

**PROFESSIONAL SERVICES AGREEMENT
FOR ENVIRONMENTAL ANALYSIS**

THIS AGREEMENT is made and entered into this 30th day of August, 2016 (“Effective Date”), by and between the CITY OF COSTA MESA, a municipal corporation (“City”), and by First Carbon Solutions, a California corporation (“Consultant”) and Pinnacle Residential, Inc., a California corporation (“Applicant”).

WITNESSETH:

A. WHEREAS, City is the Lead Agency with land use and planning jurisdiction in the City of Costa Mesa as pertains to the California Environmental Quality Act (“CEQA”); and

B. WHEREAS, Applicant has submitted an application for development of 2850 Mesa Verde Drive (GP-16-05 and R-16-05) (“Project”); and

C. WHEREAS, City and Applicant have agreed that the Project may have significant environmental impacts, necessitating preparation of an Initial Study and a Mitigated Negative Declaration and related documents and studies, or such other CEQA document as City determines necessary, (“Required CEQA Document”), prepared by a qualified consultant; and

D. WHEREAS, City and Applicant concur in the selection of Consultant based upon the following:

1. Consultant is a professional environmental consulting firm with extensive experience in the preparation of environmental studies and all related documents;
2. Consultant is in good standing with the City;
3. Based on its own criteria, City has determined that the Consultant is fully qualified and well-suited to be selected by City if City had solicited proposals to conduct the work contemplated for the Required CEQA Document;
4. Consultant is prepared to undertake all necessary technical and analytical work required in conjunction with the Required CEQA Document, either directly or through the use of sub-consultants; and

E. WHEREAS, City, Consultant, and Applicant desire to define relationships and areas of responsibility in the preparation and management of the Required CEQA Document.

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

1.0. PARTY OBLIGATIONS

1.1. City Obligations. City shall:

- A. Notwithstanding Applicant’s hiring of Consultant, be responsible for the

management of Consultant in the preparation of the Required CEQA Document including:

1. The content of the Required CEQA Document;
 2. The extent and detail of topical area discussions;
 3. The consideration of and response to comments received during the Notice of Preparation of the Required CEQA Document and circulation of the Draft Required CEQA Document;
- B. Perform management activities necessary for the Required CEQA Document, including project coordination regarding day to day processing and creation of the Required CEQA Document;
 - C. Be responsible for conformity with applicable requirements pursuant to CEQA, California Public Resources Code Section 21000, et seq., and other pertinent laws, regulations and procedures;
 - D. Ensure that the Required CEQA Document reflects the independent judgment of the City, per Public Resources Code Section 21082.1, including all documentation prepared and submitted by Consultant and/or Applicant with respect to the Required CEQA Document, the Response to Comments Document, and the Final Required CEQA Document;
 - E. Be responsible for the selection of the alternatives to be included in the Draft Required CEQA Document, derived from internal City review, the Required CEQA Document scoping process and comments from resource and responsible agencies and the public;
 - F. Be responsible for noticing and scheduling of public meetings and hearing related to the Project and distribution of the Draft and Final Required CEQA Document; and
 - G. Be responsible for ensuring that the Required CEQA Document and the Required CEQA Document process reflect factual information and an unbiased and objective approach.
- 1.2. Applicant's Obligations. Applicant shall:
- A. Be responsible for payment of all costs related to preparation of the Required CEQA Document as provided under Section 2.0 of this Agreement;
 - B. Provide technical reports and documents as required by City regarding the preparation of the Required CEQA Document;
 - C. Cooperate fully with City in the land use and planning activities related to the

Project and the preparation of the Required CEQA Document; and

- D. Document all communication, written and verbal, between the Applicant and Consultant, and provide said documentation to the City.

1.3. Consultant's Obligation. Consultant shall:

- A. Prepare and provide a Scope of Work, in coordination with the City and Applicant, which shall be attached hereto as Exhibit "A";
- B. Notwithstanding Applicant's hiring of Consultant, be responsible for the preparation of the Required CEQA Document including:
 - 1. The content of the Required CEQA Document based upon the directions of City,
 - 2. The extent and detail of topical area discussions based upon the directions of City,
 - 3. The consideration of and responses to comments received during the Notice of Preparation of the Required CEQA Document and circulation of the Draft Required CEQA Document, based upon the directions of the City;
- C. Perform activities necessary for the Required CEQA Document, including project coordination regarding day to day processing and creation of the Required CEQA Document;
- D. Be responsible for conformity with applicable requirements pursuant to CEQA, California Public Resources Code Section 21000, et seq., and other pertinent laws, regulations and procedures;
- E. Ensure that the Required CEQA Document reflects the judgment of City, per Public Resources Code Section 21082.1, including all documentation prepared and submitted with respect to Draft Required CEQA Document, the Response to Comments Document, and the Final Required CEQA Document;
- F. Be responsible for the analysis of the alternatives to be included in the Draft Required CEQA Document, derived from internal City review, the Required CEQA Document scoping process and comments from resource and responsible agencies and the public;
- G. Be responsible for ensuring that the Required CEQA Document and the Required CEQA Document process reflect factual information and an unbiased and objective approach; and
- H. Document all communication, written and verbal, between the Applicant and Consultant, and provide said documentation to the City.

