes would not include any significant new information such as the identification of an additional significant impact or a new mitigation measure that requires a substantial alteration to the proposed project. These minor revisions will be presented in an "Errata" section to be incorporated into the Final EIR. Responses to comments will also be included in the Final EIR. Hard copies of the Final EIR for decision making bodies will be limited to the DEIR (Volume I) and the FEIR; appendices will be included as an electronic copy unless specifically requested. File copies will include hard copies of all EIR sections.

Prior to consideration of the Final EIR, Hogle-Ireland will prepare a Mitigation Monitoring and Reporting Program (MMRP) in accordance with Section 21081.6 of the CEQA Statutes. This can be provided as a stand-alone document, to attach to findings and resolutions, or can be incorporated into the Final EIR, as the City prefers. The MMRP will list all measures included in the Final EIR to avoid, reduce or compensate for the potentially significant impacts of the project, note the timing for implementation of each measure and identify the entities responsible for ensuring that the mitigation measures are properly implemented at the right time, and verified as completed as intended. Hogle-Ireland will respond to one round of comments by the City on the Final EIR.

Deliverables

- Final EIR, File Copy - One hard copy and one electronic file
- Final EIR, Hearing Copy - One hard copy and 10 CD ROMs

Task 8 - Hearings and Final Documents

8.1 - Public Hearings

Hogle-Ireland will prepare a PowerPoint presentation and a Hogle-Ireland representative will attend up to two Planning Commission public hearings to present and review the Land Use, Housing, and Circulation Elements, and EIR.

Hogle-Ireland will prepare a PowerPoint presentation and a Hogle-Ireland representative will attend up to two City Council public hearings to present and review the Land Use, Housing, and Circulation Elements and EIR.

If additional time or personnel is required beyond the meeting specified above, the additional cost will be billed on a reimbursable basis with prior authorization from the City.

8.2 - Final Documents

Following final City Council action on the Land Use, Housing, and Circulation Elements, Hogle-Ireland will revise the Elements per the Council's direction. We have provided an allowance for this task, as we cannot predict the level of changes that may be directed. Any time required beyond this allowance will be billed on a reimbursable basis with prior authorization from the City. We will prepare a pre-press version for City staff review. Following staff's review of the pre-press final Land Use, Housing, and Circulation Elements, we will incorporate the revisions.

Meetings

- Facilitate and attend up to two Planning Commission hearings
- Facilitate and attend up to two City Council hearings

Deliverables

- Pre-Press Final Elements - One printed copy and one electronic file
 - Land Use
 - Housing
 - Transportation
- Final Elements - One printed copy and one electronic file
 - Land Use
 - Housing
 - Transportation

Task 9 - Post Circulation Element Completion Tasks

9.1.1 - Conceptual Layouts and Costs

Stantec will prepare conceptual layouts of the recommended transportation improvements. These will then be used to make order of magnitude cost estimates.

Deliverable

- Draft Conceptual Layouts and Costs

9.2 - Traffic Impact Fee Program Update

In this task, the traffic impact fee program will be updated using the new transportation model and the costs for the recommended transportation improvements. The nexus between future development and future improvements will be the basis for the updated program. Considerations will include the potential for different fees in different parts of the City, and a VMT approach to fee allocations to individual land uses (the methodology used by Stantec for fee programs typically involves both trip generation and trip length when establishing land use based fees.

Deliverable

- Draft Traffic Impact Fee Program Update

9.3 - Traffic Impact Study Guidelines Assistance

Stantec will provide assistance to the City as it evaluates the Traffic Impact Study Guidelines.

Deliverable

- Staff assistance

EXHIBIT B
FEE SCHEDULE

Consultant shall be paid by monthly invoice (once a month) until the termination of the contract.

