



CITY COUNCIL AGENDA REPORT

MEETING DATE: JUNE 4, 2013

ITEM NUMBER:

SUBJECT: PROFESSIONAL SERVICES AGREEMENT TO PROVIDE ENVIRONMENTAL CONSULTING SERVICES FOR A PROJECT ENVIRONMENTAL IMPACT REPORT FOR 236-UNIT APARTMENT AT 125 EAST BAKER STREET

DATE: MAY 23, 2013

FROM: DEVELOPMENT SERVICES DEPARTMENT – PLANNING DIVISION

PRESENTATION BY: AARON HOLLISTER, ASSOCIATE PLANNER

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

RECOMMENDED ACTION

Award contract to Atkins North America, Inc. in the amount of \$90,067.71 for the Baker Apartments at 125 East Baker Street Project Environmental Impact Report and authorize Mayor and City Clerk to sign and execute the contract.

BACKGROUND

Proposed Project

In February 2013, City Council conducted a General Plan screening of the development concept. Although the Meeting Minutes are not yet completed, the video of the General Plan screening is available. The General Plan Screening of the proposed project was Item No. 1 under the New Business agenda of the February 19, 2013 City Council Agenda

In April 2013, the proposed project was submitted to the City for processing. The proposed 236-unit residential development is located on an industrially-zoned site of an existing office complex located at 125 E. Baker Street. The proposed site plan includes a four-story residential structure with 236 apartment units wrapping around a 5.5 level parking structure containing 529 parking spaces.

The proposed project is located at the southwest corner of the Baker Street and Pullman Street intersection. It is bounded by the 55 freeway on the northwest, Baker Street on the north, and Pullman Street on the west and south. The 4.2-acre site is currently occupied by a 66,000 square-foot two-story office building that was constructed in 1974. Uses to the north and east of the site include office complexes and light industrial parks. To the west of the freeway there are two high density residential complexes. The 4.2-acre site is zoned CL (Commercial Limited), and has an Industrial Park General Plan Land Use Designation.

Future Discretionary Actions

The following discretionary approvals will be required:

- General Plan Amendment to change the land use designation from Industrial Park to High Density Residential;
- Site-specific General Plan and Zoning Code Amendment for building height for the 5.5-level parking structure;
- Site-specific General Plan and Zoning Code Amendment for density of 56 dwelling units per acre.
- Rezone to change the zoning from CL (Commercial Limited) to PDR-HD (Planned Development Residential – High Density);
- Master Plan / Design Review of development project.
- Subdivision Map (as applicable)
- Certification of Final EIR
- Airport Land Use Commission action

Request for Proposals

In May 2013, a Request for Proposals (RFP) was released to qualified consulting firms to prepare the Environmental Impact Report. The Consultant will be responsible for the preparation of a project EIR and all related CEQA related documents/studies (Notice of Preparation, Responses to Comments, applicable studies, etc.). Attendance at Planning Commission and City Council public hearings is also required.

Consultant Qualifications and Scope of Work

Although Atkins was the only consultant to respond to the project's Request for Proposals, Department staff believes that Atkins is qualified to perform the work due to the following considerations:

- *Demonstrated relevant experience with residential development.* Atkins is a multidisciplinary environmental, urban planning, transportation, water resource, and engineering firm that poses the full range of services required to complete the environmental review process. Specifically, Atkins recently completed an EIR for an assisted living/senior development in the City of El Segundo that faced similar issues unique to developing residential uses near major roadways and large airports.
- *History of successful collaborations with local jurisdictions.* Atkins has successfully collaborated with local jurisdictions throughout California and has long-standing relationships with the adjacent cities of Huntington Beach and Newport Beach. Additionally, Atkins has successfully completed over 8,500 environmental review documents pursuant to CEQA, NEPA, and a multitude of other relevant environmental laws.
- *Highly qualified technical environmental staff and subconsultants.* The project team members are experienced environmental analysts with over 20+ years of combined experience with CEQA and in the preparation of environmental impact reports. Furthermore, in its Proposal to Provide Services, Atkins has committed Atkins senior staff to work on the proposal.

The total proposed contract amount is \$90,067.71 and is anticipated to take place within the next 31 weeks. The proposed bid is within the \$75,000.00 to \$100,000.00 estimated budget range proposed in the RFP. Sufficient funding is/will be available for the project within the anticipated environmental review timeframe. It should be noted that this contract amount also includes a 5 percent contingency budget.

ALTERNATIVES CONSIDERED

An alternative would be to reject the bid and reinitiate 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 cost for this contract is 100% borne by the applicant, Red Oak Investments. Upon execution of the contract, the \$90,067 contract amount (plus the City's 10 percent administrative processing fee) will be deposited in a City escrow account that is managed by the project planner.

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 Atkins North America, Inc. be awarded the environmental consulting contract for the project 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.


AARON HOLLISTER
Associate Planner


CLAIRE L. FLYNN, AICP
Acting. Dev. Svcs. 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)

Ruta K. Thomas, REPA
CEQA/NEPA Senior Group Manager
Atkins North America, Inc.
12301 Wilshire Boulevard, Suite 430
Los Angeles, CA 90025

Joseph Flanagan
Red Oak Investments
2101 Business Center Drive, Suite 230
Irvine, CA 92612

Attachment 1 Professional Services Agreement

cc: Chief Executive Officer
Assistant Chief Executive Officer
Public Services Director
City Attorney
Transportation Services Manager
City Engineer
City Clerk (9)
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12301 Wilshire Boulevard, Suite 430
Los Angeles, CA 90025

Joseph Flanagan
Red Oak Investments
2101 Business Center Drive, Suite 230
Irvine, CA 92612

**PROFESSIONAL SERVICES AGREEMENT
CITY OF COSTA MESA**

THIS AGREEMENT is made and entered into this 4th day of June, 2013 (“Effective Date”), by and between the CITY OF COSTA MESA, a municipal corporation (“City”), Atkins North America, Inc. (“Consultant”), and Joseph Flanagan of Red Oak Investments (“APPLICANT”).

WITNESSETH:

- A. WHEREAS, City proposes to utilize the services of Consultant as an independent contract to provide parking-related support and consultation as more fully described in Consultant’s Proposal 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, Consultant, and Applicant 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 Proposal, 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 Ninety Six Thousand Sixty Seven Dollars and Seventy One Cents (\$96,0067.71).

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 six months ending on September 4, 2012, 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 Chief Executive Officer 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:

Ruta K. Thomas, REPA
CEQA/NEPA Senior Group Manager
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12301 Wilshire Blvd., Suite 430
Los Angeles, CA 90025

Tel: 310-268-8132

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IF TO CITY:

Claire L. Flynn, AICP
Acting Dev. Svcs. Director
City of Costa Mesa
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Tel: 714-754-5278

Fax: 714-754-4856

IF TO APPLICANT:

Joseph Flanagan
Red Oak Investments
2101 Business Center Dr.
Suite 230
Irvine, CA 92612

Tel: 949-733-2000

Fax: 949-733-2005

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 qualify 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

Acting Development Services Director

Date: _____

CONSULTANT

Signature

Date: _____

Name and Title

Social Security or Taxpayer ID Number

APPROVED AS TO CONTENT:

Project Manager

Date: _____

APPLICANT:

Signature

Date: _____

APPROVED AS TO FORM:

City Attorney

Date: _____

APPROVED AS TO INSURANCE:

Risk Management

Date: _____

EXHIBIT A
CITY'S REQUEST FOR PROPOSAL



REQUEST FOR PROPOSAL
Environmental Consulting Services for Project EIR
Baker Apartments at 125 E. Baker Street

INTRODUCTION

The City of Costa Mesa invites you to submit a scope of work for environmental consulting services for a project environmental impact report. The Consultant will be responsible for the preparation of a project EIR and all related CEQA related documents/studies (Notice of Preparation, Responses to Comments, traffic studies, air quality studies, etc.). Attendance at Planning Commission and City Council public hearings is also required.

PROJECT SITE

The proposed project is located at the southwest corner of Baker Street and Pullman Street intersection. It is bounded by the 55 freeway on the northwest, Baker Street on the north, and Pullman Street on the west and south. The 4.2-acre site is zoned CL (Commercial Limited), and designated as Industrial Park. There is an existing 66,000 square-foot two-story office building on the property developed in 1974. Uses to the north and east of the site include office complexes and light industrial parks. To the west of the freeway there are two high density residential complexes (Newport Village Apartments and Millcreek Apartments).

PROJECT DESCRIPTION

The proposed project is a 236-unit residential development on the site of an existing office complex located at 125 E. Baker Street. The proposed site plan includes a four-story residential structure with 236 apartment units wrapping around a 5.5 level parking structure.

The project site is zoned CL, which does not allow for residential development; office uses and limited commercial uses are permitted. This category is typical for commercial and office areas in proximity to residential uses.

DISCRETIONARY ACTIONS

The following discretionary approvals are required:

- General Plan Amendment to change the land use designation from Industrial Park to High Density Residential;
- Site-specific General Plan and Zoning Code Amendment for building height for 5.5 level parking structure;
- Site-specific General Plan and Zoning Code Amendment for density for 56 dwelling units per acre.

- Rezone to change the zoning from CL (Commercial Limited) to PDR-HD (Planned Development Residential – High Density);
- Master Plan / Design Review of development project.
- Subdivision Map (as applicable)
- Certification of Final EIR
- Airport Land Use Commission action

***Notes:** The City will complete the necessary amendments to the General Plan and Zoning Code. The consultant will receive the amended documents during the earlier stage of the preparation of the Draft EIR. A Zoning Code amendment is required to incorporate textual references in the PDR-HD zone for the site-specific height and density for this property.

Please refer to the enclosed concept plans and map exhibits.

SPECIAL CONSIDERATIONS

- A noise study and traffic study will be completed by outside consultants. The proposed scope of work would not need to include these technical studies.
- Consultant work will strictly involve the EIR and not work activity related to the Federal Aviation Administration or Airport Land Use Commission. Consultant shall not be responsible for any necessary amendments to the City's policy documents, FAA-related issues, ALUC-related coordination, etc.
- An estimated budget for this work activity would be in the range of \$75,000 to \$100,000. There are special considerations (e.g. accelerated project delivery date, time line, lack of technical reports, etc.) that are unique to this project.
- Please include subconsultants in the proposal, as applicable. The applicant has not completed any detailed technical studies on air quality, public utilities, or public services. Consultant should anticipate coordination with utility service providers (Costa Mesa Sanitary District, Mesa Consolidated Water District, Orange County Sanitation District) for the EIR since these technical studies are not provided.
- The City will make all the necessary amendments to the policy documents and provide these amended documents to the consultant during the preparation of the Draft EIR. The Consultant is not responsible for making changes to the General Plan or Zoning Code.
- Please include a 5% contingency to the overall budget for unanticipated work activity. Please exercise some degree of latitude with estimating a realistic project budget that fully realizes the challenges of delivering an EIR that will be highly scrutinized.
- Please be sure to include reimbursables, printing budget, and any other costs associated with this project. (All documents will be printed by Consultant.)
- The City's Risk Management Division will need to confirm adequate insurance coverage as soon as possible, following consultant selection. (See insurance requirements in Attachment 1.)

