

**CITY OF COSTA MESA
PROFESSIONAL SERVICES AGREEMENT**

THIS AGREEMENT is made and entered into this 1st day of November, 2014 ("Effective Date"), by and between the CITY OF COSTA MESA, a municipal corporation ("City"), and LSA Associates, Inc., a California Corporation ("Consultant"), and Ganahl Construction Corporation, a California Corporation ("Applicant").

WITNESSETH:

A. WHEREAS, City proposes to utilize the services of Consultant as an independent contractor to prepare an Initial Studies/Mitigated Negative Declaration as well as consultation for the Ganahl Lumber Expansion Project as more fully described as Exhibit "A"; and

B. WHEREAS, Consultant represents that it has that degree of specialized expertise contemplated within California Government Code Section 37103, and holds all necessary licenses to practice and perform the services herein contemplated; and

C. WHEREAS, City and Consultant desire to contract for the specific services described in Exhibit "A" (the "Project") and desire to set forth their rights, duties and liabilities in connection with the services to be performed; and

D. WHEREAS, no official or employee of City has a financial interest, within the provisions of Sections 1090-1092 of the California Government Code, 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 the City's Request for Proposal ("RFP"), attached hereto as Exhibit "A," and Consultant's Response to City's RFP (the "Response") attached hereto as Exhibit "B," both incorporated herein by this reference. Reference 1100 Bristol Street, Costa Mesa, CA (PA-14-40).

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. 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's Chief Executive Officer ("City CEO") or his 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. Consultant shall be paid in accordance with the fee schedule set forth in Exhibit "C," attached hereto and made a part of this Agreement (the "Fee Schedule"). Consultant's total compensation shall not exceed Forty Five Thousand Dollars Six Hundred and Ninty One Dollars (\$45,691.00).

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 the City 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. 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.

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 twelve (12) months, ending on November 30, 2015, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties.

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 based on 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. The certificates of insurance shall be attached hereto as Exhibit "D" and incorporated herein by this reference.

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

6.0. GENERAL PROVISIONS

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

6.2. Representatives. The City CEO 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:

LSA Associates, Inc.
20 Executive Park, Suite 200
Irvine, CA 92614

Tel: (949) 553-0666
Fax: (949) 553-8076

Attn: Les Card

IF TO CITY:

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626

Tel: (714) 754-5611
Fax: (714) 754-4856
Email: Mel.lee@
costamesaca.gov

Attn: Mel Lee

IF TO APPLICANT:

Ganahl Construction
1275 Bristol Street
Costa Mesa, CA 92626

Tel: (714) 292-7426
Fax: (714) 545-4261
Email: mikeshumaker@
ganahl.com

Attn: Mike Shumaker

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 "E" 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 this Agreement and 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, pursuant to this Agreement 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

REDACTED

Chief Executive Officer

Date: 11/18/14

CONSULTANT

REDACTED

Signature

Les Card, CEO/Chairman

Name and Title

REDACTED

Social Security or Taxpayer ID Number

Date: 11/13/14

REDACTED

APPLICANT

REDACTED

Signature

Michael Shumaker GM

Name and Title

REDACTED

Social Security or Taxpayer ID Number

Date: 11-7-14

APPROVED AS TO FORM:

REDACTED

Date: 11/17/14

City Attorney
APPROVED AS TO INSURANCE:

REDACTED

Date: 11/14/14

Risk Management

APPROVED AS TO CONTENT:

REDACTED

Date: 11/14/14

Project Manager

DEPARTMENT HEAD APPROVAL

REDACTED

Date: 11-14-14

Gary Armstrong, Development Services Director

EXHIBIT A
REQUEST FOR PROPOSALS

DEADLINE:
October 6, 2014 by 5:00 PM

REQUEST FOR PROPOSAL

PREPARATION OF INITIAL STUDY/MITIGATED NEGATIVE DECLARATION (IS/MND) AND PEER REVIEW OF ASSOCIATED ENVIRONMENTAL STUDIES FOR THE GANAHL LUMBER EXPANSION PROJECT

RFP# 1176

September 25, 2014

DISTRIBUTION

Environmental Consultant Contact List

Dear Proposers:

The City of Costa Mesa (hereinafter referred to as the "City") is requesting proposals from a qualified private firm, to establish a contract for environmental services. The term is expected to be from November 3, 2014 to November 3, 2015 (one year). Longer initial and extended terms will be considered depending upon the Proposer's submission.

1. BACKGROUND

The City of Costa Mesa is a general law city, which operates under the council/manager form of government with a General Fund budget of over \$98 million and a total of over \$109 million of fiscal year 2012-2013.

2. PROJECT SITE

The project site address is 1100 Bristol Street. The site is approximately 5.9 acres in size and is roughly triangular in shape. It is bounded by Bristol Street to the west, the 55 Freeway (Caltrans right-of-way) to the north, the 73 Freeway (Caltrans right-of-way) to the east, and the existing Ganahl Lumber site to the south. The property is zoned C1 (Local Business District) and has a General Plan Land Use Designation of General Commercial. The site is currently vacant. A vicinity map is attached to this RFP for reference.

3. PROJECT DESCRIPTION

The Proposed Project would include the construction of a new lumberyard and store for the Ganahl Lumber Company. The existing Costa Mesa Ganahl Lumber store is located on an adjacent property to the south. The new store would replace the existing store with a state-of-the-

art building materials facility. The new facility would include one main building and three sheds: Building A, B Shed, Mill Shed, and Pole Shed. Total square footage and features for these structures is listed in Table 2.2-1.

Structure	Gross Building Square Feet (SF)
Building A:	
• Main Store Sales	
• Doors and Windows	
• Sales Offices/Counters	
• Mezzanine	68,712 SF
• Control Room	
• Will-Call Storage (storage/operations offices)	
B Shed	31,775 SF
Mill Shed	4,191 SF
Pole Shed	7,006 SF
TOTAL BUILDING A AND SHEDS	111,684 SF
SITE SF TOTAL	287,566 SF

Building A would include a covered roof deck for additional parking with a solar photovoltaic (PV) system. The covered roof deck would provide natural ventilation and shade the building to provide cost savings in energy use. In addition, wind turbines may be added to provide an alternative energy source. A ramp on the north side of building A would provide access to the roof deck. The roof deck area square footage is as follows:

Building A Roof Area:	
• Roof Deck Slab Area	
• Covered Roof Deck (Solar)	58,033 SF
• Covered Roof Deck (Solar)	35,586 SF
• Structural	34,435 SF
	2,567 SF
• Covered Ground Area at Entry	
Total Building A Roof Deck	60,522 SF

The project would utilize additional energy and resource saving features through its rainwater run-off system, HVAC system, power consumption, permeable paving, and other design features on site. Runoff from roofs and paving would be directed into planting and aboveground cisterns. Native and drought tolerant plants would be used.