Position/Title	Task	VP	Proj Mgr/		Sr. Asso-			Assoc PM			Grphic Design			WP	Subtotal	V.Tam	STANTEC	TNDG	TAHA	Subtotal	Project Total
			GIS PM	S	\$135	\$115	\$105	\$90	\$110	\$65	PM	Assist	PM								
Project Initiation/Project Management																					
	Project Kick-Off Meeting/Work Program Refinement			10	8	3							5	\$3,570						\$3,570	
	Ongoing Coordination/Staff Meetings/PM	35		130	10	8								\$25,525						\$25,525	
	SB 18 - Tribal Consultation Asst.													\$840						\$840	
	Subtotal			140	18	21	0	0	0	0	0	0	5	\$29,935	\$0	\$0	\$0	\$0	\$0	\$29,935	
Community Engagement																					
	General Plan Advisory Committee Meeting #1	8		8		20							4	\$4,760						\$4,760	
	Supplemental materials (Allowance)			40	16	40						80		\$20,240						\$20,240	
	Subtotal			48	16	60	0	80	0	80	4		4	\$25,000	\$0	\$0	\$0	\$0	\$0	\$25,000	
Land Use, Circulation, and Housing Elements																					
	LU Alternatives	10		30		40						60		\$16,500						\$16,500	
	GPAC Meeting #3			12		20						10		\$4,820						\$4,820	
	Citywide Alts. Workshop	8		30	60	12					12	4		\$15,110						\$15,110	
	Admin. Draft LU Element	8		20	40	20					20	2		\$13,050						\$13,050	
	Admin. Draft Cir Element	8		12	40	20					20	2		\$11,970	\$8,060					\$20,030	
	GPAC Meetings #4 and #5			12		24					12	2		\$5,590						\$5,590	
	GPAC Draft LU Element	1		2		8					4	4		\$1,975						\$1,975	
	GPAC Draft Cir Element	1		2		8					4	4		\$1,975						\$1,975	
	Joint PC/CC Study Session			12	12	16					8	8		\$6,800	\$1,120					\$7,920	
	Draft LU Element			8		8					4	4		\$2,700						\$2,700	
	Draft Cir Element			8		8					4	4		\$2,700						\$2,700	
	Admin. Draft Housing Element					8					40	2		\$4,660	\$2,240					\$6,900	
	Draft Housing Element	6				2					8	2		\$2,140	\$560					\$2,700	
	HCD Coordination (Allowance)					20					12	2		\$3,180	\$2,800					\$5,980	
	Subtotal			148	168	198	68	162	68	34				\$93,170	\$6,720	\$8,060	\$0	\$0	\$14,780	\$107,950	
	Bicycle Master Plan & GPAC #6					8								\$840	\$0	\$36,490	\$0	\$0	\$36,490	\$37,330	
	Subtotal					8								\$840	\$0	\$36,490	\$0	\$0	\$36,490	\$37,330	
Growth Management Assistance (Allowance)																					
	Subtotal													\$4,000	\$0	\$0	\$0	\$0	\$0	\$4,000	
Economic Feasibility (Allowance)																					
	Subtotal													\$540	\$0	\$20,000	\$20,000	\$0	\$20,540	\$20,540	
Environmental Review																					
	Background/Research	4		8	24	26						20		\$7,230	\$0					\$7,230	
	Land Use Tech. Memo	3		50	4	65						10		\$16,920	\$0					\$16,920	
	Circulation Tech. Memo			4								4		\$1,000	\$188,390					\$189,390	
	GPAC Meeting #2			8		20					8	4		\$4,320	\$0					\$4,320	
	Housing Tech. Memo					50					90	8		\$14,750	\$1,120					\$15,870	
	Initial Study/Notice of Preparation	4		24	36	16					16			\$8,640	\$0					\$8,640	
	Screencheck Draft EIR	16		54	108	24					24			\$22,350	\$4,030					\$26,380	

EXHIBIT C
PROJECT SCHEDULE

Exhibit C - Project Schedule

City of Costa Mesa General Plan Land Use and Circulation Elements Update, and EIR