SCOPE OF WORK

TASK 1 – PROJECT INITIATION

Consultant will attend a kick-off meeting with the applicants' project teams and City staff to discuss the project and the proposed scope of work. Consultant will identify data needs, project objectives, and ensure that deliverables are consistent with the overall project timeline.

Deliverable

Kick-off meeting

TASK 2—NOTICE OF PREPARATION/INITIAL STUDY

[Note: Given that this EIR contract will not be approved by City Council until June 2013, it is likely that the City will take the lead in completing and issuing the NOP. This is to be determined. Please include the NOP work activity in the proposal at this time until further notice.]

Consultant will prepare a draft Notice of Preparation (NOP), Initial Study (IS), and distribution list for review and comment by the City of Costa Mesa. All conclusions and substantiating information will be documented in the NOP/IS. Consultant will finalize and distribute the IS/NOP by certified mail to all responsible, trustee, and interested agencies, community groups, and individuals.

The City expects the following environmental topics/EIR sections to be of major focus:

- Aesthetics
- Air Quality
- Land Use (including Airport Land Use Commission Consistency Determination)
- Housing
- Public Services/Utilities
- Hydrology/Water Quality
- Growth Inducing Impacts
- Cumulative Impacts

Deliverable

Notice of Preparation/Initial Study

Circulated documents to Distribution List

TASK 3—PREPARE 1st SCREENCHECK EIR

Consultant will prepare the environmental impact evaluation for the Screencheck EIR based upon the NOP/IS and responses received, community and agency input, and technical evaluation of the proposed project. The final master project description and EIR project alternatives will be provided to the City and applicants for review and approval prior to completion of the screencheck EIR. This process provides the City and applicants with an opportunity to clarify any project issues prior to the technical analysis being initiated. Please note: Consultant will prepare and submit a complete Screencheck Master EIR (e.g. Executive Summary, Growth Inducing Impacts section, Cumulative Impacts section, Reasonable and Foreseeable Projects section, and Project Alternatives.) and will receive comments on the Master EIR from the City. City staff will not prepare any EIR sections but will provide to the

Consultant any required information to complete the analysis. If staff comments are extensive, a 2nd screencheck EIR submittal may need to be provided. Otherwise, only a second review of major sections will be requested. An additional review cycle of a 2nd screencheck document should be budgeted in the case it is needed.

Deliverable
Screencheck EIR

TASK 4—PREPARE PROOFCHECK DRAFT EIR

Upon receipt of the City's and applicants' comments on the screencheck EIR submittal, Consultant will make revisions and resubmit the document as a PROOFCHECK EIR. A proofcheck EIR is the final print copy of the EIR before printing. No major comments on the document are anticipated from City staff at this level of the review.

Deliverable
Proofcheck EIR

TASK 5—PREPARE DRAFT EIR

The proofcheck document with any revisions requested by City staff will serve as the Draft EIR. Consultant will prepare and distribute copies of the draft EIR to the State Clearinghouse and local community groups, local agencies, surrounding jurisdictions, etc. Consultant will prepare and distribute ALL required CEQA notices for this project (i.e. the Notice of Completion, Notice of Availability, etc.). The City of Costa Mesa will only be responsible for newspaper notices.

Deliverable
Draft EIR
And CEQA Notices

TASK 6 —PREPARE RESPONSES TO COMMENTS

The City's policy is to provide a fairly detailed Responses to Comments document. The Responses to Comments document is expected to be very detailed and comprehensive. Upon receipt of written comments on the Draft EIR from the State Clearinghouse and other parties, Consultant will review all comments. Consultant will prepare written responses to comments that raise environmental issues. These responses will be provided as a separate Responses to Comments document. Upon receipt of the City's comments, Consultant will finalize the responses to comments. Responses to public agency comments will be mailed by Consultant. The scope of services should assume at least 80 hours required to prepare the responses to comments document.

Deliverable

Responses to Comments

TASK 7 —PREPARE MITIGATION MONITORING PROGRAM

Per the CEQA Guidelines, Consultant will prepare a mitigation monitoring program (MMP) for review by Planning Commission and adoption by the City Council at the time of the CEQA findings. The MMP will be prepared at the same time as responses to comments. Consultant will coordinate with City staff to refine the format and the content of the MMP. If the Planning Commission and/or City Council modifies recommended conditions of approval/mitigation measures for the proposed project, Consultant will revise the MMP accordingly.

Deliverable

Mitigation Monitoring Program

TASK 8—PREPARE STATEMENT OF FACTS/FINDINGS & STATEMENT OF OVERRIDING CONSIDERATIONS

Consultant will prepare draft findings of facts and findings and a draft statement of overriding considerations in accordance with the State CEQA Guidelines §15091 and 15093. Upon receipt of the City's and applicants' comments on these documents, copies will be submitted to the City for use by legislative body in its deliberations on the project. If the Planning Commission and/or City Council modify the project and/or recommended conditions of approval/mitigation measures for the proposed project, Consultant will revise the findings. These modifications should be assumed in the project budget.

Deliverable

Statement of Facts & Findings and Statement of Overriding Considerations

TASK 10 —PREPARE FINAL EIR

Upon the Planning Commission's recommendation of the Draft EIR for certification, Consultant shall prepare a final EIR pursuant to CEQA Guidelines Section 15090. The Final EIR is a compilation document inclusive of the following: the EIR as modified by public comments, EIR technical appendices, responses to comments.

Deliverable

Final EIR

Task 11 - ONGOING TASK - Project Management and Coordination

The scope should assume extensive interaction between the Consultant project team and the City's project team and requires frequent information sharing among project team members. This approach will assist in coordination efforts. While the City can contact any team member at any time, at the onset of the project, Consultant will identify the key contact people. It is the responsibility of these individuals to know the status of various project components and to disseminate project information to appropriate team members. Limiting the individuals who initially receive project information reduces the potential for missed or ineffective communication.

TASK 12 — MEETING ATTENDANCE

Principal in Charge will be available to make presentations concerning topical issues, analysis and findings of the EIR, as well as be available to answer questions or make specific presentations as directed by City staff. The following meeting commitments (other than City staff meetings) are anticipated:

Planning Commission	1 public hearing
City Council	1 public hearing
Airport Land Use Commission	not required

Additional meetings and hearings could be attended on a time and materials basis subject to prior authorization by the City of Costa Mesa.

DELIVERABLES

Meeting attendance

TENTATIVE PROJECT SCHEDULE

EIR work activity to commence in June through August 2013. This project schedule is tentative and the City will rely on the consultant's estimate with regard to reasonable delivery time for the final document.

CONSULTANT INSURANCE REQUIREMENTS

See Attachment 1 for requirements.

DEADLINE FOR PROPOSALS

Two hard copies of proposal due by Thursday, May 16, 2013.

CONTACT:

Claire L. Flynn, AICP
Actg. Development Services Director
City of Costa Mesa
77 Fair Drive
P.O. Box 1200
Costa Mesa, CA 92628-1200
714 754 5278

EXHIBIT B
RESPONSE AND SCOPE OF SERVICES
Project Budget



Atkins North America, Inc.
12301 Wilshire Boulevard, Suite 430
Los Angeles, California 90025

Telephone: +1.310.268.8132
Fax: +1.310.268.8175

www.atkinsglobal.com/northamerica

May 16, 2013

Claire L. Flynn, AICP, Actg. Development Services Director
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92628-1200

Subject: Proposal to Provide Environmental Consulting Services for a Project EIR for Baker Apartments at 125 East Baker Street Project in the City of Costa Mesa, CA

Ms. Flynn:

The subject of this proposal is the 4.2-acre triangular shaped parcel located at the southwest corner of East Baker Street and Pullman Street (125 East Baker Street) in the City of Costa Mesa. There is currently a 66,000-square foot (sf) two-story office building on the site that was developed in 1974. The project proposes a four-story 236-unit residential development that wraps around a 5.5-level covered parking structure. Our understanding is that since the apartments are planned to be marketed to professionals in the area, they would mostly be comprised of studios and one-bedroom units. The location of the proposed residential development could be desirable to professionals seeking housing in close proximity to major employers and transportation corridors. Therefore, the proposed project would contribute to the housing balance within the community. We understand that the proposed project would require a General Plan Amendment to change the land use designation from Industrial Park to High Density Residential, as well as a rezone to change the zoning from CL (which does not allow for residential development) to PDR-HD (Planned Development Residential – High Density). Both of these discretionary approvals would allow for a site-specific density of 56 dwelling units (du) per acre and a building height of 5.5 levels for a parking structure. Additionally, the proposed project would include a Master Plan/Design Review of the development, a subdivision map (as applicable), and action by the Airport Land Use Commission (ALUC) due to its close proximity to John Wayne Airport.

This proposal includes a scope of work, schedule and budget for preparation of an Environmental Impact Report (EIR). It is our understanding that the Applicant will provide a noise study and traffic study, both required to support the environmental analyses. Therefore, our cost proposal does not include the preparation of these two studies; however, we would peer review the technical studies provided to independently verify the accuracy of the data and to determine whether or not it would be useful (in whole or in part) for purposes of preparing the EIR. Our experience with similar environmental projects throughout the local area, as well as the depth of our senior leadership with environmental and planning issues in the greater southern California area, will allow us to complete the requested work in a timely, complete, and cost-effective manner. In relevant part Atkins offers:

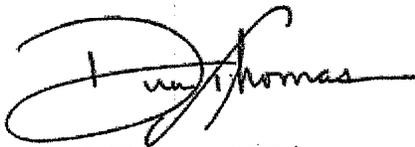
- Long-standing relationships with the adjacent cities of Huntington Beach and Newport Beach, which provides extensive local experience
- Recent environmental review experience and knowledge of issues pertaining to residential development throughout California, which provides specific expertise with the type of project that is proposed
- Commitment of senior Atkins staff to work on the project, which provides unique intellectual capital that can be leveraged to the benefit of the proposed project

Atkins is a multidisciplinary environmental, urban planning, transportation, water resource, and engineering firm. We are proud of our long history collaborating with local jurisdictions and transportation agencies in the strategic advancement of the environmental review process. With over 8,500 successful environmental documents completed pursuant to CEQA, NEPA, state and federal Endangered Species Acts, the Clean Water Act, the Clean Air Act, the National Historic Preservation Act, and a host of other state and federal pieces of environmental legislation, our team offers professionals that can provide high-quality and legally defensible work products.

Atkins is able to provide the full range of services required for the environmental process air quality and noise modeling. Due to our recent completion of an EIR for the Imperial Avenue Assisted Living/Senior Housing project in the City of El Segundo, we are familiar with the issues unique to developing residential uses near major roadways and large airports. Our participation in public meetings for this project has given us experience in preparing for ALUC review, as well as community concerns related to airport noise at residential uses. Together, this knowledge better prepares us to assist the city with the environmental clearance process for the proposed project.