A. Operations

Operation of the new store and lumberyard would be similar to the existing store. The Proposed Project would operate under a 21 year lease term with six additional seven-year extension terms from the County of Orange.

B. Project Timing

The Proposed Project would start construction in fall 2014 and would take approximately 12 months. The existing store would remain open during construction. Once construction of the new Ganahl Lumber store is complete, the existing store would close permanently.

C. Regulatory Requirements, Permits, and Approvals

The City of Costa Mesa is the primary approval authority and the CEQA Lead Agency for the Proposed Project. Because the Proposed Project is located on property owned by the County of Orange, the County of Orange would serve as a Responsible Agency. Additional subsequent approvals and other permits may be required from other local, regional, state, and federal agencies. Permits required for the Proposed Project include, but are not limited to, the following:

City of Costa Mesa

- ◆ Conditional use permit & design review
- ◆ Possible variance from building height
- ◆ Grading permit
- ◆ Building permit
- ◆ Fire Department permit

Orange County Flood Control District

- ◆ Lease agreement

California Department of Transportation (Caltrans)

- ◆ Encroachment permit

Regional Water Quality Control Board

- ◆ National Pollution Discharge Elimination System (NPDES) General Construction Stormwater Permit or Waiver (for construction)

A conceptual plan is attached to this RFP for reference.

4. SCOPE OF WORK

Preparation of Initial Study/Mitigated Negative Declaration (IS/MND)

The work activity includes preparation of an Initial Study/Mitigated Negative Declaration. The environmental consultant shall also prepare responses to comments on the environmental document and attend public hearings.

Peer Review of Environmental Studies

The developer has retained technical consultants to prepare environmental studies and has also retained a firm (ECORP) to prepare an Initial Study/Mitigated Negative Declaration (IS/MND) for the project. The City will be selecting a separate firm to perform a peer review of the environmental documents prepared by the developer's consultants.

The following technical studies have been completed and will be provided to the selected firm for review and analysis:

- Biological
- Cultural
- Air Quality and Greenhouse Gas
- Geotechnical
- Noise
- Traffic
- Phase I Environmental Site Assessment

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—PROJECT DESCRIPTION

Consultant will work with City staff and the applicants to prepare a project description that will articulate the proposed development activity, required discretionary approvals, and any other pertinent information. Information provided by the applicants will be the basis for the project description.

Deliverable

Project Description

TASK 3—PREPARE 1st AND 2nd SCREENCHECK IS/MND

Consultant will prepare the environmental impact evaluation for the Screencheck IS/MND. City staff will not prepare any IS/MND sections but will provide to the Consultant any required information to complete the analysis. If staff comments are extensive, a 2nd screencheck IS/MND submittal may need to be provided. A 2nd screencheck document and review cycle should be budgeted in the case it is needed.

Consultant will prepare all required CEQA forms including Notice of Intent, 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 IS/MND. Consultant will finalize and distribute the IS/MND by certified mail to all responsible, trustee, and interested agencies, community groups, and individuals.

Deliverable

- Screencheck IS/MND
- Notice of Intent
- Distribution List
- Notice to Native American Indians (Consultation)

TASK 4—PREPARE PROOFCHECK DRAFT IS/MND

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

Deliverable

Proofcheck IS/MND

TASK 5—CIRCULATION OF DRAFT IS/MND

The proofcheck document with any revisions requested by City staff will serve as the Draft IS/MND. Consultant will prepare and distribute copies of the draft IS/MND 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 IS/MND
And CEQA Notices

TASK 6 —PREPARE RESPONSES TO COMMENTS

Although not required by CEQA, the City's policy is to provide a thorough Responses to Comments document for the IS/MND. The Responses to Comments document is expected to be

very detailed and comprehensive. Upon receipt of written comments on the Draft IS/MND 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 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.

Deliverable

Responses to Comments

TASK 7 -- MEETING ATTENDANCE AS NEEDED

In addition to the kick-off meeting, the proposal should budget for the following public meetings:

- Planning Commission public hearing (one meeting for certain; two meetings possibly)
- City Council public hearing (one meeting if Planning Commission decision is appealed to City Council)

5. BUDGET

All Proposers are required to submit a budget with their proposal. The budget should be clearly defined to ensure fees proposed can be compared and evaluated. Proposals shall be valid for a minimum of 180 days following submission.

6. TENTATIVE PROJECT SCHEDULE (SUBJECT TO CHANGE)

(Approx. 16 Weeks From Date of Kick-Off Meeting)

Proposals Due to the City Clerk's Office	Monday, October 6, 2014
Consultant Selection	By Monday, October 13, 2014
Execution of PSA (City Council Approval May be Required)	By Wednesday, November 5, 2014
Kick-Off Meeting	Monday, November 10, 2014
Peer Review of IS/MND Due to City for Review	Monday, December 15, 2014
Screen check Draft Due to City for Review	Monday, December 15, 2014
Completed IS/MND Sections due	Monday, December 29, 2014
Public Notice and Review Period (30 Days Min.)	January to February, 2015
Responses to Comments Received	Mid February, 2015
Public Hearing(s)	Late February/Early March, 2015

7. DEADLINE

Five hardcopies copies and one electronic (CD) copy of your scope of work and budget (submitted separately) for this work activity must be received at the Costa Mesa City Clerk's Office by **October 6, 2014 at 5:00 PM.** Postmarks will not be accepted.

8. MISCELLANEOUS TOPICS

CEQA documents in the City of Costa Mesa are detailed, public disclosure documents that may oftentimes go above and beyond the minimum requirements of the law. Consultants may sometimes underestimate the budget without understanding the community's high expectations of the contents of an IS/MND. The consultant should keep the following in mind:

- Please exercise some degree of latitude with estimating a realistic project budget that fully realizes the challenges of delivering the peer review of the IS/MND that will be highly scrutinized.
- Please try to avoid proposing an unrealistic, skeleton budget that may invariably need to be amended later through contract change orders.
- Please be sure to include reimbursables, printing budget, and any other costs associated with this project. (All documents will be printed by Consultant.)
- Please include a 2% contingency in the overall budget. The proposed budget should fully anticipate any unusual work activity associated with detailed Responses to Comments, multiple meeting attendance, etc. that would require funding.