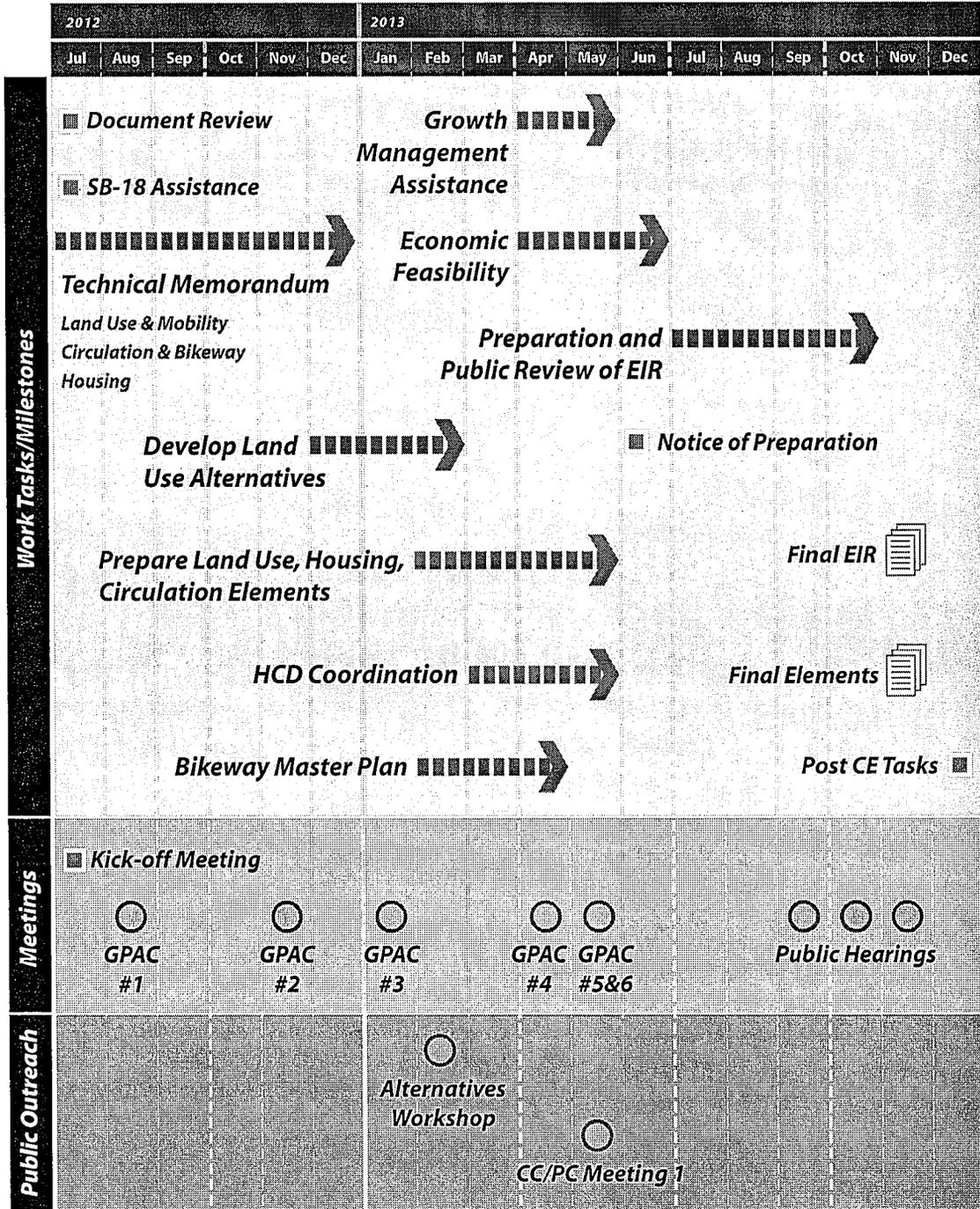


EXHIBIT D

CITY COUNCIL POLICY 100-5

SUBJECT	POLICY NUMBER	EFFECTIVE DATE	PAGE
DRUG-FREE WORKPLACE	100-5	8-8-89	1 of 3

BACKGROUND

Under the Federal Drug-Free Workplace Act of 1988, passed as part of omnibus drug legislation enacted November 18, 1988, contractors and grantees of Federal funds must certify that they will provide drug-free workplaces. At the present time, the City of Costa Mesa, as a sub-grantee of Federal funds under a variety of programs, is required to abide by this Act. The City Council has expressed its support of the national effort to eradicate drug abuse through the creation of a Substance Abuse Committee, institution of a City-wide D.A.R.E. program in all local schools and other activities in support of a drug-free community. This policy is intended to extend that effort to contractors and grantees of the City of Costa Mesa in the elimination of dangerous drugs in the workplace.