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

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

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

1.6. 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.

1.7. 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.

1.8. 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.

1.9. 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.

1.10. 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. Applicant shall pay one hundred percent (100%) of all costs of City and Consultant in the management and preparation of the Required CEQA Document and all work related thereto. Consultant's total compensation shall not exceed THIRTY TWO THOUSAND TWO HUNDRED TWENTY Dollars (\$32,220.00).

3.0. TIME OF PERFORMANCE

3.1. Commencement and Completion of Work. The obligations of all parties pursuant to this Agreement shall commence within five (5) days from the Effective Date of this Agreement. Failure to commence work in a timely manner and/or diligently pursue work to completion may be grounds for termination of this Agreement.

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

4.0. TERMINATION

4.1. Term. This Agreement shall commence on the Effective Date and continue until such time as action by the City Council of the City of Costa Mesa becomes administratively final on the Project and the Required CEQA Document.

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 and Applicant. 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, Applicant shall pay Consultant and City for reasonable costs incurred and services satisfactorily performed up to and including the date of

City's written notice of termination.

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

5.0. INSURANCE

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

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

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

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

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

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

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

6.0. GENERAL PROVISIONS

6.1. Entire Agreement. This Agreement constitutes the entire Agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings

and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

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

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

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

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

6.4. Notices. Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery, facsimile or mail and shall be addressed as set forth below. Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by personal delivery; b) at the time of transmission if such communication is sent by facsimile; and c) 48 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

IF TO CONSULTANT:

First Carbon Solutions
250 Commerce
Suite 250
Irvine, CA 92602
Tel: 714 508-4100
Email: fcoble@fcs-intl.com
Attn: Frank Coyle

IF TO CITY:

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626
Tel: 714 754-5611
Email: mel.lee@costamesaca.gov
Attn: Mel Lee

IF TO APPLICANT:

Pinnacle Residential
2 Venture
Suite 350
Irvine, CA 92618
Tel: 949 207-3270 x104
Email: dgraves@PinnacleResidential.net
Attn: David Graves

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 "A" 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.

Applicant agrees to defend, indemnify, hold free and harmless the City, its elected officials, officers, agents and employees, at Applicant'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 Applicant, 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 Applicant, 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 Applicant, 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 Applicant, its employees, and/or authorized subcontractors under this Agreement, whether or not the Applicant, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the Applicant 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.

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. Consultant and Applicant agree that the City shall retain ownership of the Required CEQA Document, 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 Applicant or any of their subcontractors in the course of performance of this Agreement, shall be and remain the sole property of City. Consultant and Applicant agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of City. Consultant and Applicant shall deliver to City any Required CEQA Document, finding, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other Project related items as requested by City or its authorized representative, at no additional cost to the City.

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

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

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

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

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

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

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

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

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

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

6.24. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

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

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

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

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and

through their respective authorized officers, as of the date first above written.

CITY OF COSTA MESA,
A municipal corporation

[Signature]
Chief Executive Officer of the City of Costa Mesa

Date: 9/22/16

CONSULTANT, First Carbon Solutions

[Signature]
Signature

Date: 9.13.16

Frank Coyle, Director
Name and Title

95-3782289
Social Security or Taxpayer ID Number

APPLICANT, Pinnacle Residential

[Signature]
Signature

Date: September 7, 2016

David Graves
Director of Planning & Development
Name and Title

43-2080893
Social Security or Taxpayer ID Number

APPROVED AS TO FORM:

[Signature] DCA
City Attorney

Date: 9/21/16

ATTEST:

Brenda Green 7/23/16
City Clerk



APPROVED AS TO INSURANCE:



Risk Management

Date: 9/14/16

APPROVED AS TO CONTENT:



Project Manager

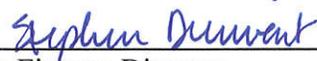
Date: 9/14/16

DEPARTMENT HEAD APPROVAL



Development Services Director

Date: 9-14-16



Interim Finance Director

Date 9-20-16

EXHIBIT A
SCOPE OF WORK



Cover Letter

August 29, 2016

Mr. Mel Lee, Senior Planner
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92628-1200

Subject: Initial Study/Mitigated Negative Declaration – 2850 Mesa Verde Drive East, City of Costa Mesa

Dear Mr. Lee:

Thank you for providing FirstCarbon Solutions (FCS) with this opportunity to submit a proposal to prepare a fast track Initial Study (IS) and Mitigated Negative Declaration (MND) for an 11-lot subdivision at 2850 Mesa Verde Drive East in the City of Costa Mesa. The project consists of a General Plan Amendment to change the land use designation from “General Commercial” to “Low Density Residential” and a Zone Change from “C1 – Local Business” to “R1 – Single Family Residential”.