9. CONSULTANT INSURANCE REQUIREMENTS

The City's insurance requirements are described below. Consultant shall modify the insurance certificate within 14 working days of being awarded the contract. Consultant shall obtain and maintain during the life of this Agreement all of the following insurance coverages:

- (a) Comprehensive general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate.
- (b) 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 and aggregate.
- (c) Workers' compensation insurance as required by the State of California.
- (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. 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.

The comprehensive general liability insurance 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, agents, and employees are additional insureds with respect to this subject project and contract with City."

(b) Notice: "Said policy shall not terminate, nor shall it be cancelled, nor the coverage reduced, until thirty (30) days after written notice is given to City."

(c) Other insurance: "Any other insurance maintained by the City of Costa Mesa shall be excess and not contributing with the insurance provided by this policy."

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.

CONTACT:

Mel Lee, AICP
Senior Planner
City of Costa Mesa
77 Fair Drive, Costa Mesa, 92628
Ph. (714) 754-5611 Fax. (714) 754-4856
mel.lee@costamesaca.gov

**EXHIBIT B
CONSULTANT'S PROPOSAL
REFERENCE 1100 BRISTOL STREET, COSTA MESA, CA (PA-14-40)**



LSA ASSOCIATES, INC.
20 EXECUTIVE PARK, SUITE 200 IRVINE, CALIFORNIA 92614 949.553.0666 TEL 949.553.8076 FAX

BERKELEY
CARLSBAD
RIVERSIDE

FRESNO
PALM SPRINGS
POINT RICHMOND

ROCKLIN
SAN LUIS OBISPO
IRVINE

October 17, 2014

Mr. Mel Lee, AICP
Senior Planner
City of Costa Mesa
77 Fair Drive
Costa Mesa, California 92628

Subject: Revised Cost Proposal to Provide Initial Study/Mitigated Negative Declaration (IS/MND) and Peer Review of Associated Environmental Studies for the Ganahl Lumber Expansion Project (RFP No. 1176)

Dear Mr. Lee:

LSA Associates, Inc. (LSA) is in receipt of your letter dated October 9, 2014, regarding Request for Proposal (RFP) No. 1176. Based upon the City's clarification regarding the scope of work and our review of the IS/MND prepared by the developer's consultant and the related environmental studies provided by the City, LSA has refined the cost proposal and schedule submitted to the City on October 6, 2014 to reflect that a significant amount of the material in the IS/MND prepared by the developer's consultant could be incorporated into the IS/MND prepared by LSA.

As shown in the attached budget spreadsheet, LSA now proposes to complete the IS/MND for an amount not to exceed \$44,651, an overall savings of \$13,861 compared to our previous cost proposal. This revised cost proposal reflects cost savings related to several specific tasks, including preparation of the project description and peer review of the Air Quality and Greenhouse Gas Analysis, Geotechnical Report, and Phase I Environmental Site Assessment prepared for the project; however, most of the anticipated savings would be associated with the preparation of the IS/MND itself. All other tasks previously outlined in our proposal remain applicable.

In addition, because most of the IS/MND preparation effort will now consist of a review and confirmation of the analysis completed by the developer's consultant, LSA believes the project schedule could be compressed by approximately two weeks and could likely be completed within the City's desired four month time frame. As illustrated in the attached project schedule, LSA proposes to complete the scope of work and have the Final IS/MND ready for consideration by the City's Planning Commissions by early March 2015, as requested by the City.

LSA ASSOCIATES, INC.

LSA remains ready to serve the City of Costa Mesa and welcomes the opportunity to discuss its strategy and the details of this scope of work. If you have any questions regarding this revised scope and budget, please contact the Project Manager, Ryan Bensley, at ryan.bensley@lsa-assoc.com or (949) 553-0666.

Sincerely,

LSA ASSOCIATES, INC.

REDACTED

Ashley Davis, Principal
20 Executive Park, Suite 200
Irvine, California 92614

Attachments: Revised Budget Spreadsheet
Revised Project Schedule



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FIRM QUALIFICATIONS

LSA Associates, Inc. (LSA) is pleased to submit this proposal at the request of the City of Costa Mesa (City) for an Initial Study/Mitigated Negative Declaration (IS/MND) for the proposed Ganahl Lumber Expansion Project (proposed project) located at 1100 Bristol Street, which includes the construction of a new 111,684-square-foot (sf) store facility and lumberyard.

LSA is a diversified environmental, transportation, and community planning firm that has evolved from a small firm of a few biologists, archaeologists, and environmental analysts to a full-service environmental consulting firm with nine offices in California. Environmental planning has been the cornerstone of LSA's professional services and continues to be one of the firm's key practice areas. LSA's environmental staff includes expert practitioners of the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA), and the company has prepared thousands of Negative Declarations (NDs), Environmental Impact Reports (EIRs), and Environmental Impact Statements (EISs). The processing of CEQA documents is the core service provided by LSA. LSA's environmental planners offer a deep knowledge and understanding of science and regulations, solid problem-solving skills, and well-rounded solutions. LSA is essentially a one-stop shop and provides expertise and knowledge in the following disciplines: environmental analysis, transportation planning and engineering, biology, wetlands, habitat restoration, natural resource management, water quality, global climate change, geographic information systems (GIS), community and land planning, cultural and paleontological resources, and air quality and noise impact assessments.

RELEVANT PROJECT EXPERIENCE

Senior Residential Apartments, Costa Mesa, CA
Client: City of Costa Mesa

LSA prepared the IS/MND for a 230-unit Senior Residential Community located on a 7.55-acre (ac) site in the City of Costa Mesa. The proposed project included 230 senior housing units, 258 parking spaces, related infrastructure, and recreational amenities. Discretionary actions associated with the project included a rezone of the site from C-1S (Shopping Center) and C2 (General Business) to PDC (Planned Development Commercial), as well as a Master Plan for the new development and a variance request to identify private outdoor patios/balconies as exempt from the City's Noise Ordinance. Primary environmental issues of concern included geotechnical/soils analysis, noise, and aesthetics/visual impacts due to the project being immediately adjacent to existing residential uses. The City Council adopted the IS/MND and approved the project in November of 2010.

The Packing House Project, Orange, CA
Client: LP3 Architects

LSA was responsible for preparation of an IS/MND for a proposed adaptive reuse project located at 426 Almond Avenue in Orange. The proposed project includes the demolition of vacant industrial buildings, conversion of an existing historic Packing House and Precooling Plant to office and artist studio/loft uses and storage space, construction of two new three-story apartment buildings, the conversion of an existing historic commercial office building to retail use, and associated parking. The existing Packing House is located immediately adjacent to BNSF railroad right-of-way, and in some areas





**Proposal for the IS/MND and Peer Review of Technical Studies
for the Ganahl Lumber Expansion Project**



actually extends into the railroad right-of-way. As part of the environmental review process, LSA prepared technical analyses for traffic, air quality, noise, greenhouse gases, cultural resources, and historic resources. The IS/MND is anticipated to be circulated in late 2014.