Thank you for the invitation to submit this proposal for the Baker Apartments project. If you have any questions or would like more information about our proposal, please feel free to contact me at 310.893.2324 or by email at ruta.thomas@atkinglobal.com. We look forward to working with the City to help develop projects that will contribute to the jobs and housing balance within the community.

Best regards,



Ruta K. Thomas, REPA
CEQA/NEPA Senior Group Manager



Atkins North America, Inc.
12301 Wilshire Boulevard, Suite 430
Los Angeles, California 90025

Telephone: +1.310.268.8132
Fax: +1.310.268.8175

www.atkinsglobal.com/northamerica

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Attachments

- Attachment A Budget
- Attachment B Fee Schedule

Project Management Team

The project management team for the 125 East Baker Street project (hereinafter referred to as the proposed project) consists of Ruta K. Thomas, REPA, CEQA/NEPA Senior Group Manager and Julian Capata, Project Manager.

Ruta K. Thomas, REPA, who has over seventeen years of CEQA/NEPA experience, will serve as the Principal in Charge for the proposed project. Ms. Thomas is a CEQA/NEPA Senior Group Manager, as well as a Senior Project Manager responsible for managing the preparation and coordination of highly complex, controversial, and visible environmental documentation for redevelopment projects throughout the state of California. She has experience managing and directing a diversified mix of projects, such as The Ripcurl EIR mixed-use redevelopment project for the City of Huntington Beach, the Gateway Specific Plan EIR project for the City of Laguna Niguel, and the Bergamot Transit Village Station EIR project for the City of Santa Monica. As a result of her extensive CEQA experience and knowledge, the Association of Environmental Professionals (AEP) has asked Ms. Thomas to instruct CEQA courses for new practitioners regularly since 2007. As a national Registered Environmental Property Assessor (REPA), she has been determined by the national program to have the academic training, occupational experience, and professional reputation necessary to objectively conduct one or more aspects of environmental assessment and site cleanup activities. Ms. Thomas brings scientific rigor to the projects on which she works, and with demonstrated expertise in writing and negotiation, she equally is able to communicate with agencies and technical colleagues towards the successful attainment of her client's goals. She has a calm demeanor, is able to relay scientific and regulatory information in a way that is easy to understand, and has the unique ability to gain the trust of a wide range of constituents. She facilitates community workshops and outreach events in a way that ensures participants leave feeling that their concerns have been addressed and that they are an integral part of the solution. Ms. Thomas received a B.A. in Biology/Economics from Lehigh University in Pennsylvania and an M.A. in Environmental Studies from Brown University in Rhode Island.

Julian Capata, who has over eight years of CEQA experience, would serve as the Project Manager for the proposed project. As a Project Manager and noise specialist for Atkins, he provides technical support for a variety of environmental documentation projects. He has also completed training to use the new air dispersion modeling tool, CalEEMod that is being conducted by the SCAQMD. Mr. Capata's most recent project experience includes managing the Malibu Middle and Senior High School Campus Improvements EIR, the Laguna Niguel Gateway Specific Plan EIR, and the Shell Oil Products U.S. Carson Revitalization Project EIR. His background includes experience in both federal and state environmental policy. Mr. Capata has worked on a number of high-profile and highly complex projects, which required expert level analytic abilities and superior communication skill. He managed the very contentious Expo Light Rail EIR for the MTA. Mr. Capata received a B.A. in Geography with an emphasis on Environmental Studies from California State University, Northridge.

Scope of Work

Project Understanding

The 4.2-acre proposed project site is a triangular shaped parcel located at the southwest corner of East Baker Street and Pullman Street (125 East Baker Street) in the City of Costa Mesa. It is bounded by the 55 freeway on the northwest, East Baker Street on the north, and Pullman Street on the west and south. It is zoned CL (Commercial Limited) and designated as Industrial Park. There is currently a 66,000-square foot (sf) two-story office building on the site that was developed in 1974. The current site is isolated from the rest of the industrial park uses, and therefore, there are no immediate inconsistent land uses. Surrounding land uses include office complexes and light industrial parks to the north and east, and two high density residential complexes (Newport Village Apartments and Millcreek Apartments) west of the freeway.

The project proposes a four-story 236-unit residential development that wraps around a 5.5-level covered parking structure with 533 parking spaces. The total proposed livable area is 212,475 square feet. Since the apartments are planned to be marketed to professionals in the area, they would mostly be comprised of studios and one-bedroom units. Our understanding is that the proposed breakdown of market value units is as follows: 35 studio and studio+loft units (15%); 97 1-bedroom and 1-bedroom+loft units (41%); 100 2-bedroom and 2-bedroom+loft units (42%); and four 3-bedroom and 3-bedroom+loft units (2%). The required parking for the proposed development is 529 parking spaces, at a ratio of approximately 2.25 spaces per unit with a credit for providing covered parking spaces (529 vs. 588). The location of the proposed residential development could be desirable to professionals seeking housing in close proximity to major employers and transportation corridors. Therefore, the proposed project would contribute to the housing balance within the community. On-site amenities would include common open space and recreation areas, a pool, and a clubhouse.

We understand that the proposed project would require a General Plan Amendment to change the land use designation from Industrial Park to High Density Residential, as well as a rezone to change the zoning from CL (which does not allow for residential development) to PDR-HD (Planned Development Residential – High Density). Both of these discretionary approvals would allow for a site-specific density of 56 dwelling units (du) per acre and a building height of 5.5 levels for a parking structure. Additionally, the proposed project would include a Master Plan/Design Review of the development, a subdivision map (as applicable), and action by the Airport Land Use Commission (ALUC) due to its close proximity to John Wayne Airport.

The parking structure would be located along the 55 freeway. The main vehicular entrance to the parking structure is proposed from Pullman Street. It is our understanding that the City's transportation staff completed a preliminary trip generation analysis and concluded that the proposed project is expected to result in 2.5 times more traffic in average daily trips in comparison to the General Plan build-out. The current office space has a higher floor area ratio (FAR) than allowed by the General Plan and is non-

conforming. While the residential development can potentially add 965 daily trips compared to the office development, the increase in AM and PM peak hour trips is not substantial. The proposed project is projected to generate 18 more AM peak hour trips and 48 more PM peak hour trips. Therefore, as a project proposed to be located adjacent to the 55 freeway and with the majority of trips destined to and from the freeway north and south, the proposed project impacts are not expected to be significant. A complete traffic study that addresses potential project impacts will be provided by the Applicant.

Project Approach

The approach of the Atkins project team is based on meeting the following objectives:

- Serving as a key element of the City's team to anticipate controversial issues, provide unbiased recommendations, devise solutions to potential impacts and/or other issues that may arise, and provide expert planning, policy, and environmental compliance consultation
- Committing senior management to the project to provide close coordination with, and accessibility to, the City to ensure technical accuracy, document objectivity, and legal defensibility
- Complying with the *California Environmental Quality Act* (CEQA), the current CEQA Guidelines, as well as current case law, and serving as a public educator of CEQA and the CEQA process
- Complying with all unique City processing requirements
- Responding to all significant issues of concern raised by the various governmental agencies, private entities, individuals, and community groups
- Submitting all required deliverables within the mutually agreed upon time frames

Atkins will take full responsibility for project initiation and organization, data compilation, impact assessment, development of mitigation measures (as needed), report compilation, monitoring and review for CEQA adequacy, attendance at public meetings and hearings, response to public comments, coordination of the internal project team, and preparation of a Mitigation Monitoring and Reporting Program.

Report format and content will be in full compliance with CEQA (as amended through the date of submittal of the draft EIR), the CEQA Guidelines (also as amended through the date of submittal of the draft EIR), and the City's environmental guidelines and procedural requirements. General EIR organization will include a discussion of existing conditions, potential direct and indirect/secondary environmental impacts, and the recommendation of mitigation measures for each affected issue area. To present information in a concise and easily understood format, text will be supplemented with graphics, charts, maps and tables on 8½ x 11 white paper, unless a larger format is critical to the readability of the document. Final work products will consist of professionally photocopied reports in comb bindings, which are printed on recycled paper. The majority of graphics, charts, and maps will be presented in black ink, although some color graphics may be included to help convey necessary information. All final work products will be submitted in hard-copy format and in electronic format and will be prepared using Microsoft Word and other formats (i.e., PDF) that are compatible with the City's software applications. All documents and plans shall be the property of the City of Costa Mesa.

TASK 1 Participate in Project Startup Activities

Subtask 1A Attend One Project Kick-Off Meeting

Atkins will attend one project kick-off meeting with representatives from the City of Costa Mesa and the Applicant's project team to discuss the project and proposed scope of work. The purpose of the kick-off meeting is to compile the relevant background data and reports; clearly define the proposed project for the purposes of the environmental analysis; begin to compile a list of cumulative projects; discuss the project schedule and important assumptions for achieving the schedule; identify all anticipated discretionary actions; establish early communication among various project team members, as well as the protocols for ongoing communication; and to familiarize the Atkins project team with the issues and concerns that the City determines to be important issues for analysis in the environmental document. Additionally, Atkins will identify data needs, confirm project objectives, and ensure that deliverables are consistent with the overall project timeline. Based on the discussions and issues raised during the kick-off meeting, the Atkins project management team will refine the scope of work, schedule, and budget, if necessary.

List of Products

- Attend one (1) kick-off meeting
- Submit one (1) written request for additional information, if necessary

TASK 2 Conduct Preliminary Analyses

Subtask 2A Conduct Air Quality Modeling

Atkins will use the results of the traffic analyses (to be prepared by the Applicant), information regarding construction phases, schedules, and equipment, as well as information regarding specific activities and hours of operation to model the potential impacts of the proposed project on air quality. By conducting the air quality modeling early in the environmental review process, Atkins can determine whether there will be significant impacts to air quality, and if these impacts can be mitigated. Atkins will prepare air quality analyses to be included as part of the EIR.

Local carbon monoxide (CO) concentrations will be modeled at intersections to be selected in coordination with the City of Costa Mesa. Local CO impacts associated with project traffic will be predicted using the CALINE-4 program and compliant with the recommendations of the CALTRANS Transportation Project-Level Carbon Monoxide Protocol (Revised December 1997). The CALINE-4 computer dispersion model will be applied to the intersections most affected by project traffic, and nearby proximity to sensitive receptors.

The air quality analysis will also evaluate potential air quality impacts of project-related construction activities. The maximum expected equipment to be in use during each phase of construction will be used to quantify maximum daily emissions. Emissions will be compared to the thresholds of significance presented in the SCAQMD Handbook. Mitigation measures for construction-related particulates will follow guidance from the SCAQMD CEQA Handbook In addition to the air emission thresholds

established by SCAQMD, potential localized impacts for certain criteria pollutants with regard to project-related emissions are calculated using a separate method. For smaller projects (less than 5 acres), localized significance thresholds (LSTs) were developed in response to the SCAQMD Governing Board's Environmental Justice Enhancement Initiative I-4. LSTs represent the maximum emissions from a project that are not expected to cause or contribute to an exceedance of the most stringent applicable federal or state ambient air quality standard, and are developed based on the ambient concentrations of that pollutant for each source receptor area and distance to the nearest sensitive receptor. A LST screening analysis using the SCAQMD provided mass-rate lookup tables only applies to projects that are 5 acres or less in size (like the proposed project) and are only applicable to CO, NO_x, PM₁₀, and PM_{2.5}. For this project, an analysis of localized concentrations of relevant criteria air pollutants (LSTs) during construction activities would also be conducted in compliance with the recommendations of the SCAQMD Final Localized Significance Thresholds Methodology (2003).