Understanding the nature of fast track projects, specifically, milestones set by City projects, the FCS team has consolidated an implementation work plan that adheres to the accelerated schedule by implementing the following:

- Staging project timeline to meet Planning Commission Meeting on September 26, 2016 and City Council Meeting on October 18 and November 1, 2016
 - Potentially reducing public review period from 30 to 20 days
- Submittal of the Draft IS/MND on September 1, 2016 with a turn-around of one by the City reviewing the document
- Submittal of the Draft IS/MND on September 1, 2016 with a turn-around of one by the City reviewing the document
 - If during the preparation of the IS/MND, it is determined that technical reports are necessary, the above schedule will need to be updated accordingly

FCS offers the needed expertise and leadership to prepare the expedited IS/MND and guide the environmental compliance process for this project, because:

UNITED STATES

Irvine
250 Commerce, Suite 250
Irvine, CA 92602

Los Angeles
11755 Wilshire Blvd, Suite 1660
Los Angeles, CA 90025

Bay Area
1350 Treat Boulevard, Suite 380
Walnut Creek, CA 94597

Central Valley
7265 N First Street, Suite 101
Fresno, CA 93720

Inland Empire
621 E. Carnegie Drive, Suite 100
San Bernardino, CA 92408

Sacramento
2000 “O” Street, Suite 200
Sacramento, CA 95811

Connecticut
1175 Post Road E
Westport, CT 06880

EUROPE

United Kingdom
Tel: +44 (0) 845.165.6245
Fax: +44 (0) 20.3070.0890
Future Business Centre
Kings Hedges Rd.
Cambridge CB4 2HY
United Kingdom

AUSTRALIA

New South Wales
Tel: +61 (02) 9418.7822
Fax: +61 (02) 9418.7833
13-15 Smith Street
Chatswood, NSW 2067
Australia

AFRICA

Kenya
Tel: +254-737-433-621
ADEC Kenya Services EPZ Ltd.
Nairobi, Kenya

ASIA

Philippines
Tel: +63 (2) 775.0632
Fax: +63 (2) 775.0632 local 8050
26th Floor, Philippine AXA Life Centre,
Sen. Gil Puyat Avenue,
Makati City, Metro Manila

Malaysia
Tel: +603 74902112
Fax: +603 79606977
15-7, Block A, Jaya ONE
72A Jalan Universiti
46200 Petaling Jaya
Selangor, Malaysia

FCS regularly prepares expedited CEQA documents. FCS has extensive experience preparing fast-tracked environmental documents for projects located in and around the City and County. Working with the City, FCS recently completed the fast-tracked IS/MND for the 2277 Harbor Boulevard Redevelopment Project in December 2015. Another IS/MND for a residential project in the City of Brentwood was completed in less than three months (from project initiation to City Council approval).

FCS has extensive experience in the local area. Working with the City, FCS has recently completed the fast-tracked IS/MND for the 2277 Harbor Boulevard Redevelopment Project in December 2015. FCS also completed the Lighthouse Live/Work Residential Project IS/MND in June 2014. Additional relevant projects and references are detailed within this proposal. In preparing the IS/MND for this project, our staff will be working locally out of our Irvine headquarters.

FCS provides proactive and responsive communication and accessibility. FCS prides itself on having a high level of communication with our clients — this is a hallmark of FCS's services and is critical to a successful project, especially when the schedule is aggressive. Close coordination with the City throughout this process will ensure that the analysis meets your needs and expectations, and will ensure that the process is as streamlined as possible.

We thank you for the opportunity to provide the subject services; we look forward to working with the City of Costa Mesa to expedite the environmental documentation process for this project. The enclosed proposal and pricing indicated herein is valid up to 180 days. My signature below certifies that I am authorized to contractually obligate the firm and will remain the City's contact for the evaluation period and, if awarded, for the term of the project. If you have any questions about this submittal, please contact me at 714.508.4100 or e-mail me at fcoble@fcs-intl.com.

Sincerely,



Frank L. Coyle, Director
FirstCarbon Solutions
250 Commerce, Suite 250
Irvine, CA 92602

UNITED STATES

Irvine
250 Commerce, Suite 250
Irvine, CA 92602

Los Angeles
11755 Wilshire Blvd, Suite 1660
Los Angeles, CA 90025

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Makati City, Metro Manila

Malaysia
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Fax: +603 79606977
15-7, Block A, Jaya ONE
72A Jalan Universiti
46200 Petaling Jaya
Selangor, Malaysia



BACKGROUND AND PROJECT SUMMARY SECTION

Pinnacle Residential (Applicant) endeavors to develop property at 2850 Mesa Verde Drive East into low density residential which will include 11 residential lots ranging in size from 6,150 square feet to 7,957 square feet.

Because the project is expected to have little to no impact on the site, the City deems that an IS/MND will sufficiently address the Applicant’s request to modify the minimum required open space while ensuring compliance with the California Environmental Quality Act (CEQA).