***South Shores Church Master Plan EIR, Dana Point, CA
Client: City of Dana Point***

LSA is currently contracted with the City of Dana Point to prepare an EIR addressing the potential environmental impacts associated with the construction and operation of the South Shores Church Master Plan. The project proposes to demolish the existing preschool, administration and fellowship hall, chapel, and parking lot, and construct approximately 70,284 sf of new building space, including a new administration building, two Christian education buildings, and a community life center as well as a two-level partially subterranean parking structure. The project is an expansion of the existing Church facilities and is located along a scenic view corridor and adjacent to open space, residential, and recreational uses. In support of the EIR, LSA is also preparing the technical studies, which include traffic, air quality, noise, cultural, and biological reports.

***California State University Long Beach (CSULB) Foundation Retail Project, Long Beach, CA
Client: City of Long Beach***

LSA is currently preparing an EIR and traffic analysis for a proposed commercial project located on a site that is part of the CSULB Foundation's Regional Technology Center (the Technology Park) in Long Beach. The proposed project includes development of an approximately 125,000 sf commercial retail building on a 9.88 ac site with a total of 486 on-site parking spaces in surface parking lots. Primary issues of concern to be addressed in the EIR will include traffic and circulation (including truck traffic), land use, air quality, climate change, and noise impacts. The traffic analysis evaluated the project's impact on the circulation system. Levels of service (LOS) were evaluated based on the City's criteria as well as California Department of Transportation (Caltrans) criteria along Pacific Coast Highway. Access alternatives were evaluated based on traffic control options at the project driveways.

***Spieker Continuing Care Retirement Community (CCRC) Specific Plan, San Juan Capistrano, CA
Client: City of San Juan Capistrano***

LSA is currently preparing the EIR for the Spieker CCRC Specific Plan project. The Spieker CCRC Specific Plan proposes to change the General Plan land use designation of an approximately 35 ac project site from Agri-Business to Specific Plan/Precise Plan (SP/PP), and to rezone the entire project site from Agri-Business to SP/PP District. The proposed project includes the development of 407 independent living units and a Health Care Center that includes skilled nursing and assisted living facilities. The proposed independent living units would be licensed as a CCRC through the State of California Department of Social Services (DSS) Continuing Care Contracts Branch as a Residential Care Facility for the Elderly (RCFE). The proposed Health Care Center would be licensed to provide assisted living and special care (dementia services) as an RCFE by the DSS and licensed to provide skilled nursing by the California Department of Public Health.

Key environmental issues analyzed as part of the Draft EIR included the loss of State-designated Unique Farmland, approval of the requested General Plan Amendment and zone change, and visual and traffic





impacts. As part of the Draft EIR, LSA developed appropriate standard conditions of approval, project design features, and mitigation measures to ensure the project’s effects were reduced to below a level of significance.

United Methodist Church Project, Garden Grove, CA
Client: Jamboree Housing Corporation

LSA prepared the IS/MND for a mixed-use development comprised of 47 affordable housing units, 2,975 sf of leasing office commercial space, and a new Head Start preschool facility on a 5.2 ac site in the City of Garden Grove. Discretionary actions associated with the project included the rezoning of a 0.51 ac vacant parcel on the project site from Community Center Specific Plan-Civic Center Residential-20 Area 20 (CCSP-CCR20) to Civic Center Core (CC-3) as well as a General Plan Amendment (GPA) for the 0.51 ac vacant parcel from Medium Density Residential (MDR) to Civic Center Mixed Use (CC). In addition, a variance to allow the project to provide fewer parking spaces than required by the City’s parking requirements and a Conditional Use Permit to allow shared parking on the site were required for project approval. Primary environmental issues of concern included traffic/transportation as well as the provision of adequate parking for the project. The IS/MND will be circulated in late 2014.

KEY STAFF

The key staff members who would contribute to preparation of the environmental document are listed below. Each of these individuals has extensive experience preparing environmental documents in accordance with CEQA requirements and the State CEQA Guidelines. Through submission of this proposal, LSA guarantees that the key team members and, most importantly, Principal in Charge Ashley Davis and Project Manager Ryan Bensley will remain assigned to this project for the duration of the contract. Ongoing, frequent communication between the Project Manager and the City serves as the primary vehicle for identifying emerging project issues and identifies solutions early to minimize schedule impacts. LSA staff will be available and easily accessible to the City for meetings and conference calls as required.

Ashley Davis, Principal in Charge, LSA

Ms. Davis will have contract oversight for the project and will be responsible for ensuring contract compliance and implementation of LSA’s quality control program. As a Principal at LSA, Ms. Davis’ responsibilities include managing and preparing EIRs, ISs, MNDs, Specific Plans, and land planning documents. She brings over 17 years of experience to this project and will be providing quality assurance/quality control (QA/QC) of the contract. Ms. Davis has managed and assisted in the preparation of planning documents and environmental analysis for a variety of projects, including the Senior Residential Community Project and the Pacific Medical Office Project, both of which are in Costa Mesa.





Ryan Bensley, Project Manager, LSA



As a Senior Environmental Planner at LSA, Mr. Bensley is responsible for project oversight and the preparation of environmental documents for a variety of land development and capital improvement projects. His primary responsibilities include coordinating and conducting research and analysis for environmental documents prepared in compliance with CEQA requirements, including EIRs, EISs, Environmental Assessments (EAs), Initial Studies, Negative Declarations, and other land use planning documents. Mr. Bensley has more than 10 years of planning experience and is knowledgeable in various planning and environmental regulations related to the development and entitlement processes, including but not limited to general plans, specific plans, local zoning ordinances, the California Coastal Act, and the Subdivision Map Act. Mr. Bensley also has considerable experience delivering public presentations and conducting community workshops for complex and controversial planning projects throughout California. Mr. Bensley’s strong communication skills, attention for detail, proven ability to work under pressure on highly scrutinized projects, and extensive experience with community issues surrounding high-profile redevelopment projects make him particularly well suited to lead the environmental planning team. Mr. Bensley will serve the City as Project Manager and will be the main point of contact.

Alyssa Helper, Assistant Project Manager, LSA

Ms. Helper will assist with the project management duties and provide support to Mr. Bensley. Ms. Helper’s responsibilities include project oversight and the preparation of environmental documents for a variety of land development, redevelopment, institutional, and capital improvement projects. Her recent projects include the Spieker Continuing Care Retirement Community EIR, the Packing House Mixed-Use Project, and the 34202 Del Obispo Street EIR.