The regional criteria pollutant analysis will examine vehicular and stationary sources associated with operation of the proposed project. The proposed project site is located adjacent to the 55 freeway. Based on estimated vehicle trips, vehicular emissions of carbon monoxide, ozone precursors (reactive organic gases and oxides of nitrogen), and small particulate matter (PM₁₀) will be predicted and quantified using EMFAC 2007 emission factors and the SCAQMD's recommended CalEEMod software, which will then be compared to the SCAQMD significance thresholds to determine whether the proposed project would violate a State or federal air quality standard or contribute substantially to an existing or projected air quality violation. The criteria pollutant emissions from future stationary sources (such as HVAC equipment) will also be estimated in the same manner. The SCAQMD's regulatory structure to evaluate and offset these emissions will be described. The air quality analysis will also qualitatively evaluate the potential exposure of sensitive receptors to substantial pollutant concentrations where the project may cause emissions of identified pollutants in excess of the pounds per day or tons per quarter standards established by the SCAQMD. Mitigation measures will be identified for potentially significant impacts, and their effectiveness will be quantified to the extent feasible.

Potential conflicts with or potential to obstruct implementation of the applicable air quality plan where it may cause or contribute to emission of identified air pollutants in excess of levels stated in the plan or where it may fail to implement a remedial or mitigation measure required under the plan will be analyzed. The results of the air quality impacts analyses will be summarized in a memo to the City, and also included as part of the EIR prepared as part of Task 3 below.

The air quality impact analysis cannot be conducted until the traffic study data has been completed.

Subtask 2B Review Applicant-Prepared Technical Studies

Based on our conversations with the Applicant, it is our understanding that some previously prepared technical studies are available for the proposed project site (i.e., soils report and Phase I ESA). Atkins staff scientists and/or specialists will review the information prepared by the Applicant's team to independently verify the accuracy of the data and to determine whether or not it would be useful (in whole or in part) for purposes of preparing the EIR. It is assumed that Atkins would review one version of the technical studies, data, or information, and will provide comments to the City. If necessary, and

approved by the City, we would be available to discuss our questions and/or comments with the City's technical representatives.

List of Products

- One (1) electronic copy of the air quality impacts analysis memo in Microsoft Word format

TASK 3 Prepare Initial Study/Notice of Preparation (IS/NOP) and Attend Scoping Meeting

Subtask 3A Prepare IS/NOP

According to the RFP, the City may take the lead in completing and issuing the NOP. However, since this is yet to be determined, the RFP has requested that this task be included as part of the proposed scope of work. Atkins will prepare an Initial Study/Notice of Preparation (IS/NOP) for the proposed project that is consistent with the procedural and substantive provisions of Sections 15063 and 15082 and Appendices C, G, and I of the CEQA Guidelines and would be used to narrow the focus of the environmental issues addressed in the EIR. Atkins would be responsible for preparing the Notice of Completion (NOC) for the proposed project. (In recent past, an IS/NOP must now also be accompanied with a NOC, instead of a Notice of Availability, much like distribution of a Draft EIR.)

The Initial Study will be prepared in conformance with a City-approved Initial Study checklist format. Based upon review and comment by the City, Atkins will revise the IS/NOP, as appropriate. According to the RFP, it is anticipated that the following issue areas will be sufficiently analyzed in the Initial Study to allow them to be scoped out from further analysis in the EIR.

- Agriculture/Forestry Resources
- Biological Resources
- Cultural Resources
- Geology/Soils
- Greenhouse Gas Emissions
- Hazards/Hazardous Materials
- Mineral Resources
- Noise
- Recreation
- Transportation/Traffic

All mitigation measures included in the Initial Study would be incorporated into the Mitigation Monitoring and Reporting Program. All appropriate mitigation measures identified in the Initial Study would be provided in an appendix of the EIR to consolidate all mitigation measures required of the project (from both the Initial Study and EIR) for ease in public reading and understanding. The "Environmental Impact Analysis" section at the end of this Scope of Work discusses each of these resources in more detail.

Once completed, Atkins will submit to City staff for internal review an electronic copy of the Administrative Draft IS/NOP. Once comments on the Administrative Draft IS/NOP have been

received from the City, Atkins will incorporate all comments and submit (electronically only) a Screencheck Draft IS/ NOP to the City for final review before preparing the Final IS/NOP for public review. It is anticipated that comments received on the Screencheck Draft IS/NOP would be minimal and mostly editorial in nature. Substantive comments requiring a second round of substantial edits would require an amendment to the budget proposed. A Proofcheck Draft of the IS/NOP in electronic format (WORD and PDF) will be submitted to the City for final review before printing.

Atkins will prepare and distribute (via certified mail) twenty (20) printed bound copies of the Draft IS/NOP (with technical appendices), one (1) printed unbound camera-ready copy of the Draft IS/NOP, forty (40) electronic copies of the Draft IS/NOP on CD, one (1) electronic copy in Microsoft Word 2003 format, and one (1) electronic copy in Adobe Acrobat (PDF) format. As appropriate, to save paper and other resources, appendices will be provided on CD when hard copies of the IS/NOP are printed. However, this scope of work and budget assume full, printed copies of the appendices.

Atkins will distribute the IS/NOP to the State Clearinghouse (SCH) and responsible, trustee, and interested agencies, community groups, and individuals pursuant to the City's mailing list. During the 30-day public review period of the IS/NOP, Atkins will begin preparation of the Draft EIR in order to reduce the overall project schedule.

Subtask 3B Attend Scoping Meeting

While not requested in the RFP, members of the Atkins team can attend a scoping meeting for the proposed project. If it is later determined that Atkins' attendance at a scoping meeting is not required, we can revise the proposed scope of work. Specifically, Atkins's Principal in Charge and Project Manager will attend the scoping meeting. It is assumed that the City of Costa Mesa would coordinate and facilitate the scoping meeting and that oversized presentation materials describing or illustrating the project will be provided by the Applicant. Atkins would provide relevant meeting handouts, including a summary of the IS/NOP, a CEQA Process flowchart, the purpose of the scoping meeting, environmental issue areas, and a sign-in sheet. Atkins would also take detailed notes regarding the issues raised by commenting individuals that should be addressed in the Draft EIR. In addition, Atkins would be available to present the purpose of the scoping meeting, provide an overview of the CEQA process, and answer questions raised by the public regarding the CEQA process and/or general questions regarding technical and analytic methods, as needed. Atkins's primary role in the scoping meeting is to solicit and/or record public input regarding the scope and content of the Draft EIR.

List of Products

- One (1) electronic copy of the Administrative Draft IS/NOP in Microsoft Word 2003 format and PDF format
- One (1) electronic copy of the Screencheck Draft IS/NOP in Microsoft Word 2003 format and PDF format
- One (1) electronic copy of the Proofcheck Draft of the IS/NOP in Microsoft Word 2003 format and PDF format
- Twenty (20) printed bound copies of the Final IS/NOP (with technical appendices)
- One (1) printed unbound camera-ready copy of the Final IS/NOP
- Forty (40) electronic copies of the Final IS/NOP on CD

- One (1) electronic copy of the Final IS/NOP in Microsoft Word 2003 format and PDF format
- Attendance at one (1) scoping meeting

TASK 4 Prepare First Screencheck Draft EIR and Proofcheck Draft EIR

Subtask 4A Prepare Screencheck Draft EIR and Proofcheck Draft EIR

The objective of this task is to prepare a comprehensive, accurate, and objective project-level EIR for the proposed project that fully complies with CEQA and the CEQA Guidelines (both as amended throughout submittal of the Draft EIR) and all applicable guidance and procedures established by the City of Costa Mesa for the purpose of environmental review.

The main purpose of the Draft EIR will be to thoroughly and accurately analyze the environmental impacts of the proposed project with respect to resources for which impacts have not been scoped out in the IS/NOP. The document will be as free as possible of jargon so that the information it contains is accessible to the City and the public. The methodology and criteria used for determining the impacts of the project will be clearly and explicitly described in each section of the EIR, including any assumptions, models, or modeling techniques used in the analysis.

The Draft EIR will include the following sections:

- Contents
- Introduction
- Executive Summary, including a comprehensive summary table of impacts and mitigation measures, areas of controversy, issues to be resolved, and a summary discussion of the proposed project and its alternatives
- Project Description, including project objectives, project location(s), project characteristics, and required approvals
- Introduction to the Analysis
- Environmental Analysis
 - > Environmental Setting
 - > Regulatory Framework (applicable federal, State, local, plans, policies, and standards)
 - > Thresholds of Significance
 - > Project Environmental Impacts (short-term, long-term, direct, and indirect)
 - > Mitigation Measures (for potentially significant environmental issues)
 - > Level of Significance after Mitigation
 - > Cumulative Environmental Impacts (short-term, long-term, direct, and indirect)
- Alternatives
- Long-Term Implications (including growth-inducing impacts, a summary of project-related and cumulative significant and unavoidable impacts, and significant irreversible environmental changes or commitments of resources)

- List of EIR Preparers
- References
- Technical Appendices

It is assumed that key construction and operational features of the project would be available at the beginning of work on the EIR such that an accurate, finite, and stable project description could be prepared prior to beginning substantial work on the EIR. This approach has proven to result in the most expeditious preparation and processing of an EIR.

The scope of work for the environmental issue areas expected to be analyzed in the Draft EIR is further described at the end of this Scope of Work in the “Environmental Impact Analysis” section, with an emphasis on unique and/or important components of the environmental analysis. In order to ensure a common understanding of the scope and content of the EIR, Atkins will prepare a comprehensive list of each of the thresholds that would be evaluated in the EIR, as well as every impact statement that would be addressed to respond to each of the thresholds for review and approval by the City prior to beginning work on the EIR (some thresholds may contain more than one impact statement).

Cumulative Impacts

Cumulative impacts will be specified in the individual environmental issue areas of the EIR. The cumulative analysis will be qualitative in nature and will be based upon known projects, either approved, proposed (applications on file), or reasonably foreseeable, within a defined area around the proposed project, as determined by the factors relevant to each environmental issue area and identified in the traffic impact study. The cumulative impact assessment will be based on potential development projects that may, in combination with the proposed project, create cumulatively considerable environmental impacts, as required by Section 15130 of the 2007 CEQA Guidelines. Atkins will review and finalize the list of cumulative projects to be used as part of the cumulative impacts analysis during the kick-off meeting; we will discuss including projects outside the City of Costa Mesa as part of this list.