In preparing the fast-track IS/MND, FCS will conduct a peer review of the Applicant-provided technical studies (Noise Study, Traffic Study, Hydrology and WQMP, Soils Report and Phase I Environmental Assessment) for sufficiency in addressing CEQA requirements and in supporting the IS/MND. Similarly, information on cultural and biological resources, land use, and public service impacts made available by the City will also be reviewed by FCS. FCS will also be primarily responsible for incorporating all technical studies and data to the IS/MND. As part of the expedited IS/MND process, FCS will also prepare responses to comments on the environmental document and attend public hearings. With the expedited IS/MND process, FCS aims to deliver a Screencheck Draft IS/MND for the City’s review one week after the kick-off meeting and produce a Draft IS/MND for circulation less than three weeks after.

METHODOLOGY SECTION

Implementation Plan

FCS proposes a collaborative team effort for the project management approach to preparing the necessary environmental documentation for the City of Costa Mesa. Our goal is to provide cost-effective, technically-sound, and legally-defensible environmental documentation emphasizing a high level of client and agency communication as well as concise verbal and written presentations of project information. FCS’s project management philosophy revolves around an infrastructure of communication and assigning appropriately skilled resources to implement project scopes. The repeat business we receive from our many valued clients is the result of this focused customer service.

FCS emphasizes a “no surprises” approach to project management. Having worked on multiple project-specific, program, and on-call environmental contracts throughout California, we understand the need for responsiveness and communication. Our goal is to integrate your processes and objectives into our team’s work efforts. FCS project manager, Kimberlin Burnell will be the primary point of contact with the City of Costa Mesa, similar to our approach during the





preparation of the environmental documents for the 2277 Harbor Boulevard Redevelopment Project.

A key aspect of our management approach is to ensure that a well-programmed team is assembled to conduct the environmental evaluations for the City's projects. We understand that the City will identify tasks that involve varying levels of complexity, and variables as they relate to the amount of information and data necessary for our use in preparing legally defensible environmental documents. We understand that the environmental consultant needed by the City must be flexible in receiving information/data from a timing perspective. FCS has established a logical, adaptable, and iterative approach to preparing the required environmental documents. This will ensure that our work products maintain the highest level of technical analysis and assessment, relying on scientific data and analysis while maintaining the project schedule and budget.

To ensure information is effectively exchanged, our management approach includes weekly communication among the FCS team members and weekly conference calls with City Staff. We ensure that all team members are provided with a cataloged list of available documents and a copy of the agreed-upon scope of work, which allows every individual involved with the project to have the same understanding of the required work products, the content of the work products, and the prevailing schedule/budget constraints.

FCS Efforts to Satisfy the Scope of Work

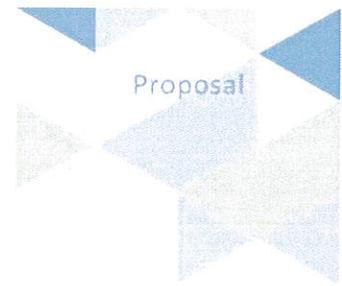
FCS has identified the following scope of work for the IS/MND to respond to the City's objectives for this project and process:

Task 1 – Project Initiation

The FCS project manager will attend one kickoff meeting with the Applicant's project team and the City. The purpose of the meetings is to discuss project plans, identify data requirements, and coordinate activities, and to ensure that the deliverable schedule is consistent with the overall project timeline. As part of this task, FCS will perform a project site reconnaissance to review site conditions vis-à-vis project plans. FCS will also review technical studies and background information provided by the City/Applicant as received, and will provide prompt feedback as to their adequacy for use in the IS/MND.

Deliverable

- One Kick-off meeting



Task 2 – Project Description

FCS will prepare a complete Project Description for City/Applicant review and approval and ensure that it clearly describes and illustrates the proposed development activity, required discretionary approvals, and any other pertinent information. Any changes to the Project Description after completion may require separate authorization and additional time to the schedule.

Deliverable

- Project Description

Task 3 – Prepare Screencheck IS/MND

FCS will prepare a complete CEQA Screencheck Draft IS/MND for City review. The IS/MND format will include a discussion of each Environmental Checklist impact category and will be adequately supported by documentation

FCS will prepare the Screencheck IS/MND for review and comment by City staff and the Applicant. Five (5) paper copies of the Screencheck IS/MND will be provided to the City. FCS will also prepare draft versions of the Notice of Intent to Adopt and the distribution list based on input by City staff. The draft versions of the Notice of Intent to Adopt and distribution list will be forwarded to the City by e-mail.

Information from the appended technical studies will be summarized in the checklist responses. FCS will prepare all required CEQA forms including Notice of Intent, IS/MND, and distribution list for review and comment by the City of Costa Mesa.

FCS subconsultant EAS will conduct a review of the Phase I ESA dated June of 2016. In addition, FCS subconsultant Kunzman & Associates will conduct a trip generation analysis. If it is determined that during the preparation of the IS/MND other studies will need to be prepared, they will be prepared under separate authorization.