TASK MANAGERS

The following key staff will serve as Task Managers responsible for conducting review and analysis of the completed technical studies.

Dr. Tony Chung, Air Quality/Noise Peer Review, LSA



Dr. Chung has performed more than 950 CEQA/NEPA-related and stand-alone noise studies for community and transportation noise analyses, including field measurement, modeling, and data analysis. Typical noise analysis includes construction, vehicular traffic, and long-term stationary source operations. Dr. Chung has performed nearly 100 acoustical analyses on building interior sound and vibration isolation for apartment complexes, hospitals, office buildings, performing arts centers, schools, and more throughout the United States. Dr. Chung has also performed more than 750 air quality studies for projects such as transportation facilities, landfills, and office buildings.





Ron Brugger, Greenhouse Gas Peer Review, LSA



Mr. Brugger is a Senior Air Quality Specialist at LSA with over 23 years of experience in air emission modeling, human health risk assessment, noise modeling, regulatory analysis, and permitting and landfill gas modeling. Mr. Brugger is proficient in using AERMOD, ISCST3, HARP, SCREEN3, CALEEMOD, EMFAC2011, URBEMIS, and CALINE4 computer models. Mr. Brugger has conducted many quantitative health risk assessments of project emissions of toxic air contaminants and the health risks to nearby residents and other sensitive receptors. Mr. Brugger is leading the way in developing techniques to analyze greenhouse gas (GHG) emissions from individual projects and their effect on climate change, and is working with cities and counties throughout California to develop legally defensible studies. He will assist with the GHG peer review.

Deborah McLean, Cultural Resources Peer Review, LSA

Ms. McLean is the Principal for the LSA Irvine Cultural and Paleontological Group. She is responsible for coordinating and directing archaeological projects in compliance with NEPA, CEQA, and the National Historic Preservation Act (NHPA) Section 106. Ms. McLean provides oversight and review of cultural and paleontological documents and also oversees laboratory operations and prepares technical reports. She will provide a peer review of cultural resources.



Blake Selna, Biological Resources Peer Review, LSA



As a biologist for LSA since 2000, Mr. Selna has gained extensive experience as a biologist and arborist. His broad-based experience includes the design and implementation of habitat restoration and mitigation plans, evaluating habitat for local plants and animals, and identifying potential improvement of the habitat through restoration/mitigation options. Mr. Selna has developed specific skills in habitat mapping, vegetation classification, wildlife surveys, focused and floristic-level plant surveys, wildlife monitoring, arborist evaluations, plant and tree salvage/transplantation plans, construction monitoring, wetland/waters delineation, regulatory permitting, and using global positioning systems (GPS) and GIS. He will provide a peer review for biological resources.

Ken Wilhelm, Transportation and Traffic Peer Review, LSA

Mr. Wilhelm has over 23 years of direct experience in the management and preparation of traffic, parking, and bicycle studies throughout California. His primary responsibilities include the management, research, and analysis of regional transportation and planning projects, with an emphasis on circulation impact studies for development and capital improvement projects. Mr. Wilhelm has extensive experience in the preparation and review of City Circulation Elements, EIRs, bicycle transportation plans, parking demand analyses, and traffic impact studies. He will assist with a peer review of traffic.





Michael Rogers, PG, CEG, Geotechnical Peer Review, Ninyo & Moore

Mr. Rogers is a Senior Project Geologist with Ninyo & Moore with over 20 years of experience providing geotechnical consulting services and project management for public works, commercial, and residential projects. He has performed geologic and seismic hazard evaluations, provided geotechnical design services, and conducted forensic evaluations for a variety of projects throughout California. Mr. Rogers' projects have included water treatment plants, power generating facilities, transmission lines, pipelines, renewable energy projects, and commercial and residential buildings. Mr. Rogers conducts geologic field evaluations (e.g., detailed logging of large and small-diameter borings, rock cores and trenches), analyzes site geologic conditions and potential geologic hazards, and develops recommendations for site preparation and mitigation of adverse conditions. He will be available to provide a peer review of the geotechnical study.

Jay Roberts, PG, CEG, Phase I Environmental Site Assessment Peer Review, Ninyo & Moore

As a Senior Geologist, Mr. Roberts has extensive experience performing environmental and geotechnical investigations of commercial and industrial properties and environmental site assessments (ESAs) of school sites, including Phase I, Preliminary Environmental Assessment (PEA), Supplemental Site Investigations (SSI), Removal Action Workplan (RAW), Remedial Action Plan (RAP), and operations and maintenance (O&M) plans. Mr. Roberts has completed characterization, remediation, and human health assessments on numerous properties. He has prepared successful applications for Brownfields clean-up grants and managed and performed hydrogeologic investigations, groundwater resource evaluations, and water supply studies. Mr. Roberts can also provide expert witness and litigation support for environmental, geotechnical, and mining matters. He will be available to provide a peer review of the Phase I ESA.

BACKGROUND AND PROJECT SUMMARY

The proposed project includes the construction of an 111,684 sf store facility and new lumberyard for the Ganahl Lumber Company. The new store facility would be comprised of one main building and three sheds, and would replace the existing store to the south of the project site. Additional parking would be provided by a 60,552 sf covered roof deck on top of the main building. Access to the roof deck would be provided by a ramp on the north side of the building. Energy- and resource-saving features would also be incorporated in the project design, including a solar photovoltaic (PV) system as part of the roof deck. The roughly triangular project site is 5.9 ac in size and located on the east side of Bristol Street. The project site is bounded by State Route 55 (SR-55) (Caltrans right-of-way) to the north, State Route 73 (SR-73) (Caltrans right-of-way) to the east, and the existing Ganahl Lumber site to the south. The project site has a General Plan land use designation of General Commercial and a zoning classification of Local Business District (C1). Discretionary approvals required for the proposed project include a conditional use permit and design review, a possible building height variance, and grading, building, and fire department permits. The proposed project would also require an encroachment permit from Caltrans, a lease agreement from the Orange County Flood Control District, and a National Pollutant Discharge Elimination System (NPDES) General Construction Stormwater Permit or Waiver for construction from the Santa Ana Regional Water Quality Control Board (RWQCB). The final approval authority would be the City of Costa Mesa Planning Commission unless appealed to the City of Costa Mesa City Council.





However, the County of Orange would serve as a Responsible Agency because the project site is located on property owned by the County of Orange.

