

MEMORANDUM

PLANNING, BUILDING, & CODE ENFORCEMENT

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: DIRECTOR OF PLANNING, BUILDING AND CODE ENFORCEMENT 

DATE: NOVEMBER 6, 2008

SUBJECT: CONTRACT ADDENDUM NO. 3 FOR THE MARYMOUNT COLLEGE FACILITIES EXPANSION ENVIRONMENTAL IMPACT REPORT

REVIEWED: CAROLYNN LEHR, CITY MANAGER 

Staff Coordinator: Ara Michael Mihranian, AICP, Principal Planner

RECOMMENDATION

Approve Contract Addendum No. 3 to the Agreement for Consulting Services between the City of Rancho Palos Verdes and Robert Bein, William Frost & Associates (RBF) for the preparation of an Environmental Impact Report for the Marymount College Facilities Expansion project, in the amount of \$57,400.00.

BACKGROUND

On October 18, 2005, the City Council executed a professional service agreement with RBF Consulting to prepare an Environmental Impact Report (EIR) for the Marymount College Facilities Expansion project. The EIR is for the College's facilities expansion project that includes the relocation of the athletic fields, the reconfiguration of the existing parking lot, the modernization and expansion of existing buildings and the construction of new buildings, such as, but not limited to, two residence halls, an athletic facility, and a library. This project represents a revision to the original application submitted by the College in July 2000 and is identified as Zoning Case No. 2003-00317 (CUP No. 9 – Revision "E," a Grading Permit, and a Variance Permit).

DISCUSSION

Upon the College's submittal of a revised project application in June 2003, Staff determined that the project and its potential impacts to the surrounding environment would require the preparation of an EIR to comply with the requirement of the California Environmental Quality Act (CEQA). Since an EIR was already being prepared by RBF Consulting for the College's original application, Staff requested that RBF submit a cost

proposal to prepare an EIR for the revised project. Based on RBF's assessment of the revised project and the amount of work needed to update the original document, including the preparation of updated technical data and new studies, including, but not limited to traffic, noise, and visual simulations, RBF proposed to prepare the revised project EIR at a cost of \$198,930.00. At that time, representatives from the College reviewed RBF's scope of work and were in agreement with the cost proposal and on October 18, 2005, the City Council entered into a professional service agreement with RBF Consulting to prepare the revised project EIR.

As the City's EIR consultant progressed towards completion of the Draft EIR, there were some additional EIR preparation costs that needed to be addressed through two addendums to the original contract. On August 21, 2007, the City Council approved Addendum No. 1, in the amount of \$45,843.00, to cover costs associated with additional necessary traffic work and studies not specified in the original service agreement, as well as project coordination and rate adjustments for 2007. On October 24, 2007, the City Council approved Addendum No. 2 in the amount of \$126,740.00 to cover costs associated with the completion of the Draft EIR, such as additional services and analysis, additional meetings, and additional edits and updates to the Draft EIR that were not specified in the original service agreement. Furthermore, Addendum No. 2 included a budgetary line item for anticipated project coordination and meetings that was also not specified in the original service agreement. The additional costs associated with Addendum Nos. 1 and 2 brought the total cost for the EIR preparation, to approximately \$371,513.00 (not including the 10% City administration fee).

At this time, RBF Consulting has submitted Addendum No. 3 (see attachment), in the amount of \$57,400.00 to cover costs associated with the completion of the Final EIR that was recently released to the public on October 16, 2008. The proposed increase, as described in detail in the attached Consultant's Addendum No. 3 proposal, is to account for additional services and analysis needed to complete the Responses to Comments on the Draft EIR (a component of the Final EIR), the preparation of an analysis addressing project modifications proposed by the College after the close of the comment period on the Draft EIR, and additional funding for project coordination and meetings projected through December 2008. The additional cost associated with Addendum No. 3 would bring the total cost for the EIR preparation, including Addendum Nos. 1 and 2, to approximately \$428,913.00.

As it has done with the two previous contract addendums, when the current contract addendum was originally received by the City, Staff spent several weeks vetting the itemized costs to ensure that the scope of work is accurate and represents fair costs. As a result of this review, the Addendum was revised with some line items costs decreased, while other line item costs increased. It is for this reason that Staff fully supports the costs identified in current Addendum No. 3.