Other CEQA Sections

Summary. This section will be in tabular format and will briefly describe the impacts of the proposed project, the level of significance of impacts, recommended mitigation measures, and the level of significance after the recommended mitigation measures are implemented.

Long-Term Implications. The EIR will discuss all significant unavoidable adverse impacts. The EIR will discuss any potential growth-inducing and irreversible impacts of the proposed project. Potential sources of growth inducement and their corresponding impacts, such as removal of obstacles to growth will be qualitatively analyzed, to the extent that they are applicable.

Alternatives. In order to accurately define alternatives, Atkins will work with the City to first clearly articulate project objectives. The EIR can then most effectively assess alternatives in light of CEQA’s mandate to reduce significant project-related impacts while meeting the project’s basic objectives. Atkins proposes a two-tiered approach to the alternatives analysis, which is to (1) describe the alternatives

screening process and (2) describe and analyze those alternatives selected for detailed study. This will allow the EIR to demonstrate the consideration given to a sufficiently broad range of alternatives.

The alternatives screening process will provide an opportunity for the EIR to describe the process used to identify alternatives. The section will describe a range of alternatives initially considered, including their ability to meet "screening criteria." Alternatives not carried forward for detailed analysis will be identified, and the reason for rejection of these alternatives will be specified.

For those alternatives described in detail, the EIR will qualitatively address the anticipated environmental impacts, focusing on the environmental issue areas fully analyzed in the body of the EIR but also considering all seventeen environmental issues areas as the alternative may result in impacts to issue areas that they project did not. Atkins will work closely with City staff to develop a maximum of three alternatives to the proposed project including the No Project scenario, as required by CEQA.

The alternatives will be provided in a sufficient level of detail for comparison with the proposed project. Each alternative will be evaluated with respect to each key impact category. The advantages and disadvantages of each alternative and the reasons for rejecting or recommending the alternative will also be discussed and the environmentally superior alternative will be identified. During the course of the environmental analysis, minor variations to the proposed project that could have the effect of reducing or eliminating environmental concerns may become apparent. These variations will be recommended, where feasible.

Appendices. All technical studies, survey results, data, and public and agency comments will be included as appendix material to the Draft EIR.

All appropriate mitigation measures identified for these resources in both the Initial Study (as discussed under Task 3) and the Draft EIR would be provided in an appendix of the Draft EIR to consolidate all mitigation measures required of the project (from both the Initial Study and EIR) for ease in public reading and understanding. All mitigation measures included in the Initial Study would be incorporated into the Mitigation Monitoring and Reporting Program.

The final master project description and EIR project alternatives will be provided to the City and Applicant for review and approval prior to completion of the First Screencheck Draft EIR. Only electronic copies of the First Screencheck Draft EIR and Proofcheck Draft EIR will be provided to City staff in an effort to cut down on printing costs. Once comments on the First Screencheck Draft EIR have been received from the City, Atkins will incorporate all comments and submit (electronically only) a Proofcheck Draft EIR to the City for final review before preparing and printing the Draft EIR for public review. It is anticipated that comments received on the Proofcheck Draft EIR would be minimal and mostly editorial in nature. As per the RFP, substantive comments requiring a second round of substantial edits (and a Second Screencheck Draft EIR) has been included in the budget.

List of Products

- One (1) electronic copy of the First Screencheck Draft EIR in Microsoft Word 2003 format and PDF format

- ❑ One (1) electronic copy of the Second Screencheck Draft EIR in Microsoft Word 2003 format and PDF format (if needed)
- ❑ One (1) electronic copy of the Proofcheck Draft EIR in Microsoft Word 2003 format and PDF format

TASK 5 Prepare Public Review Draft EIR and Attend Public Meeting on Draft EIR

Subtask 5A Prepare Public Review Draft EIR

Atkins will prepare a Draft EIR for a 45-day public review period that incorporates all of the comments on the First Screencheck Draft EIR, Second Screencheck Draft EIR (if needed), and Proofcheck Draft EIR. The Draft EIR will be comb-bound, using heavy stock paper for the cover, rather than plastic or laminate. Atkins will prepare and distribute twenty (20) printed bound copies of the Draft EIR (with technical appendices), one (1) printed unbound camera-ready copy of the Draft EIR, forty (40) electronic copies of the Draft EIR on CD, one (1) electronic copy in Microsoft Word 2003 format, and one (1) electronic copy in Adobe Acrobat (PDF) format. Additionally, Atkins will prepare and distribute one (1) printed copy of the Executive Summary, twenty (20) CD copies of the Executive Summary, and one (1) printed unbound camera-ready copy of the Executive Summary. Atkins will distribute the requisite fifteen (15) copies of the Draft EIR (including its technical appendices and Executive Summary) to the State Clearinghouse. If appropriate at the time of publication, Atkins may submit the Draft EIR to the State Clearinghouse on CD, including hard copies of the Executive Summary (15 copies of each). As appropriate, to save paper and other resources, appendices will be provided on CD when hard copies of the EIR are printed. However, this scope of work and budget assume full, printed copies of the appendices.

Atkins would also be responsible for preparation of the NOC, as well as any applicable filing fees. Atkins will distribute the NOC along with the Draft EIR to the State Clearinghouse, local community groups, local agencies, surrounding jurisdictions, etc. The City will be responsible for distributing the NOC and Draft EIR to departments within the City, as well as publication of the NOC in a local newspaper. Atkins would be responsible for transmittal of the NOC to the County Clerk of Orange.

Subtask 5B Attend Public Meeting on Draft EIR

While not requested in the RFP, members of the Atkins team can attend a public meeting on the Draft EIR. If it is later determined that Atkins' attendance at a Draft EIR public meeting is not required, we can revise the proposed scope of work. Atkins's Principal in Charge and Project Manager will attend a public meeting for the Draft EIR. It is assumed that the City of Costa Mesa would coordinate and facilitate the public meeting and that presentation materials describing or illustrating the project will be provided by the Applicant. Atkins would take detailed notes regarding the issues raised by commenting individuals that should be addressed in the Final EIR. In addition, Atkins would be available to provide an overview of the CEQA process and answer questions raised by the public regarding the CEQA process and/or questions regarding the analysis in the EIR.

List of Products

- Twenty (20) printed bound copies of the Draft EIR (with technical appendices)
- One (1) printed unbound camera-ready copy of the Draft EIR
- Forty (40) electronic copies of the Draft EIR on CD
- One (1) electronic copy of the Draft EIR and Executive Summary in Microsoft Word 2003 format and PDF format
- One (1) printed copy of the Executive Summary
- One (1) printed unbound camera-ready copy of the Executive Summary
- Twenty (20) CD copies of the Executive Summary
- Attend one (1) public meeting on the Draft EIR (if needed)

TASK 6 Prepare First Screencheck Final EIR, Proofcheck Final EIR, and MMRP

Subtask 6A Prepare First Screencheck Final EIR, Proofcheck Final EIR, and MMRP

We understand that the City's policy is to provide a fairly detailed and comprehensive Responses to Comments document. This scope of work and the proposed budget assumes 80 hours to prepare the responses to comments. The Response to Comments volume of the Final EIR will include all comments received, responses to those comments, and standard introductory material. The Mitigation Monitoring and Reporting Program (MMRP) would be provided separately, but prepared concurrently with the Final EIR. All comments will be numbered (to indicate comment letter and comment number), and the responses to those comments will be similarly numbered to allow easy correlation. In addition, where the text of the Draft EIR must be revised, the text will be isolated as "text changes" in the Response to Comments volume, indicating deleted text by ~~strikeout~~ and inserted text by double-underline. The text of the Draft EIR will not be revised. The Final EIR will collectively consist of the Draft EIR, the Response to Comments document, and the technical appendices.

It is assumed that the Final EIR would be provided at least 10 days prior to consideration for certification by the City to any commenting public agency and any member of the public who has requested the document. Further, the MMRP will be designed to ensure compliance with all adopted mitigation measures during project implementation. The MMRP will be in table format and will specify project-specific mitigation measures, as well as standard conditions of approval that are applicable to the project, if requested by the City. Mitigation timing and responsible parties will also be identified. The objective of the MMRP is to ensure compliance with *Public Resources Code* Section 21081.6, as mandated by Assembly Bill 3180 (Cortese 1988), which requires that a lead agency adopt an MMRP at the time an EIR is certified.

All appropriate mitigation measures identified for these resources in both the Initial Study (as discussed under Task 3) and the Draft EIR would be provided in an appendix of the Draft EIR to consolidate all mitigation measures required of the project (from both the Initial Study and EIR) for ease in public reading and understanding. All mitigation measures included in the Initial Study would be incorporated into the Mitigation Monitoring and Reporting Program.

An estimated budget assuming 80 hours has been prepared for the responses to comments effort. While the actual scope and extent of public comments (in either written or oral format) cannot be definitively determined at this time, we have tried to provide a conservative, yet realistic, estimate of the scope of work that would be required for this project, in order to avoid the need for a contract amendment.

Only electronic copies of the First Screencheck Final EIR will be provided to City staff in an effort to cut down on printing costs. Once comments on the First Screencheck Final EIR and MMRP have been received from the City, Atkins will incorporate all comments and submit (electronically only) a Proofcheck Final EIR and MMRP to the City for final review before preparing the Final EIR and MMRP for public review. It is anticipated that comments received on the Proofcheck Final EIR and MMRP would be minimal and mostly editorial in nature. As per the RFP, substantive comments requiring a second round of substantial edits (and a Second Screencheck Final EIR) has been included in the budget.

List of Products

- One (1) electronic memorandum indicating the adequacy of the estimated budget for the responses to comments work effort (if needed)
- One (1) electronic copy of the First Screencheck Final EIR in Microsoft Word 2003 format and PDF format (if needed)
- One (1) electronic copy of the Second Screencheck Final EIR in Microsoft Word 2003 format and PDF format
- One (1) electronic copy of the Proofcheck Final EIR in Microsoft Word 2003 format and PDF format

TASK 7 Prepare Final EIR for Public Review, Attend Certification Hearings and File NOD

Subtask 7A Prepare Final EIR for Public Review

In accordance with CEQA Guidelines Section 15090, Atkins will prepare a Final EIR and MMRP that incorporates all of the comments on the First Screencheck Final EIR and MMRP, Second Screencheck Final EIR and MMRP (if needed), and Proofcheck Final EIR and MMRP. Atkins will provide the City with fifteen (15) printed bound copies of the Final EIR and MMRP, one (1) printed unbound camera-ready copy of the Final EIR and MMRP, one (1) electronic copy of the Final EIR and MMRP in Microsoft Word 2003 format, one (1) electronic copy of the Final EIR and MMRP in PDF format, and fifteen (15) CD copies of the Final EIR and MMRP. For public agencies that commented on the Draft EIR, they would be provided with a Final EIR at least ten days prior to the meeting during which the City would consider certification of the EIR.