Deliverables

- Five (5) Paper Copies of the Screencheck IS/MND, E-Mail of the Draft Notice of Intent to Adopt, and E-Mail of the Draft Distribution List

Task 4 – Prepare Proofcheck Draft IS/MND

To maintain the project schedule, it is assumed that that the City will forward comments as soon as they are received. Following receipt of comments on the Screencheck Draft IS/MND, FCS will make revisions as directed by City staff and in accordance with the overall scope of work. The



Proofcheck Draft IS/MND will be prepared as a final print copy for review by City staff prior to printing, it is FCS's intent that this submittal will satisfactorily address all City staff comments on the Screencheck Draft.

Deliverable

- Proofcheck IS/MND

Task 5 – Circulation of Draft IS/MND

FCS will incorporate one set of final revisions to the Proofcheck Draft requested by City staff and in accordance with our scope of work. No major comments on the Proofcheck Draft are anticipated from City staff, FCS has budgeted approximately 20 hours for completion of this task. FCS will prepare and distribute up to 30 paper copies of the Draft IS/Proposed MND to the City, local agencies/districts and surrounding jurisdictions, and local community groups pursuant to the notification and distribution list prepared by FCS and approved by the City. It is assumed that the project is not considered to have statewide, regional, or area-wide importance, nor review will be required by State agencies, so this project will not be sent to the State Clearinghouse for transmittal to State or other agencies. Unless otherwise specified by the City, the Appendices to the Draft IS/MND will be provided on CD with the document. The distribution will be made by certified mail and will include the Notice of Intent to Adopt, and Notice of Completion to the County Clerk. The City will be responsible for the newspaper notice for the IS/MND. If additional hours are needed to finish the Draft IS/MND, separate authorization may be required.

Deliverable

- Draft IS/MND
- CEQA Notices

Task 6 – Prepare Responses to Comments

Pursuant to City of Costa Mesa policy, FCS will provide responses to all public and agency comments that raise substantive environmental issues associated with the proposed project and the Draft IS/MND. To maintain the project schedule, it is assumed that the City will forward comments as soon as they are received. The responses will be substantive and thorough, and will be provided in a separate Response to Comments (RTC) document. FCS has budgeted approximately 40 hours for completion of this task. Following the City's review, FCS will finalize and mail the RTC document to public agencies and individuals that provided comments on the Draft IS/MND. FCS assumes up to 30 paper copies of the RTC document will be provided.





Deliverable

- Up to 30 paper copies and one Electronic Copy of the Responses to Comments Document.

Task 7 – Prepare Mitigation Monitoring Program

FCS will prepare a Mitigation Monitoring Program (MMP) to comply with Public Resources Code Section 21081.6, for adoption by the City. FCS will submit one (1) reproducible copy of the MMP to the Planning Department for inclusion within the City staff report.

Deliverables

- Mitigation Monitoring Program

Task 8 – Meeting Attendance as Needed

In addition to the project initiation meeting which has been included in Task 1, FCS will attend one Planning Commission (September 26th) public hearing and two City Council public hearings (October 18th and November 1st). FCS will present the findings of the IS/MND and be available to respond to questions during the hearings. Additional meeting and hearings can be attended on a time and materials basis subject to prior approval by City staff. This task includes 32 hours of the Project Manager time. If additional hours are needed, they will be provided under separate authorization.

Deliverable

- Meeting attendance (cont.)

Tasks Required from the City Staff

To maintain the fast track project schedule, FCS asks the City to be very diligent about sharing new information as soon as it becomes available so can accommodate the information in the IS/MND. Please also provide any comments generated or received as soon as possible so that we can address them immediately.

QUALIFICATIONS

Firm Description and Qualifications

Incorporated in the State of California in 1982, FCS has provided hundreds of municipalities with on-call and contract environmental and natural resource management services. Our disciplinary specialties include environmental planning, regulatory compliance, natural resource management, cultural resources management, replanting and restoration services, air quality

and noise services, and water resource management. FCS serves clients in the western United States with a staff of approximately 80 professionals from offices located in Irvine, Los Angeles, San Bernardino, Fresno, Sacramento, and Walnut Creek. The City of Costa Mesa fast-track IS/MND for the medium-density multi-family residential development on 2850 Mesa Verde Drive East will be predominantly managed from our Irvine headquarters.

The FCS team consists of environmental resource leaders who possess vast knowledge of environmental regulations, laws, and compliance issues complemented by an in-depth technical understanding of their individual disciplines. FCS staff experiences range from being in-house CEQA and land use attorneys and practitioners to technical scientists, all of which are invaluable in addressing the City of Costa Mesa's project-specific needs. With this wide range of experience, FCS offers the City a comprehensive team with a unique understanding of the complexities of managing projects with diverse challenges, including scheduling and logistics, public relations, long-term field efforts, and multifaceted legal and agency compliance issues. As a testament to our skill level, members of the FCS staff are called upon to provide expert testimony, instruct at technical seminars, or lead conferences. To ensure that we keep abreast of current environmental issues and that we stay involved in the communities we serve, FCS staff members are actively involved in legislative activity and scientific research and publications.