ADDITIONAL INFORMATION:

Applicant's review of Addendum

The City has opted to hire an outside environmental consultant (RBF Environmental Consultants) to prepare the EIR on behalf of the City with the costs incurred in preparing the EIR solely the responsibility of the College. Since the contract to prepare the EIR is between the City and RBF, it is the City's responsibility to ensure that the costs incurred to prepare the project EIR are fair and accurate. Nonetheless, as a courtesy to the applicant who is funding the work, Addendums to the EIR preparation contract are provided to the applicant for their review and input. As such, Addendum No. 3 was provided to the College's representatives for review on August 28, 2008. Prior to this staff report being finalized, a representative from the college noted that there did not appear to be any issues in the current addendum that would be contested by the College. At the time this Staff Report was finalized, no written comments or concerns on the addendum have been submitted by the college.

Once the City Council approves the Addendum, Staff will be requiring that the College pay the full amount of Addendum No. 3 (\$57,400.00) within a five working days from the approval of this addendum. If for some reason, the College contests any of the charges contained in Addendum No. 3, Staff will have no choice but to suspend the processing of the College's applications while the issues are worked out.

FEIR Review

As previously stated, on October 16, 2008, the Final EIR for the Project was released to the public. The Planning Commission began to receive public testimony on the Final EIR at its October 28th meeting. In addition to the Planning Commission's review of the project's EIR and planning applications, the City's Traffic Safety Commission will also be conducting public hearings to receive testimony on the Traffic and Circulation section of the project EIR. The Traffic Safety Commission will then forward a recommendation to the Planning Commission prior to certification of the FEIR.

FISCAL IMPACT

The Contract Addendum will have no fiscal impact on the City due to the obligation of the applicant to cover all costs for the preparation of environmental documentation, including a 10% administrative fee to cover the City's contract management costs.

CONCLUSION

It is Staff's position that the proposed cost increase identified in Addendum No. 3 is a fair and accurate representation of true costs incurred by RBF in the preparation of the Final EIR for this complex project. Approval of Addendum No. 3 would result in no changes to the original contract other than the cost components discussed therein, and all other provisions of the contract would apply to the Addendum items. Therefore, based on the discussion above, staff recommends that the City Council approve Addendum No. 3 as presented.

ALTERNATIVES

In addition to Staff's recommendation, the following alternatives are available for consideration by the City Council:

- 1) Deny the proposed Addendum No. 3; or,
- 2) Adopt Addendum No. 3 with modifications as deemed appropriate by the Council.

ATTACHMENTS

- RBF Contract Addendum No. 3 dated August 26, 2008



August 26, 2008

JN 10-104089

Mr. Ara Mihranian, AICP
Senior Planner
Department of Planning, Building and Code Enforcement
CITY OF RANCHO PALOS VERDES
30940 Hawthorne Boulevard
Rancho Palos Verdes, California 90275

Subject: Contract Addendum No. 3, Marymount College Expansion Project (Revision "E" to CUP No. 9), City of Rancho Palos Verdes

Dear Mr. Mihranian:

RBF Consulting has submitted this Contract Addendum No. 3 for items not accounted for in our current Agreement for the Marymount College Expansion Project (Revision "E" to CUP No. 9). The Addendum accounts for the following: 1) additional services/analysis required to complete the responses to comments for the Public Review Draft EIR; 2) the preparation of an Appendix document to address modifications to the College's proposal; and 3) additional funding for project coordination and meeting time through December, 2008. The following provides additional information involving this request:

- 1. Response to Comments:** The volume of comments and extent of responses required for the Public Review Draft EIR has exceeded the budgeted allocation for this task. As stated in Task 4.1, Page 22, of our original work program, dated October 4, 2005: "Due to the uncertainty as to the amount and extent of comments that will be received for the Draft EIR, additional funding may be required." Task 4.1 goes on to state that either an amendment to the existing agreement or funding from a contingency budget line item would be utilized. A contingency budget has not been established for this assignment and thus, additional funding is requested through this Addendum No. 3.