PROJECT METHODOLOGY

Based on the above understanding of the project and the project area, a site visit, and review of the supporting documentation, LSA has prepared a pragmatic work program for completion of an IS/MND for the proposed project. The following approach and technical requirements demonstrate LSA's ability to accomplish the scope of work contained herein. Specifically, the work program will provide the City with the following:

- An IS/MND to allow environmental clearance of the proposed project, including site preparation, construction, and operation
- An environmental analysis of all aspects of the project consistent with CEQA in a document that is defensible and complete
- A peer review of the technical studies that have been completed for the proposed project
- A responsive schedule to include the timely consideration and approval of the IS/MND
- A communicative project management team and responsive schedule

LSA will take a proactive role in resolving issues and pursuing needed information and decisions to facilitate completion of the environmental analysis within the schedule. If issues arise that would jeopardize the schedule, LSA will immediately appraise the City of the problem and diligently develop alternative approaches to maintain the schedule. The tasks identified below comprise LSA's work program for completion of the environmental analysis and CEQA process for the proposed project.

Task 1: Project Initiation

During project initiation, LSA will attend a kick-off meeting with the Applicant's project team and City staff to discuss the project and the proposed scope of work. LSA will identify any data needs and ensure deliverables are consistent with the project schedule.

Task 2: Project Description

The environmental document will include a detailed Project Description based on proposed plans and program information provided by the City. The Project Description will be used by LSA to determine the potential environmental effects of project implementation and to identify appropriate mitigation measures, if necessary. To enable LSA to proceed with this first task, the following information must be provided by the City to clearly define the Project Description and to conduct the environmental analysis:

- Site Plan and any related project information (e.g., gross square footage, acreage, vehicle and pedestrian access locations, landscape areas, "green" building features, proposed uses, and proposed water quality features)
- Conceptual Grading Plan and Construction Phasing Plan, including estimated construction equipment and personnel





- Conceptual Landscape Plan
- Conceptual elevations and/or visual simulations
- Lighting Plan
- Conceptual on-site and off-site infrastructure improvement plans
- Geotechnical Report including site-specific infiltration tests
- Air Quality and Greenhouse Gas Emissions Analysis
- Hazardous materials studies for the project site (e.g., Phase I ESA)
- Traffic Study
- Noise Analysis
- Cultural Resources Analysis for the project site (including a paleontological resources analysis)
- Biological Resources Analysis

LSA will submit the draft Project Description to the City for review and comment. For purposes of this scope, LSA will respond to one round of comments from the City on the Project Description. Comments received from the City for all tasks included herein must be consolidated (i.e., LSA must receive one set of nonconflicting consolidated comments per round).

Task 3: Peer Review of Technical Studies/Prepare Screencheck IS/MND

As described in further detail below, the LSA team will review each of the technical studies prepared for the project to ensure their consistency with applicable procedures and requirements in their respective fields. LSA will provide a written evaluation of each of the technical reports. If necessary, LSA will make recommendations for any additional technical work or updates to the existing technical work needed to prepare a legally defensible EIR. The independent CEQA review would not be at the level of a full peer review of each of the technical documents; rather, the purpose would be to determine any specific additional technical work or updates necessary to complete a legally defensible IS/MND. This scope of work is based on the assumption that the technical analyses are CEQA compliant and adequate for summarization and incorporation in the Initial Study. No in-field site investigations, subsurface exploration, sampling, or laboratory testing is included as part of the peer review tasks.

Tasks 3.A, 3.B, 3.C, and 3.D: Peer Review of Air Quality/Greenhouse Gas Report, Biological Resources Report, Cultural Resources Report, and Noise Report

LSA will perform a peer review of the air quality/GHG, biological resources, cultural resources, and noise technical studies prepared for the project to ensure their consistency with applicable procedures and requirements in their respective fields. Where applicable, potential impacts to adjacent uses associated with the project will be reviewed to ensure they are effectively evaluated. Mitigation measures will be reviewed to see if they are necessary. Separate memoranda will be prepared to summarize the LSA team's review comments and suggested changes, if any, for each technical study.





Task 3.E: Peer Review of Geotechnical Report

In order to provide the requested peer review services for the Geotechnical Report to the City of Costa Mesa, LSA has asked Ninyo & Moore to join the project team. LSA has a long history of productive collaboration with Ninyo & Moore and has found its work to be relevant, practical, and of high quality. Ninyo & Moore will prepare a letter outlining their peer review findings, conclusions, and preliminary mitigation recommendations regarding the potential geologic impacts of the project, if any, as well as their conclusions and recommendations relative to the geotechnical aspects of the project's conceptual plan.

Task 3.F: Peer Review of Phase I Environmental Site Assessment

Ninyo & Moore will perform a peer review of the Phase I ESA prepared for the proposed project to confirm that the report includes a discussion of the characteristics of the site and adjacent properties, including evaluation of the project area for possible hazardous materials influences, contaminated surface soil or surface water, improperly stored hazardous materials, and possible sources and indications of site contamination from activities at the project site and includes complete appendices containing site history (including aerial photographs, Sanborn maps, etc.), environmental databases, and title and lien documents. Ninyo & Moore will prepare a letter presenting their peer review findings, conclusions, and preliminary mitigation recommendations regarding the current environmental condition of the project site, including the presence of hazardous materials and possible impacts to the project for inclusion in the IS/MND.

Task 3.G: Peer Review of Traffic Impact Analysis

LSA's Transportation staff will review the traffic study prepared by the project applicant to determine whether it is satisfactory for summarization into the environmental document. LSA's peer review will confirm that the study conforms to the City's requirements for traffic studies and any applicable provisions of the Orange County Congestion Management Program (CMP). LSA will also confirm that the study is prepared using accepted traffic engineering methodologies and procedures.

LSA will present the peer review in a technical memorandum to the City of Costa Mesa. This technical memorandum will discuss the objectives of our review, relevant CEQA and local planning consistency issues, and our recommendations for additional analysis, if required. This scope of work are based on the assumption that the technical analyses are adequate for incorporation into the Initial Study. LSA staff will summarize the technical analysis in the Initial Study Transportation/Traffic section.

Task 3.H: Preparation of Screencheck Draft IS/MND

LSA will prepare a Screencheck Draft IS/MND for the proposed project consistent with the requirements of CEQA, the State CEQA Guidelines, and the City. The Screencheck Draft IS/MND will include a description of the project (Task 2), a discussion of project objectives, geographical setting, related projects, and any additional information required pursuant to State CEQA Guidelines Section 15063(d). The technical analyses previously completed for the proposed project and technical information requested under Task 1 will be incorporated into the environmental document. In addition, LSA will work under the direction of the City to provide Native American consultation. This task includes the creation of a list of Native American tribes to be invited to consult on the project and the preparation of





letters to each identified tribe. The Screencheck Draft IS/MND will also include a limited General Plan Consistency Analysis.