List of Products

- Fifteen (15) printed bound copies of the Final EIR (with technical appendices) and MMRP
- One (1) printed unbound camera-ready copy of the Final EIR and MMRP
- One (1) electronic copy of the Final EIR and MMRP in Microsoft Word 2003 and PDF format
- Fifteen (15) CD copies of the Final EIR and MMRP

Subtask 7B Attend Planning Commission and City Council Hearing and File NOD

As per the RFP, Atkins' Principal in Charge will attend and present at one hearing before the Planning Commission and one hearing before the City Council during which approval of the project and certification of the Final EIR would be considered. It is assumed that the City of Costa Mesa would coordinate and facilitate the meeting and that oversized presentation materials describing or illustrating the project will be provided by the City. Atkins would be available to answer questions raised concerning the CEQA process and/or technical questions regarding the analysis contained in the EIR. As per the RFP, Atkins' attendance at the Airport Land Use Commission hearing is not required.

Atkins would prepare and file the Notice of Determination (NOD) with the County Clerk (within five days of certification of the EIR). Atkins would also be responsible for any applicable filing fees.

List of Products

- Attend one (1) Planning Commission hearing
- Attend one (1) City Council hearing
- One (1) printed and one (1) electronic copy of the NOD

TASK 8 Attend Additional Project Meetings

Subtask 8A Attend Additional Project Meetings

In addition to the meetings identified under Tasks 1 through 7 above, members of the Atkins project management team will attend a maximum of two (2) meetings during preparation of the environmental document as deemed necessary by the City, which is a reasonable estimate given our previous experience on similar projects. In addition, we would be available to consult with the City via teleconference, as needed. For purposes of this budget, four (4) 1-hour conference calls are estimated.

List of Products

- Attend up to two (2) additional project meetings
- Participation on four (4) project conference calls

TASK 9 Project Management and General Coordination

Subtask 9A Project Management and General Coordination

The purpose of this task is to manage the Atkins project team, manage the environmental document preparation effort, and maintain constant, close communication between the City and the Atkins team. As per the RFP, this task assumes extensive interaction between Atkins and the City's project team. We understand this task requires frequent information sharing among project team members. This task is intended to ensure that the project will be completed on time and within budget, and that all work products are of the highest quality. Atkins will coordinate the team's work for the communication of issues, transmittal of comments, financial management, and other project management matters. Atkins' primary point of contact is the Principal in Charge, Ms. Ruta K. Thomas, with backup provided by the

Project Manager, Mr. Julian Capata. It is the responsibility of Ms. Thomas and Mr. Capata to know the status of various project components and to disseminate project information to appropriate team members. We understand that limiting the individuals who initially receive project information reduces the potential for missed or ineffective communication.

TASK 10 Prepare Certification Documents

Subtask 10A Prepare Certification Documents

Atkins will prepare draft Findings of Fact for each significant effect identified in the EIR and prepare a Statement of Overriding Considerations, if unavoidable significant impacts occur. As required by the State CEQA Guidelines (Sections 15091 and 15093), one of three findings must be made for each significant effect and must be supported by substantial evidence in the record. The Statement of Overriding Considerations will rely on input from the City regarding the benefits of the project. Atkins will consult with City staff to review and finalize the Findings and Statement of Overriding Considerations for the City's ultimate adoption. If the Planning Commission and/or City Council modify the project and/or recommend conditions of approval/mitigation measures for the proposed project, Atkins will revise the findings. These modifications (if needed) has been included as part of the proposed budget.

List of Products

- One (1) electronic copy of the Draft Certification Documents in Microsoft Word 2003 and PDF formats
- Five (5) printed copies of the Final Certification Documents
- One (1) printed unbound camera-ready copy of the Final Certification Documents

Environmental Impact Analysis

The following CEQA issue areas will be analyzed and discussed in either the IS/NOP or the EIR.

Aesthetics

Aesthetics (defined as any element, or group of elements, that embodies a sense of beauty), views, daytime glare, and nighttime illumination are related elements in the visual environment. Visual impacts of a project include the provision of objective visual resources (such as project design elements) and the subjective viewer response to those changes in the visual environment.

The environmental analysis will provide a description of views to and from the site, supplemented by photographs. Under the proposed project, property currently occupied by an office building will be replaced with a residential development with associated parking. Atkins will fully analyze whether the proposed project would substantially degrade the existing visual character or quality of the site and its surroundings due to grading, height, bulk, massing, or architectural style or building materials; location in a visually prominent area; degradation of the visual unity of the area; or degradation of views from roadways or adjacent uses.

Existing sources of light and glare will also be described. The environmental analysis will analyze whether the proposed project would create a new source of substantial light or glare that would adversely affect day or nighttime views in the area. Atkins will evaluate changes in ambient lighting levels, including hot spots and spillover onto adjacent areas, particularly any nearby sensitive receptors that will be identified. Substantial light can be caused by lighting to illuminate signage or architectural features, or for wayfinding purposes, and substantial glare can be caused by the use of reflective building materials, both of which have the potential of being installed as part of the project request.

Agriculture/Forestry Resources

The proposed project site is not designated as prime farmland, farmland of statewide importance, unique farmland, or local importance and is not subject to a Williamson Act contract. Furthermore, the proposed project site has never been used as forest land or used for timber production. These issues will be discussed and supported with documentation. However, Agriculture/Forestry Resources will likely be scoped out in the IS/NOP.

Air Quality

The City of Costa Mesa is located in the South Coast Air Basin and is within the jurisdiction of the South Coast Air Quality Management District (SCAQMD). The air pollutants of greatest concern in the South Coast Air Basin are ozone, NO_x, CO_x, PM₁₀, and PM_{2.5}. The air quality section will summarize the results of Task 2A, above.

Biological Resources

Based on our knowledge of the area, vegetation on the project site is limited to small patches of grass and ornamental trees. As such, it is unlikely that any native vegetation exists on the project site. It is also unlikely that any sensitive species or habitats are located on the project site. While there are ornamental trees located on the project site and in the public right-of-way at the project site that could be directly or indirectly affected by construction activities, it is highly unlikely that they would provide suitable habitat for nesting migratory birds. To ensure that no impacts to migratory birds would occur, the environmental document will include a mitigation measure that requires preconstruction surveys for nesting migratory birds (if determined appropriate). Additionally, the environmental analysis will consider the removal of potentially mature trees and determine any potentially significant impacts of doing so. Biological Resources will likely be scoped out in the IS/NOP.

Cultural Resources

The current structure on the proposed project site was built in 1974. As such, Atkins will document that the existing structure on the project site is not greater than 50 years old, the typical threshold for determining eligibility for listing as an historic resource in the California Register of Historic Places.

Separate from historic structures is the issue of subsurface archaeological or paleontological resources. To ensure that there are no known subsurface resources, Atkins will conduct the standard records check through the South Central Coastal Information Center (SCCIC) at California State University, Fullerton to determine whether there are known subsurface resources on, or in the vicinity of, the proposed

project site. A search of the Native American Heritage Commission sacred lands database will also be conducted to determine if any Native American cultural resources are present on or in the vicinity of the proposed project site.

These issues will be discussed and supported with documentation. However, it is likely based on the information provided above and our work in the immediate area, that Cultural Resources will be scoped out in the IS/NOP.

Geology/Soils

This section will be prepared using any project-site specific geotechnical information that may be available from the Applicant as well as available geologic and/or soils maps, published literature, stereoscopic aerial photographs, and information, reports, and/or plans with information regarding geology and/or soils for the project site. Typically, for urban infill projects, enough data can be gathered such that a detailed geological study is not required, and further, standard construction techniques and the rigorous requirements of the Uniform Building Code, the California Building Code, and the City's Municipal Code provide enough protection to ensure that significant impacts do not result. Accordingly, these techniques and standards will be identified and discussed with respect to the proposed project, and additional mitigation measures, if required, will also be presented. Based on the information collected, soils and geologic conditions will be discussed, and potential impacts will be identified. These issues will be discussed and supported with documentation. Geology/Soils will likely be scoped out in the IS/NOP.

Greenhouse Gas Emissions

Greenhouse gas emissions (GHG) and climate change will be addressed using a methodology that Atkins has and is currently using on other projects of similar size and as we have done on other projects in the surrounding area. To accomplish this, Atkins will briefly describe global warming concepts, the science that supports these concepts, each of the greenhouse gases (GHG), and the project's participation (or lack of) in the formation of these gases. As the science of greenhouse gases is constantly changing, Atkins will briefly describe the current regulatory setting including California law AB 1493, AB 32, and Executive Order S-3-05, and will outline SCAQMD's current position on significance thresholds. We understand that the City is might officially adopt SCAQMD's September 2010 GHG efficiency standards. Atkins will prepare GHG analyses in accordance with these standards if they are adopted by the City.

Atkins then would model the project's net increase in greenhouse gas emissions based on the CalEEMod model. This would include an acknowledgement of the proposed project's contributions from mobile, energy (electricity and natural gas), and solid waste sources. Atkins would also include a discussion of the project's consistency with CAPCOA, CCAT, and Attorney General greenhouse gas emission reduction strategies and compliance with current City programs and policies that could either directly or indirectly reduce greenhouse gas emissions. Further, because of the interwoven nature of greenhouse gas analyses with the air quality, transportation, and utilities analyses of any project, Atkins would ensure that any measures (such as trip/VMT reduction strategies) accounted for in other chapters of the environmental document would be reflected in the GHG analysis of the project.

Additional guidance with respect to global warming (or climate change) has been published in a “white paper” by the Association of Environmental Professionals entitled “Alternative Approaches to Analyze Greenhouse Gas Emissions and Global Climate Change in CEQA Documents” (Final Draft, June 29, 2007), which was authored by Atkins’s Climate Change Expert, Michael Hendrix. Other useful guidance is also provided in “Greenhouse Gas Emissions and Climate Change: CEQA Catches up with Science, Celebrities, and Product Placement” (*California Land Use Law and Policy Reporter*, June 2007) and by the Intergovernmental Panel on Climate Change. The recently issued thresholds for Climate Change, set forth by the Office of Planning and Research, will be included in the environmental document. Greenhouse Gas Emissions will likely be scoped out in the IS/NOP.

Hazards/Hazardous Materials

Historic use of the project site for an office building could have resulted in the use, transport, or disposal of hazardous materials to the site. It is likely that these materials were limited to everyday cleaners and chemicals needed for cleaning and landscaping, however, potential impacts of the previous use will be assessed and summarized in the environmental document. Atkins will complete the task of having Environmental Data Resources, Inc. (EDR) run a hazardous materials database check to confirm potential hazards on the project site, as well as in the immediate area of the project site, that may affect the proposed project. If it is determined that this database check is not necessary, we can revise the budget included herein.

The environmental document will describe planned uses at the project site that could create hazards for future residents or occupants, such as those associated with the use, disposal, transportation, or potential upset of hazardous materials, including those typically used for commercial and/or restaurant cleaning. Federal, state, county, and City laws and regulations governing hazardous materials will be summarized. The environmental document will also evaluate the extent to which the project could impair or physically interfere with an adopted emergency response plan or emergency evacuation plan, or expose people or structures to a significant risk of loss, injury, or death involving wildland fires, the latter of which is highly unlikely and could likely be scoped out in the IS/NOP.