The original budget estimate for the Response to Comments (Task 4.1) was \$10,820. This was based upon 98 hours assigned to the Project Director, Project Manager, Traffic Engineer and the Air/Noise Environmental Specialist. This assumed utilizing two hours per comment letter and the assumption of 49 letters. This is a broad assumption, as some responses take less time, and others, more time. A total of 170 comment letters were received by the City for the Public Review Draft EIR. With City Staff's review of the first set of the responses (through July, 2008), RBF has been directed to modify the method of responding to comments (Master Responses), which also requires additional time allocation. This includes expanding several responses, which staff believes would enhance the clarity and ease of reviewing responses.

PLANNING ■ DESIGN ■ CONSTRUCTION

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Offices located throughout California, Arizona & Nevada ■ www.RBF.com

As previously stated, the original budget accounted for 49 comment letters. With the total of 170 comment letters received, budgeting for 121 comment letters has not been accounted for. In addition, additional funding will be necessary to cover responses to testimony received at the noted hearings (Planning Commission, Traffic Safety Commission). The following provides a breakdown of staffing, hours and budgeting required to complete the Response to Comments. Please note that based upon City Staff direction to create "Master Responses," RBF has modified the assumption of two hours per comment letter to 1.5 hours per comment letter, for the remaining letters. Thus, the assumption is 1.5 hours x 121 comment letters = 181.5 hours and 12.5 hours have been allocated for public hearing responses, resulting in the total of 194 hours.

Staff	Assignment	Rate	Hours	Budget
Glenn Lajoie	Director	\$210	10	\$2,100
Rita Garcia	Project Manager	\$120	120	\$14,400
Paul Martin	Traffic Manager	\$140	30	\$4,200
Eddie Torres	Air/Noise	\$140	16	\$2,240
Rebecca Kinney	Drainage	\$160	10	\$1,600
Scott Magorien	Geology	\$180	8	\$1,440
Total			194	\$25,980

2. **Draft Supplemental Document:** In March/April 2008, the College submitted Revised Plans for certain project components, including the Library, Athletic Building/Facilities, and Temporary Modular Buildings. It is further acknowledged that the College provided additional new information in August 2008. The revised plan will require further review for each EIR topic area. It has been determined that the review would be incorporated as an Appendix in the Final EIR and would be consistent with the Addendum EIR provisions (Section 15164 of CEQA). The supplemental document, will involve a comparison and confirmation of analysis and conclusions contained in the Draft EIR. Staffing for this task includes Ms. Rita Garcia (60 hours at a rate of \$120/hour), which includes Ms. Garcia's previous review of the revised site plan and preparation of the supplemental document. An additional \$3,500 has been allocated for technical assistance and review by staff listed in Item 1 above (i.e., traffic, drainage, noise, geology) and quality control review by the Project Director. Total additional funding required for this task is \$10,700.
3. **Final Supplemental Document:** Based upon input and direction provided by the Planning Commission during the public hearing process, there maybe a need to provide further edits to the supplemental document. Due to the unknown nature of such edits, a contingency budget will be established in Addendum No. 3. A contingency of \$3,500 is subject to authorization by City Staff and agreement on level of analysis between the City and RBF Consulting.
4. **Additional Funding for Project Coordination through December 2008:** As stated in Addendum No. 2 (dated October 9, 2007), project coordination funding has been covered through June, 2008. For project coordination and, assuming that certification hearings will be occurring by December, 2008, the average amount of time required for coordination for Rita Garcia is 2.5 hours per week and for Glenn Lajoie, 1.5 hours per week. Based upon the time frame of July 1, 2008 through December 31, 2008 (28 weeks), we are estimating a total of 70 additional hours for Ms. Garcia and 42 additional hours for Mr. Lajoie. The subtotal for additional funding for coordination is \$17,220.

Mr. Ara Mihranian, AICP
August 26, 2008
Page 3

The total additional funding required under this Addendum No. 3 is \$57,400. The request is based upon the status of the environmental review as of August 15, 2008 and does not account for any additional fluctuations that may occur in the work program through the remainder of the project. Please indicate your acceptance of this work program augmentation by signing the approval line below and returning the original to us.

We appreciate the opportunity to participate in the Marymount College Expansion project and look forward to successfully completing the assignment. Please do not hesitate to call me at 949.855.3663 if you have any questions.

Sincerely,



Glenn Lajoie, AICP
Vice President
Planning/Environmental Services

Approved by _____
Name _____
Title _____
Date _____