If, based on the information provided in the technical studies or analysis provided in the IS/MND, the proposed project may result in an impact that cannot be reduced to a less than significant level, LSA will immediately apprise the City of the issue and work proactively with City staff and the Applicant to identify: (1) additional measures, project changes, or design features that may reduce the potential impact to a less than significant level, or (2) the most expedient method of providing appropriate environmental clearance under CEQA.

LSA will submit five printed copies of the Screencheck Draft IS/MND to the City for review. For purposes of this scope, LSA will respond to two rounds of comments from the City. LSA will respond to comments on the Screencheck Draft IS/MND and will complete any necessary revisions. LSA will prepare a Draft Notice of Intent (NOI) to adopt an IS/MND. LSA will also prepare a distribution list for review and comment by City staff.

Task 4: Preparation of Proofcheck Draft IS/MND

LSA will provide the preprint version (i.e., Proofcheck IS/MND) of the Draft IS/MND to City staff for a limited final review prior to printing. The purpose of submitting this preprint version will be to review the changes to the document during the second round of comments allowed under Task 3, resolve any remaining questions that arise from the comments, and verify the City is satisfied with the overall Draft IS/MND. LSA specifies 15 hours of professional staff time for final corrections after receipt of comments on the preprint version of the Draft IS/MND.

Task 5: Circulation of Draft IS/MND

Once the preprint Draft IS/MND and the NOI are approved for public review, LSA will distribute up to 20 printed copies of the document to a project distribution list developed by LSA with City staff input. The document will be distributed to agencies via overnight delivery service (with delivery confirmation) and/or United States Postal Service (USPS) Certified Mail (USPS certified mail is only recommended for Post Office boxes).

The City will be responsible for publication of the public notice in a general circulation newspaper. LSA will file the NOI with the County Clerk to begin the required public review period. If desired, LSA will also file a Notice of Completion (NOC) with the State Clearinghouse. The City will provide a check for all necessary filing fees to be submitted to the County Clerk.

Task 6: Prepare Response to Comments and Final IS/MND

LSA will prepare written responses to comments received on the Draft IS/MND that raise substantive environmental issues and submit the responses for review to City staff after the close of the public comment period. LSA specifies 28 professional staff hours for the preparation of responses to comments. If a large number of comments are received or comments require additional technical analysis, a budget augment may be warranted (see additional package). Any revisions to the IS/MND will





be shown in an errata section included in the responses to comments document. Responses to comments and the errata will be submitted to City staff for one round of review. LSA will distribute responses to comments received from public agencies prior to the first public hearing (usually Planning Commission) on the project. The responses will be distributed via overnight delivery service (with delivery confirmation).

LSA will also prepare a Mitigation Monitoring and Reporting Program (MMRP) in accordance with CEQA Guidelines Section 15097 for use in ensuring implementation of the mitigation measures for the project. The Final MMRP will be provided to the City Planning Commission along with the IS/MND for approval.

LSA will attend two City Planning Commission meetings/hearings and one City Council meeting/hearing regarding the proposed project. Following the City's approval of the IS/MND, LSA will prepare and file a Notice of Determination (NOD) with the County Clerk. If desired, a copy of the NOD will also be sent to the State Clearinghouse. The City shall provide a check for all necessary filing fees to be submitted to the County Clerk with the NOD.

Task 7: Project Management and Meeting Attendance

This task represents an active project management role and includes attendance at various project meetings and coordination with agencies and interested parties. The project management role provides a mechanism to ensure an adequate exchange of information during project start-up and preparation of the IS/MND. This task includes notifying the City of problems as they are encountered and working expeditiously to resolve those problems. Important elements of this task will be to maintain the project schedule, oversee the budget, and coordinate efforts with other consultants. LSA's Project Manager will maintain ongoing verbal and email communication with the City.

Attendance at one kick-off meeting, two project team conference calls, and one planning commission hearing is included in LSA's scope of work. LSA anticipates attendance by one or two staff persons at the meetings, depending on the issues to be discussed. During the environmental documentation process, LSA will monitor the number of meetings actually attended to determine compliance with this estimate. Any additional meetings will be attended with the City's prior written approval.

Task 8: City Council Public Hearing Attendance (Optional)

An additional public hearing has been included as an optional task within this scope. If there is an appeal of the Planning Commission action, LSA will attend the City Council hearing.

PROJECT SCHEDULE

LSA can begin work on the scope of services provided herein immediately upon award of the contract. Based on LSA's experience, and because several technical studies have already been completed, the IS/MND can be completed within approximately 4 to 5 months, as demonstrated by Table A on the following page. The following schedule assumes that no major revisions to the technical studies are required once peer review is complete. The proposed schedule can be reviewed and discussed, if necessary, at the project kick-off meeting.





Proposal for the IS/MND and Peer Review of Technical Studies
for the Ganahl Lumber Expansion Project



Revised Project Schedule for Ganahl Lumber Expansion Project IS/MND and Technical Study Peer Review

Tasks	Duration	Estimated Date of Completion
Project Initiation/Project Description		
Kick-off Meeting	1 day	11-10-14
Review/confirmation of Project Description	1 week	11-17-14
<i>Project Initiation Total Duration</i>		
<i>1 week</i>		
Peer Review of Technical Analysis¹		
Peer Review of Technical Analyses/Preparation of Peer Review Memorandums	1 week	11-24-14
City Review of Peer Review Memorandums	1 week	12-1-14
LSA Revisions to Peer Review Memorandums	1 week	12-8-14
<i>Peer Review of Technical Studies Total Duration</i>		
<i>3 weeks</i>		
Preparation of IS/MND		
Preparation of Screencheck Draft IS/MND	4 weeks	12-15-14
City Review of Screencheck Draft IS/MND	1 week	12-22-14
LSA Revisions to Screencheck Draft IS/MND; Preparation of Draft IS/MND	2 weeks	1-5-15
City Review of Draft IS/MND	1 week	1-12-15
Reproduction and Distribution of Draft IS/MND for Public Review	2 days	1-14-15
Draft IS/MND Distributed for Public Review	30 days	2-13-15
Final IS/MND, Preparation of Response to Comments and MMRP	2 weeks	2-27-15
City Review and Approval of proposed Final IS/MND and Response to Comments	1 week	3-6-15
Planning Commission Hearing	1 day	TBD
City Council Hearing (Optional Task)	1 day	TBD
<i>IS/MND Total Duration</i>		<i>15 weeks</i>
TOTAL		16 weeks

¹ Initiated upon receipt of all project information and prepared concurrently with preparation of the IS/MND. Includes review of the following technical reports: Air Quality/Greenhouse Gas Analysis, Biological Resources Report, Cultural Resources Report, Geotechnical Report, Noise Impact Analysis, Phase I Environmental Site Assessment, and Traffic Impact Analysis.