The subject property is located within close proximity of John Wayne Airport and it would therefore be required to address the CEQA threshold of the potential hazards associated with working within proximity of an airport. Hazards and Hazardous Materials will likely be scoped out in the IS/NOP.

Hydrology/Water Quality

Existing hydrologic conditions will be identified, including the extent and nature of the existing watershed, groundwater recharge, and supply, drainage conditions, and water quality. Surface water resources will be described for the project area. Existing and planned drainage and flood control facilities for the proposed residential complex will also be described. The 100- and 500-year floodplains within the project vicinity will be mapped, and any exposure of structures to the 100-year floodplain will be evaluated.

The potential increase in the rate of runoff as a result of the proposed project will be described and compared to pre-development conditions, although it is anticipated that the rate of runoff would remain reasonably constant given that the site is currently developed with an office building and will not be

substantially altered (with respect to the amount of impervious surfaces and/or the grade of the property interfacing with adjacent roadways) although the amount of landscaping (pervious surfaces) will be addressed. The EIR will analyze whether the proposed project would adversely alter the existing drainage pattern of the site, such that flooding, erosion, or other degraded water quality conditions would occur. As would be expected, impacts related to erosion are not considered likely, particularly assuming compliance with the requirements of the National Pollutant Discharge Elimination System (NPDES) program during construction activities.

The environmental analysis will address potential changes in surface water and groundwater quality as a result of site development. Atkins will discuss the applicability of relevant water quality regulations to reduce potential effects. These requirements would include, but would not be limited to, the Santa Ana Regional Water Quality Control Board NPDES permit requirements for construction and operational activities and the Clean Water Act Section 303(d) list of impaired waterbodies. In addition, either this section and/or the utilities/service systems section would determine whether the project would result in an exceedance of the capacity of any downstream storm drain facility, or result in runoff that exceeds the pre-developed condition.

The risk of inundation by seiches, mudflows, and tsunamis will also be addressed in the environmental document. The issues identified above will be discussed and supported with documentation in the EIR.

Land Use/Planning

The Land Use section of the EIR will describe the consistency of the proposed land use with the City's General Plan. As stated earlier, we understand that the proposed project would require a General Plan Amendment to change the land use designation from Industrial Park to High Density Residential, as well as a rezone to change the zoning from CL (which does not allow for residential development) to PDR-HD (Planned Development Residential – High Density). Both of these discretionary approvals would allow for a site-specific density of 56 dwelling units (du) per acre and a building height of 5.5 levels for a parking structure. Additionally, the proposed project would include a Master Plan/Design Review of the development, a subdivision map (as applicable), and action by the Airport Land Use Commission (ALUC) due to its close proximity to John Wayne Airport.

The land use section will describe existing land uses, intensities, and patterns in the vicinity of the project site and the compatibility of the proposed project with existing development. The EIR will evaluate any potential conflicts between the proposed development and surrounding uses. These conflicts could include a use that would create a nuisance for adjacent properties or result in incompatibility with surrounding land uses, such as difference in the physical scale of development, noise levels, traffic levels, or hours of operation. The EIR will evaluate the extent to which adopted City development standards or proposed design standards would eliminate or minimize potential conflicts between the proposed project and adjacent uses. The potential impacts of the above requirements will be discussed in the EIR.

Mineral Resources

The entire City of Costa Mesa is underlain by the Costa Mesa Oil Field. The California Department of Conservation, Division of Oil, Gas, and Geothermal Resources (DOGGR), has 109 oil and gas wells on record in the City of Costa Mesa. However, the proposed project site is currently developed with office

and parking uses and does not have an oil and gas well on-site. The environmental document will analyze the potential for the proposed project to result in the loss of availability of a known mineral resource or a locally important mineral resource recovery site. Potentially significant impacts are not anticipated, however, this issue will be included in the environmental document as per CEQA and the presence of gas and oil wells within the City. Mineral Resources will likely be scoped out in the IS/NOP.

Noise

Atkins will use the results of the noise study, to be provided by the Applicant team, for preparation of the Noise section of the EIR. Noise will likely be scoped out in the IS/NOP.

Population/Housing

The proposed project includes development of a new residential apartment complex and associated parking garage. The proposed project would not displace existing housing and would not divide an established community. However, the proposed project would increase the number of employees at the project site that could alter the population, employment, and housing characteristics for the area through a change in land uses and an increase in the number of jobs available on-site. The employment and housing characteristics of the city and region will be summarized and will be utilized to determine potential project impacts. Applicable General Plan policies regarding population, housing (including affordable housing), and employment opportunities will also be described and analyzed in the EIR.

Public Services

The EIR will address potential impacts of the project on police and fire department response capabilities and time. The EIR would also address proper site access and circulation, location and number of fire hydrants, and fire prevention devices and systems that would be installed. Since the residential population at the project site will increase, the EIR will also analyze the potential impacts of the proposed project on area schools, parks and other public facilities.

Recreation

The environmental document will document the existing parks, open space, and recreational resources in the proposed project area. Policies related to recreation and open space will be described, as applicable to the proposed project. The impacts of the proposed project (if any) on parks, open space, and recreational resources will be evaluated. Standards for the provision of such resources, as established in the General Plan and as provided for in the City's General Plan and in the Quimby Act, will be compared and evaluated. Recreation will likely be scoped out in the IS/NOP.

Transportation/Traffic

As indicated in the RFP, the Applicant team will produce a stand-alone traffic impact study that provides recommendations for the mitigation of project impacts, if any. The report will include the appropriate maps showing the study area(s), study intersections, and locations of the cumulative projects, diagrams showing peak hour turning movement volumes at the study intersections for each scenario, and trip distribution percentages. Analysis of on-site and off-site circulation, access, queuing, and parking will be included. All calculations will be provided. Atkins will summarize the results of the traffic impact study

into the IS/NOP. As per the RFP, the City does not anticipate Transportation/Traffic being part of the EIR, and therefore, this scope of work assumes this issue will be scoped out in the IS/NOP..

Utilities/Service Systems

Atkins does not anticipate needing any specific information from the City for preparation of this section, with the exception of coordination with the City's public works department. The analysis of wet utilities (sewer, water, and storm drain) will focus on the adequacy of existing City systems to accommodate the proposed project. In general, residential uses demand larger amounts of water, electricity and natural gas, and produce larger amounts of sewage, storm drain capacity, and solid waste production than standard office uses. As such, the addition of a residential use at the proposed project site will be analyzed for all utilities in the EIR. With respect to sewer, this section of the EIR will address whether the sewage generated by the project would exceed the wastewater treatment requirements of the Santa Ana Regional Water Quality Control Board. In addition, Atkins would also coordinate with the City to ensure that the wastewater treatment provider has adequate capacity to serve the proposed project's projected demand, in addition to the provider's existing commitments. Similarly, the EIR will address whether the wastewater generated by the project would require the expansion of existing wastewater treatment facilities or the construction of new wastewater treatment facilities. If inadequate wastewater treatment is identified, measures to provide adequate wastewater treatment will be identified.

In terms of storm drainage, this section of the EIR will address whether implementation of the proposed project would exceed the capacity of existing or planned stormwater drainage systems, either immediately downstream of the project site or at a potentially constrained confluence of storm drains further downstream. If inadequate storm drain capacity is identified, measures to eliminate impacts (such as the on-site detention, retention, and/or filtration) and/or upgrading the storm drain facilities will be identified. Water quality impacts would also be addressed in the EIR.

The EIR will provide a description of existing and future landfill capacity at the landfills that accept waste from the City of Costa Mesa and describe any regulations associated with State-mandated waste reduction requirements. The amount of solid waste that could be generated by the proposed project will be quantified based on factors developed in consultation with the City. Projected solid waste will be compared to existing and future landfill capacity to determine whether the changes in land use would substantially shorten the life of the landfill or necessitate expansion of the landfill.

Atkins will also contact the gas and electric providers for information concerning existing and planned energy infrastructure and sources that would serve the project site. This information will be summarized in the EIR. Based on factors provided by the service providers, the EIR will quantify estimated energy use for the proposed project.

Schedule

Atkins proposes the following schedule to complete an EIR within 31 weeks (or roughly within 7 months) of kick-off, as required by CEQA Guidelines Section 15108. According to the RFP, the project is likely to resume sometime between June and August 2013. Therefore, since a definitive kick-off date is not yet known, the following schedule has been defined in number of weeks. If a more aggressive schedule is desired, we would be happy to work with the City to determine how this could be accomplished. Atkins understands the importance of meeting the schedule outlined below and has confirmed technical staff availability to meet this schedule, assuming that adequate information regarding the project and a mutually acceptable scope of services is available when the City provides Atkins with a notice to proceed. Other factors that could lengthen or shorten the schedule include dates of receipt of project information, length of City review, and unanticipated issues arising from City staff or public review of the environmental documents.

Target dates:

- Kickoff Meeting.....By Week 1
- Completion of Air Quality and Noise ModelingBy Week 3
- Completion of review of Applicant-Prepared Technical Studies.....By Week 3

Initial Study/Notice of Preparation (IS/NOP) and Notice of Completion (NOC)

- Submittal of Administrative Draft IS/NOP and NOCBy Week 4
- Receipt of Comments on Administrative Draft IS/NOP and NOCBy Week 5
- Submittal of Screencheck Draft IS/NOP and Final IS/NOP and NOC.....By Week 6
- Publication of Final IS/NOP and NOC.....By Week 7
- 30-Day IS/NOP Public Review Period..... Week 7–Week 11
- Scoping Meeting on Draft EIR During 30-Day Public Review

Draft EIR and Notice of Completion (NOC)

- Submittal of First Screencheck Draft EIR and NOC By end of Week 13
- Receipt of Comments on First Screencheck Draft EIR and NOC.....By Week 15
- Submittal of Second Screencheck Draft EIR and Draft EIR and NOCBy Week 16
- Receipt of Comments on Second Screencheck Draft EIR and NOC.....By Week 17
- Submittal of Proofcheck Draft EIR and Draft EIR and NOCBy Week 18
- Publication of Draft EIR.....By Week 18
- 45-Day Draft EIR Public Review Period.....Week 18–Week 24
- Draft EIR Public Hearing During 45-Day Public Review

Final EIR and Notice of Determination (NOD)

- Submittal of First Screencheck Final EIR/MMRP and NODBy Week 26
- Receipt of Comments on First Screencheck Final EIR/MMRP and NOD By Week 28

- Submittal of Second Screencheck Final EIR/MMRP and NOD By Week 29
- Receipt of Comments on Second Screencheck Final EIR/MMRP and NOD.....By Week 30
- Submittal of Proofcheck Final EIR/MMRP and Final EIR and NOD.....By Week 31
- Publication of Final EIR/MMRPBy Week 31
- File NOD..... Within 5 days of certification of EIR
- Attend Planning Commission and City Council Hearings After Week 31

Project Meetings and Management

- Attend Project Meetings..... Ongoing
- Project Management and General Coordination..... Ongoing

The overall schedule for completion of the EIR will specifically depend on several factors, some of which are outside of Atkins’ control. In particular, the availability of City staff to review the revised project description, agree on the scope of the document, review the technical studies (traffic, air quality, and noise), and review the draft environmental document will be key factors. The schedule includes the following specific assumptions:

- Receipt of complete and accurate project data within two weeks of the project kick-off meeting
- Stable project description throughout the environmental review process
- Receipt of complete and accurate technical reports within the schedule identified above

Budget

Atkins has prepared a cost estimate that is competitive, yet accurately reflective of the level of effort required to complete the scope of services requested by the City based on our understanding of the project with the information made available to date. Atkins does not believe it is in the client's interest to submit an unrealistically low cost proposal, which is made possible by either reducing the scope of work or by assuming that budget augments will be made available at a later date. That said, we are flexible and willing to discuss ways to reduce our preliminary cost proposal, if necessary. For your convenience, we have provided a detailed cost proposal for preparation of an EIR as Attachment A, identifying labor costs by task, by person, and by hour, and we have also included our standard fee schedule as Attachment B. In an effort to keep costs at a minimum, we have only budgeted for printing final drafts of the Draft and Final EIRs; internal review drafts will be provided only in electronic format (WORD and PDF versions).