Environmental Planning Services

We understand the importance of providing our clients with professional, solution-oriented, cost-effective, and timely service for CEQA and NEPA compliance documents. Our environmental planners have the technical credibility required for drafting high-quality documents that meet client expectations and agency requirements. We can address important environmental topics by providing the following services:

- Air Quality and Greenhouse Gas Emissions Analyses
- CEQA/NEPA Documentation
- Climate Action Plans
- Development Applications and Entitlements Processing
- Due Diligence Assessments
- Environmental Documentation
- Expert Witness Testimony
- Geographical Information Systems
- Green Building/LEED
- Hazardous Materials Risk Analyses
- Legislative and Policy Analyses
- Mitigation Monitoring and Reporting Plans/Programs
- Noise Analyses
- Opportunities and Constraints Analyses
- Permit Processing (CWA 404, CWA 401, FG Code 1600, ESA Sec. 7)
- Phase I Environmental Site Assessment
- Project Review and Processing Services
- Proponent Environmental Assessments
- Public Outreach (CEQA Noticing, Mailing Lists, Scoping Meetings)
- Renewable Energy Site Assessments
- Specific Plans
- Site-specific Community Planning
- Sustainable Community Analyses
- Transportation Corridor Analyses
- Wastewater Analyses
- Water Resource Management Plans
- Zoning Compliance and Permits

STAFFING

FCS understands the value of assigning quality leadership and experienced resource staff to complete projects within schedule and budget. We assemble project teams that provide a wide range of high- quality technical services combined with timely cost-effective projects that meet environmental regulations and agency requirements. The selection of team members is typically based upon four key factors:

1. Technical expertise in issue areas of particular concern to the client;
2. Prior experience with similar projects in similar locations;
3. Ability to comply with schedule constraints; and
4. Demonstrated ability to effectively communicate and present technical information to the public.

Please see the below list of individuals who will be working on this project. This list indicates the functions that each will perform and anticipated hours of service of each individual. Full resumes of the project team are included in Appendix A.



FCS Project Team

Project Director

Frank Coyle is highly experienced in urban and regional planning in both the private and public sectors. He has prepared and managed a wide variety of Specific Plans, Specific Plan Amendments, General Plan Amendments, subdivision requests and environmental documents achieving an impressive record of accomplishment in successfully managing projects through the entitlement process. Prior to joining FCS, Mr. Coyle was employed as the Deputy Planning Director for the County of Riverside overseeing both the Current Planning and Advanced Planning divisions. Mr. Coyle was directly involved with managing the Temecula Wine Community Plan, which included the preparation of a Programmatic EIR. Mr. Coyle possesses strong knowledge and understanding of development economics, governing agencies, and bureaucratic procedures. His thorough knowledge of CEQA and experience with the principles and practices of urban and regional planning, zoning and subdivision concepts makes him a leader in the industry and asset to the FCS team. In December of 2008, he was appointed to the City of Redlands Climate Action Task Force by the mayor. The purpose of this group is to identify strategies for the City to reduce greenhouse gas emissions.

Project Manager

Kimberlin Tran Burnell has more than 12 years' experience in environmental planning and project management. She has successfully coordinated and corresponded with various department agencies, for the preparation of Environmental Assessments (Initial Studies), conditions of approval and staff reports, and public hearing presentations for the Planning Commission and Board of Supervisors. Ms. Burnell has managed approximately 400 normal and complex discretionary land use applications, including, but not limited to the processing of General Plan Amendments, Specific Plans and Specific Plan Amendments, Tentative Tract Maps, Tentative Parcel Maps, Plot Plans, Conditional Use Permits, Specific Plans, Design Guidelines, Zoning ordinances, Notice of Exemptions, Negative and Mitigated Negative Declarations, Environmental Impact Reports, and other CEQA Compliance documents.

CEQA Support

Air Quality/Greenhouse Gases/Noise

Philip Ault, MS, has nine years of experience in noise and air quality environmental impact analysis. He is primarily responsible for the measurement, analysis and reporting of noise and air quality impacts for a variety of FCS projects. He is proficient with the use of the FHWA Highway Traffic Noise Prediction Model (FHWA RD-77-108), SOUND32 noise model, FHWA Traffic Noise Model (TNM) 2.5, and SoundPLAN 7.4, a 3-D noise-mapping computer-modeling

program. He conducts field noise measurements with the Larson Davis LxT, 720, 820 and 824 models and Extech 407780 model sound level meters in compliance with FWHA, FTA, and HUD standards. Mr. Ault prepares stand-alone noise and air quality studies as well as studies in compliance with CEQA and NEPA requirements. Mr. Ault has conducted extensive research in environmental and energy topics, including energy efficient project design, sizing of wind and solar PV hybrid generator systems, and project greenhouse gas emission impacts related to global climate change. He has also conducted extensive research into LEED for Neighborhood Developments, a tool developed by the U.S. Green Building Council as a standard for sustainable community design and development, and how such tools can blend with CEQA requirements.

Phase I Environmental Site Assessment Peer Review

Gavin Leaver (EAS) is responsible for all of the aspects of business ownership and management, consultation of environmental concerns of 15000+ sites within established markets throughout the Western United States. He has overseen actions of 20+ environmental scientists, geologic engineers, asbestos consultants, cultural and biological professionals, and managed budget projects and reviewed monthly earnings, contract negotiations, new client management.