IS/MND = Initial Study/Mitigated Negative Declaration

MMRP = Mitigation Monitoring and Reporting Program

TBD = to be determined





Proposal for the IS/MND and Peer Review of Technical Studies
for the Ganahl Lumber Expansion Project



Ganahl Lumber Expansion Project IS/MND and Peer Review of Technical Studies												
Budget Spreadsheet												
	Principal	Senior Planner	Technical Staff	Planner	Assistant Planner	Graphics	GIS	WP/Clerical	Production	Reimbursables	Total	
LSA Billing Rate	\$ 200	\$ 110	\$ 150	\$ 110	\$ 80	\$ 100	\$ 100	\$ 85	\$ 65	-	-	
BILLING RATES												
Task 1.1 Project Initiation	2	4			2							\$ 1,000
Task 1.2 Project kick-off meeting	4	4										\$ 1,240
Project Initiation Tasks TOTAL												\$ 2,240
PROJECT DESCRIPTION												
Task 2 Project Description	2	4			2							\$ 250
Project Description Tasks TOTAL												\$ 250
IS/MND AND PEER REVIEW OF TECHNICAL STUDIES TASKS												
Task 3A Air Quality/Greenhouse Gas		2	25									\$ 2,800
Task 3B Biological Resources		1	12									\$ 1,910
Task 3C Cultural Resources		1	10									\$ 1,610
Task 3D Noise		1	12									\$ 1,910
Task 3E Geotechnical (Ninyo & Moore)												\$ 4,400
Task 3F Phase I ESA (Ninyo & Moore)												\$ 4,950
Task 3G Traffic		2	8									\$ 1,420
Peer Review of Technical Analysis TOTAL												\$ 19,000
Task 3H Prepare Screencheck IS/MND	4	24		8	8	6	4	16	3	\$ 400	\$ 7,915	
Task 4 Proofcheck Draft IS/MND	2	8		2	2	1		4	4	\$ 1,000	\$ 3,360	
Task 5 Circulation of Draft IS/MND	1	4			2				12	\$ 3,000	\$ 4,380	
Task 6 Final IS/MND and Response to Comments IS/MND and Peer Review Tasks TOTAL	2	24			2			4	2	\$ 400	\$ 4,070	
PROJECT MANAGEMENT AND MEETING ATTENDANCE												
Task 7 Project Management/Meeting Attendance	3	16										\$ 2,360
Project Management and Meeting Attendance Tasks TOTAL												\$ 2,360
Project TOTAL												\$ 43,775
2% Contingency												
Project TOTAL (Including Contingency)												\$ 876
OPTIONAL TASKS												
Task 8 City Council Hearing Attendance	3	4										\$ 1,040
Optional Tasks TOTAL												\$ 1,040
GRAND TOTAL FOR PROJECT AND OPTIONAL TASKS (Including Contingency)												\$ 45,691



LSA



REVIEW OF CITY OF COSTA MESA STANDARD CONTRACT

LSA has reviewed the City of Costa Mesa standard contract and has the following requested amendments:

- 6.9 Indemnification and Hold Harmless. Consultant shall protect, defend, indemnify and hold harmless City, and its elected and appointed officials, officers, and employees from any and all claims, liabilities, expenses, including attorney fees, damage to property or injuries to or death of any person or persons or damages of any nature including, but not by way of limitation, all civil claims or workers' compensation claims arising out of or to the extent caused by ~~in any way connected with~~ the intentional or negligent acts, errors or omissions of Consultant, its employees, agents or subcontractors in the performance of this Agreement.



EXHIBIT C
FEE SCHEDULE



Proposal for the IS/MND and Peer Review of Technical Studies
for the Ganahl Lumber Expansion Project



Ganahl Lumber Expansion Project IS/MND and Peer Review of Technical Studies Budget Spreadsheet											
	Principal	Senior Planner	Technical Staff	Planner	Assistant Planner	Graphics	GIS	WP/Clerical	Production	Reimbursables	Total
LSA Billing Rate	\$ 200	\$ 110	\$ 150	\$ 110	\$ 80	\$ 100	\$ 100	\$ 85	\$ 65	-	-
BILLING RATES											
PROJECT INITIATION											
Task 1.1 Project Initiation	2	4			2						\$ 1,000
Task 1.2 Project kick-off meeting	4	4									\$ 1,240
Project Initiation Tasks TOTAL											\$ 2,240
PROJECT DESCRIPTION											
Task 2 Project Description	2	4			2						\$ 250
Project Description Tasks TOTAL											\$ 250
IS/MND AND PEER REVIEW OF TECHNICAL STUDIES TASKS											
Task 3A Air Quality/Greenhouse Gas		2	25								\$ 2,800
Task 3B Biological Resources		1	12								\$ 1,910
Task 3C Cultural Resources		1	10								\$ 1,610
Task 3D Noise		1	12								\$ 1,910
Task 3E Geotechnical (Ninyo & Moore)											\$ 4,400
Task 3F Phase I ESA (Ninyo & Moore)											\$ 4,950
Task 3G Traffic		2	8								\$ 1,420
Peer Review of Technical Analysis TOTAL											\$ 19,000
Task 3H Prepare Screenscheck IS/MND	4	24		8	8	6	4	16	3	\$ 400	\$ 7,915
Task 4 Proofcheck Draft IS/MND	2	8		2	2	1		4	4	\$ 1,000	\$ 3,360
Task 5 Circulation of Draft IS/MND	1	4			2				12	\$ 3,000	\$ 4,580
Task 6 Final IS/MND and Response to Comments	2	24			2			4	2	\$ 400	\$ 4,070
IS/MND and Peer Review Tasks TOTAL											\$ 38,925
PROJECT MANAGEMENT AND MEETING ATTENDANCE											
Task 7 Project Management/Meeting Attendance	3	16									\$ 2,360
Project Management and Meeting Attendance Tasks TOTAL											\$ 2,360
Project TOTAL											\$ 43,775
2% Contingency											\$ 876
Project TOTAL (Including Contingency)											\$ 44,651
OPTIONAL TASKS											
Task 8 City Council Hearing Attendance	3	4									\$ 1,040
Optional Tasks TOTAL											\$ 1,040
GRAND TOTAL FOR PROJECT AND OPTIONAL TASKS (Including Contingency)											\$ 45,691



EXHIBIT E
CITY COUNCIL POLICY 100-5

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

BACKGROUND

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

PURPOSE

It is the purpose of this Policy to:

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

POLICY

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

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

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

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

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

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