Factors that would increase the scope of work and estimated costs outlined in this proposal include, but are not necessarily limited to, any of the following:

- Attendance at additional meetings
- Printing of additional copies of reports
- Analysis of additional issues above those discussed in this proposal, or a more detailed level of analysis than described in this proposal
- Changes in the project requiring re-analysis or rewriting of report sections
- Collection of additional data

Our cost proposal is valid for 60 days from the date of this proposal and is based on all team members' standard hourly rates.

Attachment A Budget

**Attachment A
Proposed Budget for the Baker Apartments EIR**

TASK	HOURS					COST		TOTAL
	Project Manager	Deputy Project Manager	Technical Analyst	General Administration	Graphics	Subtotal: Hours	Subtotal: Dollars	
	Senior Group Manager	Project Manager	Environmental Planner I or II	Senior Administrative	Graphics			
	\$200.00	\$125.00	\$95.00	\$135.00	\$100.00			
LABOR COST (ENVIRONMENTAL IMPACT REPORT)								
1.0 Municipal Project Status Review								
1A Attend One Project Kick-Off Meeting	2	2				4	\$650	\$650
2.0 Conduct Preliminary Analyses								
2B Conduct Air Quality Modeling (includes modeling and analysis)	1	36				37	\$4,700	
2B Review Applicant-Prepared Technical Studies	1	4	8			13	\$1,460	
3.0 Prepare IS/NOP and Attend Scoping Meeting								
3A Prepare IS/NOP	4	8		4	2	18	\$2,540	
Project Description			8			8	\$760	
Aesthetics			2			2	\$190	
Agriculture/Forestry Resources			1			1	\$95	
Air Quality			2			2	\$190	
Biological Resources			4			4	\$380	
Cultural Resources			8			8	\$760	
Geology/Solts			8			8	\$760	
Greenhouse Gas Emissions			16			16	\$1,520	
Hazards/Hazardous Materials			8			8	\$760	
Hydrology/Water Quality			2			2	\$190	
Land Use/Planning			2			2	\$190	
Mineral Resources			1			1	\$95	
Noise			8			8	\$760	
Population & Housing			2			2	\$190	
Public Services			2			2	\$190	
Recreation			1			1	\$95	
Traffic/Transportation			16			16	\$1,520	
Utilities/Service Systems			2			2	\$190	
Mandatory Findings of Significance			1			1	\$95	
Screencheck Draft IS/NOP	2	8	16	2	1	29	\$3,290	
3B Attend One Scoping Meeting (Includes preparation for Scoping Meeting)	2	2				4	\$650	
4.0 Prepare First Screencheck Draft EIR* and Proofcheck Draft EIR								
4A Prepare First Screencheck Draft EIR* and Proofcheck Draft EIR	12			12	8	32	\$4,820	
Introduction		1	2			3	\$315	
Executive Summary		2	8			10	\$1,010	
Project Description		2	8			10	\$1,010	
Introduction to the Analysis		1	2			3	\$315	
Effects Not Found to Be Significant		2	4			6	\$630	
Aesthetics		2	16			18	\$1,770	
Air Quality (summarizing the results of Task 2A)		4	8			12	\$1,260	
Hydrology/Water Quality		4	16			20	\$2,020	
Land Use/Planning		2	16			18	\$1,770	
Population & Housing		2	16			18	\$1,770	
Public Services		2	24			26	\$2,530	
Utilities/Service Systems		2	28			30	\$2,910	
Alternatives (assumes three alternatives)		6	36			42	\$4,170	
Growth-Inducing Impacts/Cumulative Impacts		2	4			6	\$630	
EIR Preparers/References		1	2			3	\$315	
Prepare Second Screencheck Draft EIR & Proofcheck Draft EIR	6	12	32	6	4	60	\$6,950	
5.0 Prepare Public Review Draft EIR and Attend Public Meeting on Draft EIR								
5A Prepare Public Review Draft EIR	2	6	8	4		20	\$2,450	
5B Attend Public Meeting on Draft EIR (1)	4	4				8	\$1,300	
6.0 Prepare First Screencheck Final EIR** Proofcheck Final EIR, & MMRP								
6A Prepare First Screencheck Final EIR** Proofcheck Final EIR, & MMRP	2	16	16	6	2	42	\$4,930	
7.0 Prepare Final EIR for Public Review, Attend Certification Hearings, and File NOD								
7A Prepare Final EIR for Public Review	1	2	6	3		12	\$1,425	
7B Attend Planning Commission (1) and City Council (1) Hearings and File NOD	4	4				8	\$1,300	
8.0 Attend Additional Project Meetings								
8A Attend Additional Project Meetings (2)	4	4				8	\$1,300	
9.0 Project Management and General Coordination								
9A Project Management and General Coordination	8	22				30	\$4,350	
10.0 Prepare Certification Documents								
10A Prepare Certification Documents		4				4	\$500	
Total Hours	55	169	370	37	17	648		
TOTAL EIR LABOR	\$11,000	\$21,125	\$35,150	\$4,995	\$1,700		\$73,970	\$73,970

**Attachment A
Proposed Budget for the Baker Apartments EIR**

	HOURS					COST	
	Project Manager	Deputy Project Manager	Technical Analyst	General Administration	Graphics	Total: Hours	Total: Dollars
	Senior Group Manager	Project Manager	Environmental Planner I or II	Senior Administrative	Graphics		
DIRECT COSTS/EXPENSES							
<i>Estimated Direct Costs/Expenses</i>							
Reproduction							
21 printed copies of the Final IS/NOP at a maximum of \$30/copy							\$630
21 printed copies of the Draft EIR at a maximum of \$50/copy							\$1,050
16 printed copies of the Final EIR at a maximum of \$60/copy							\$960
Miscellaneous reproduction (Executive Summary, Certification Documents, NOCs, NODs, CDs, Hearing materials, etc.)							\$200
Filing Fees (County Clerk = \$75.00 (NOC) & \$75.00 (NOD) and CDFG (if not exempt) = \$2,995.25)							\$3,145.25
Mileage							\$500
Delivery/Postage - Includes Certified Mailings (ESTIMATED)							\$1,500
<i>Subtotal Direct Costs</i>							\$7,985
Administrative Fee (10% of direct costs)							\$798.53
TOTAL DIRECT COSTS/EXPENSES							\$8,783.78
<i>Estimated Subconsultant & Vendor Costs/Expenses</i>							
CNDDb Biological Resources Database Check							\$500
SCCIC Cultural Resources Records Check							\$2,000
EDR Hazards Database Check							\$250
<i>Subtotal Subconsultants</i>							\$2,750
Administrative Fee (10% of subconsultants/vendors)							\$275.00
TOTAL SUBCONSULTANT & VENDOR COSTS/EXPENSES							\$3,025.00
TOTAL EIR BUDGET							\$85,778.78
TOTAL EIR BUDGET WITH 5% CONTINGENCY FEE							\$90,067.71

* The budget proposed for preparation of the First Screencheck Draft EIR assumes that the CEQA issue areas presented above will be the only ones fully analyzed as part of the EIR. If any additional or other CEQA issue areas are required to be studied in the EIR, an amendment to the proposed budget may be requested.

** The First Screencheck Final focused EIR budget is based on receiving no more than 100 comments (not comment letters) on the Draft Focused EIR. Responding to additional comments would require an amendment to the proposed budget.

Attachment B Fee Schedule

ATKINS

SCIENCES & PLANNING – CALIFORNIA AND SOUTHWEST HOURLY BILLING RATES AND JOB CLASSIFICATIONS

Sr Division Manager/ Principal Technical Professional	\$190–\$300/hour
Sr Group Manager/Project Director/ Sr Planner IV/ Sr Scientist IV/ Sr Engineer IV	\$175–\$300/hour
Group Manager/ Sr Project Manager III/ Sr Planner III/ Sr Scientist III/Sr Engineer III	\$140–\$200/hour
Project Manager/ Sr Planner II/ Sr Scientist II/Sr Engineer II/ Sr GIS Analyst II	\$120–\$170/hour
Associate Project Manager /Sr Planner I/Sr Scientist I/ Sr Engineer I/Sr GIS Analyst I	\$95–\$135/hour
Planner II/ Scientist II/Engineer II	\$85–\$120/hour
Planner I/ Scientist I/Engineer I	\$65–\$100/hour
Sr Administrator/Operations Coordinator/Administrative Coordinator	\$90–\$135/hour
Sr Word Processor/Regional Graphics Specialist/Sr Program Assistant	\$75–\$110/hour
Word Processor	\$65–\$100/hour
Field Technician II	\$55–\$90/hour
Planner Intern/Scientist Intern/Field Technician I/Technical Aide/Administrative	\$45–\$75/hour
Mileage	\$0.56/mile

In addition, identifiable, non-salary costs that are directly attributable to the project (i.e., travel, meals, lodging, auto rentals, printing and copies, graphic materials, phone charges, equipment and specialized computer charges, etc.) and subcontractor fees include a 15% administration charge to cover overhead and administration.

1. This schedule is effective until April 1, 2014, and is subject to annual and/or periodic revisions thereafter, as necessary to accommodate inflationary trends, salary adjustments, and the general costs of business.
2. Invoices will be submitted by Consultant monthly. Client will notify Consultant, in writing, of any objections to an invoice within ten (10) days of the date of invoice. Otherwise, the invoice shall be deemed acceptable by the Client. Amounts indicated on invoices are due and payable immediately upon receipt.
3. A late payment finance charge at a rate of 18% per annum (or the maximum amount allowed per law if lower) will be applied to any unpaid balance commencing 30 days after the date of the original invoice.
4. Fees for litigation and expert witness services will be charged at \$450.00 per hour with a 4-hour minimum per day.

EXHIBIT C

PROJECT SCHEDULE

Work shall commence from June 7, 2013 through January 7, 2014. Work activity may be completed prior to the end of the contract period.

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 Chief Executive Officer, 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.