Kunzman Associates, Inc. (Traffic Analysis)

Carl Ballard, Kunzman is a California Corporation headquartered in the City of Orange that specializes in transportation and related services for governmental agencies and the business community. The certified SBE firm has 16 highly qualified personnel with experience throughout southern California at the regional, local, and individual project level. The experience of the firm's personnel in transportation and related services for new planned communities, as well as established areas provides the special skills necessary for determining imaginative, practical, and meaningful solutions. The firm was established in 1976 by William Kunzman, P.E., and since then the firm has completed over 5,000 studies for over 1,000 clients. Kunzman provides on-call services to the City of Anaheim, City of Loma Linda, City of Newport Beach, and the City of Palm Springs and has extensive experience in the City of Costa Mesa, including the recently completed ArgoTech Project Traffic Study Peer Review.



Relevant Project Experiences and References

Below you will find a listing of our experience with similar projects, along with the contact information for each; we welcome you to contact each client.

2277 Harbor Boulevard IS/MND Project, City of Costa Mesa, Costa Mesa, CA

FCS recently completed a fast-tracked IS/MND and associated environmental documentation for a residential apartment project located at 2277 Harbor Boulevard in Costa Mesa, California. The project proposed to construct a 236-unit apartment complex, an underground parking garage with 325 spaces, 279 aboveground parking spaces, and a pool, clubhouse, and courtyard area. The 4.15-acre project site is designated “General Commercial” in the City’s General Plan, is zoned “C1 (Local Business District)” under the City’s Municipal Code, and is currently occupied by the 236-room, 94,500-square-foot Costa Mesa Motor Inn motel. The project applicant requested a base density of 40 dwelling units per acre and a density incentive for an additional 58 dwelling units, contingent upon (a) the provision of 20 affordable units for moderate-income households, and (b) the complete demolition of the Costa Mesa Motor Inn. The project required the following discretionary approvals: General Plan Amendment, Rezone, Zoning Code Amendment, and Planning Application. FCS completed the environmental documentation and CEQA compliance process in less than a year, and the project was approved on November 3, 2015.

Client Name: City of Costa Mesa

Project Start and End Dates: January 30, 2015 – June 1, 2015

Client Project Manager: Ryan Loomis

Client Project Manager Address: City of Costa Mesa, 77 Fair Drive; Costa Mesa, CA 92628

Client Project Manager Telephone Number: 714.754.5245

Client Project Manager E-Mail Address: ryan.loomis@costamesaca.gov

FCS Staff: Frank Coyle (Project Director), Elizabeth Westmoreland (Project Manager), Philip Ault (Senior Scientist), Coral Eginton (Archaeologist)

Mangini Residential Project, City of Brentwood, Contra Costa County, CA

FCS recently completed a fast-tracked IS/MND and associated environmental documentation for 36 single family residences on a 9.84-acre project site. The project was initiated in October 2014. An Administrative Draft IS/MND was delivered less than one month later on November 21st, and a final IS/MND was delivered four days later on November 25th. FCS attended the Planning Commission meeting in December 2014, and later approved at a City Council meeting in January 2015.





PROJECT SCHEDULE

FCS has prepared the following fast track schedule outlining the anticipated timing of each task.

Work Task/Milestone	Date of Completion
Task 1 - Project Initiation	8.26.16
Task 2 - Prepare Project Description	8.29.16
Task 3 - Prepare Screencheck IS/MND	
Task 3.1: Submit First Screencheck IS to City Staff	9.1.16
Task 3.2: Receive Comments on First Screencheck IS/MND	9.2.16
Task 4 - Prepare Proofcheck Draft IS/MND	
Task 4.1: Submit First Proofcheck Draft IS to City Staff	9.6.16
Task 4.2: Receive Circulation Approval of Draft IS/MND	9.6.16
Task 5 - Circulation of Draft IS/MND	
Task 5.1: Begin 20-Day Public Review Period	9.6.16
Task 5.1: End 20-Day Public Review Period	9.26.16
Task 6 - Prepare Response to Comments	9.6.16 – 9.26.16
Task 7 - Prepare Mitigation Monitoring Program	9.6.16-9.26.16
Task 8 - Planning Commission Meeting	9.26.16
Task 8 - Meeting Attendance	Ongoing
Task 8.1: Planning Commission Meeting	9.26.16
Task 8.2: City Council Meeting	10.18.16 and 11.1.16

The assumptions used in the above table are:

- The confirmed project description, site plans, project-related information, and base maps are provided at the project initiation meeting.
- The periods shown are adequate for the City’s review of each draft submittal. If review schedules change, the rest of the schedule will require associated updates.
- The public review period for the MND is assumed the minimum 20 days.
- The project will not be sent to the State Clearinghouse for transmittal to State or other agencies.