PURPOSE

It is the purpose of this Policy to:

1. Clearly state the City of Costa Mesa's commitment to a drug-free society.
2. Set forth guidelines to ensure that public, private, and nonprofit organizations receiving funds from the City of Costa Mesa share the commitment to a drug-free workplace.

POLICY

The City Manager, under direction by the City Council, shall take the necessary steps to see that the following provisions are included in all contracts and agreements entered into by the City of Costa Mesa involving the disbursement of funds.

1. Contractor or Sub-grantee hereby certifies that it will provide a drug-free workplace by:
 - a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in Contractor's and/or sub-grantee's workplace, specifically the job site or location included in this contract, and specifying the actions that will be taken against the employees for violation of such prohibition;

SUBJECT	POLICY NUMBER	EFFECTIVE DATE	PAGE
DRUG-FREE WORKPLACE	100-5	8-8-89	2 of 3

- b. Establishing a Drug-Free Awareness Program to inform employees about:
 - 1. The dangers of drug abuse in the workplace;
 - 2. Contractor's and/or sub-grantee's policy of maintaining a drug-free workplace;
 - 3. Any available drug counseling, rehabilitation and employee assistance programs; and
 - 4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- c. Making it a requirement that each employee to be engaged in the performance of the contract be given a copy of the statement required by subparagraph A;
- d. Notifying the employee in the statement required by subparagraph 1 A that, as a condition of employment under the contract, the employee will:
 - 1. Abide by the terms of the statement; and
 - 2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
- e. Notifying the City of Costa Mesa within ten (10) days after receiving notice under subparagraph 1 D 2 from an employee or otherwise receiving the actual notice of such conviction;
- f. Taking one of the following actions within thirty (30) days of receiving notice under subparagraph 1 D 2 with respect to an employee who is so convicted:
 - 1. Taking appropriate personnel action against such an employee, up to and including termination; or
 - 2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health agency, law enforcement, or other appropriate agency;

SUBJECT	POLICY NUMBER	EFFECTIVE DATE	PAGE
DRUG-FREE WORKPLACE	100-5	8-8-89	3 of 3

- g. Making a good faith effort to maintain a drug-free workplace through implementation of subparagraphs 1 A through 1 F, inclusive.
2. Contractor and/or sub-grantee shall be deemed to be in violation of this Policy if the City of Costa Mesa determines that:
 - a. Contractor and/or sub-grantee has made a false certification under paragraph 1 above;
 - b. Contractor and/or sub-grantee has violated the certification by failing to carry out the requirements of subparagraphs 1 A through 1 G above;
 - c. Such number of employees of Contractor and/or sub-grantee have been convicted of violations of criminal drug statutes for violations occurring in the workplace as to indicate that the contractor and/or sub-grantee has failed to make a good faith effort to provide a drug-free workplace.
 3. Should any contractor and/or sub-grantee be deemed to be in violation of this Policy pursuant to the provisions of 2 A, B, and C, a suspension, termination or debarment proceeding subject to applicable Federal, State, and local laws shall be conducted. Upon issuance of any final decision under this section requiring debarment of a contractor and/or sub-grantee, the contractor and/or sub-grantee shall be ineligible for award of any contract, agreement or grant from the City of Costa Mesa for a period specified in the decision, not to exceed five (5) years. Upon issuance of any final decision recommending against debarment of the contractor and/or sub-grantee, the contractor and/or sub-grantee shall be eligible for compensation as provided by law.