FEES

The fees for the proposed project are provided below. The proposed fee is based upon the scope of work described herein, and includes all labor and direct costs. Fees will be billed on a time and material basis, with the following budgets established for the listed tasks. Responsive to the RFP, a breakdown of the number of the hourly rates, number of estimated hours and total costs per employee is provided in the Pricing Proposal Form Attachment, included in Appendix C.

Task	Fees
Professional Labor	
Task 1 - Project Initiation	\$1,560
Task 2 - Prepare Project Description	\$1,100
Task 3 - Prepare Screencheck IS/MND	\$11,580
Task 4 - Prepare Proofcheck Draft IS/MND	\$1,670
Task 5 - Circulation of Draft IS/MND	\$2,840
Task 6 - Prepare Response to Comments	\$2,750
Task 7 - Prepare Mitigation Monitoring Program	\$760
Task 8 - Meeting Attendance	\$4,480
Subtotal Professional Labor	\$26,740
Direct Costs	
Phase I ESA Peer Review (EAS)	\$780
Traffic Analysis (Kunzman)	\$2,200
Reprographics/Document Production	\$2,000
Mileage, Delivery, Postage	\$500
Total Direct Costs	\$5,480
FCS Estimated Fees	\$32,220

Assumptions

The assumptions used in calculating the above fees are:





- The fee is valid for up to 180 days from the date of this scope, after which it may be subject to revision.
- City staff will be responsible for distribution of public review documents.
- This price is based upon completion of the work within the proposed schedule. If delays occur, an amendment of the price would be warranted to accommodate additional project management and other costs, and to reflect adjustments for updated billing rates.
- Costs have been allocated to tasks, based upon FCS’s proposed approach. During the work, FCS may, on its sole authority, re-allocate costs among tasks, as circumstances warrant, so long as the adjustments maintain the total price within its authorized amount.
- The FCS Project Director will be the primary representative at the project meeting and public hearing.
- Printing costs are based on the method of printings and bindings proposed, numbers of copies proposed as work products, and estimated page lengths. Document printing costs are estimated and will be finalized at the time of printing. On further clarification of the documents (paper and/or digital CD) that the applicant team or City Staff will need during the preparation effort, FCS will specifically identify a detailed reproduction work plan with more specific costs.

Scope of Work Modifications

FCS assumes a stable and complete project description and project plan set at project initiation. In the event the project description and/or scope of work change to a degree that alters the fee estimate, FCS will contact the applicant team or City Staff in writing to submit a revised fee for mutual agreement, and a contract amendment will be processed. Requests for additional work will be documented, and a completion timetable and estimated fee will be submitted for applicant team or City approval.

Payment Schedule

FCS proposes invoice billing on a monthly basis, with an indication of the “percent complete” toward each task. Invoices are due and payable within 30 days of receipt.

FCS Hourly Rate Schedule

Hourly Labor Rates

FCS Personnel	Hourly Rates (\$)
President/Vice President	240 – 285



FCS Personnel	Hourly Rates (\$)
Director	160 – 270
Senior Project Manager/Senior Scientist/Senior Regulatory Scientist	110 – 180
Project Manager/Regulatory Scientist	100 – 150
Assistant Project Manager/Assistant Regulatory Scientist	80 – 120
Environmental Planner/Project Ecologist/Biologist	70 – 95
Environmental Analyst/Regulatory Analyst	60 – 90
Research Analyst/Staff Ecologist	50 – 75
Senior Archaeologist/Paleontologist	95 – 135
Project Archaeologist/Paleontologist/Principal Investigator, Historian	85 – 110
Project Coordinator	65 – 90
Architectural Historian/Staff Archaeologist	65 – 95
Field Director/Crew Chief/Supervisor	65 – 80
Laboratory Director	65 – 80
Field Monitors/Laborer	40 – 55
Laboratory Assistant	40 – 55
Publications Coordinator/Technical Editor	90 – 115
GIS Analyst	70 – 130
Graphics Designer/GIS Technician	65 – 80
Word Processor	65 – 80
Administrative Assistant/Accounting/Clerical	55 – 80
Reprographics Assistant/Intern	45 – 60

Other Labor Rates

Labor rates for expert testimony, litigation support, and depositions/court appearances will be billed at a minimum of two (2) times the above rates. If additional services are authorized during the performance of a contract, compensation will be based on the fee schedule in effect at the time the services are authorized.

Direct Expenses

Direct expenses are billed at the amount charged, as described below, plus a 10% administration cost.



- Out-of-pocket expenses - including, but not limited to, travel, messenger service, lodging, meals, blueprint, reproduction, and photographic services: Cost, as charged to FCS.
- Subcontractors' fees: As quoted.
- Passenger cars: \$0.565 per mile.
- Four-wheel drive vehicles: \$75.00 per day (\$0.565 per mile).
- Reproduction and Color copies: See Reprographics Fee Schedule provided as necessary.
- Records checks: fees vary with facility and project.
- USFWS/CDFG impacts or mitigation fees.
- Museum curation: fees vary with the location and project.
- Cultural resources storage/curation of fossil and artifact collections: Cost, as charged to FCS.
- Per Diem: \$145.00/per day. Lodging surcharge may apply in high rate areas.