

# REPORT

To the Honorable Mayor and City Council  
From the City Manager

February 26, 2007

## Subject

Costco Wholesale - Amendment to Agreement for Professional Environmental Assessment Services

## Recommendation

By motion, approve Amendment #2 to the Agreement with David Evans and Associates.

## Background

In 2005, Costco Wholesale submitted an application to replace their existing retail warehouse store with a larger store and to add a gas station to their site. The project review includes the preparation of an Environmental Impact Report (EIR), as well as design review, and a Use Permit. The City Council approved an Agreement in June of 2005 for David Evans and Associates to prepare the EIR. The City Council approved Amendment #1 to the Agreement on November 13, 2006. Amendment #1 covered the cost to assess a revised site plan, which has become Costco's preferred alternative.

Since November, the City has received a significant number of comments on the Draft EIR, which was circulated for public comment from November 8 through December 23, 2006. In order to make a comprehensive response to comments, the consultant and their subcontractors will need to conduct additional analysis. Proposed Amendment #2 includes a modest \$7,500 contingency fee. The original contract was for \$153,049; Amendment #1 was an additional \$25,616; and the proposed Amendment #2 is for \$22,324.

## Alternative

Do not approve the amendment. In such a case, the scope of work for consultant support of the Final EIR will be limited.

## Fiscal Impact

The developer for the project will fund the costs of preparing the EIR. Amending this contract will result in no fiscal impact to the City.

  
Jill Ekas  
Planning Manager

  
Peter Ingram  
Director, Community Development

  
Ed Everett  
City Manager

## Attachments

- 1) Amendment #2 to the Agreement with David Evans and Associates
- 2) Exhibit 'A' – Scope of Services

**AMENDMENT NO. 2 TO AGREEMENT FOR ENVIRONMENTAL ASSESSMENT  
SERVICES  
(David Evans & Associates)**

This Amendment No. 2 is entered into and effective as of the \_\_\_ day of \_\_\_\_\_, 2007, amending the agreement dated June 29, 2005 (the "Agreement") by and between the City of Redwood City, a charter city and municipal corporation ("City"), and David Evans & Associates, ("Consultant") (collectively, the "Parties") for Evaluation of an additional alternative project design within the EIR.

**RECITALS**

A. On January 31, 2007 the Parties executed Amendment No. 1 to the Agreement for Environmental Assessment Services; and

B. The Parties desire to alter the Agreement's scope of work to include additional analysis to be conducted by the Consultant and subcontractors in order to make a comprehensive response to comments received on the Draft EIR that was circulated from November 8 through December 23, 2006.

C. The Parties have negotiated and agreed to a supplemental scope of work and fee schedule, which is attached to and incorporated by this reference as Exhibit "A," Scope of Services and Fee.

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, the Parties agree as follows:

1. In addition to those services contained in the Agreement, as may have been amended from time to time, Consultant will provide those services described in Exhibit "A."

2. City will pay Consultant for all work associated with those services described in Exhibit "A" Twenty Two Thousand Three Hundred Twenty Four Dollars (\$22,324). Consultant will provide City, on a monthly basis, copies of invoices sufficiently detailed to include hours performed, hourly rates, and related activities and costs for approval by City.

3. Consultant will complete all work described in Exhibit "A".

4. All other provisions of the Agreement, as may have been amended from time to time, will remain in full force and effect.

5. All requisite insurance policies to be maintained by Consultant pursuant to the Agreement, as may have been amended from time to time, will include coverage for this Amendment.

6. The individuals executing this Amendment and the instruments referenced in it on behalf of Consultant each represent and warrant that they have the legal power, right and actual authority to bind Consultant to the terms and conditions of this Amendment.

CONSULTANT  
David Evans & Associates  
9635 Granite Ridge Drive, Suite 300  
San Diego, CA 92123  
858-614-4360

CITY OF REDWOOD CITY, a charter city and municipal corporation of the State of California

\*By:

\_\_\_\_\_  
(sign here)

\_\_\_\_\_  
(print name/title)

\*\*By:

\_\_\_\_\_  
(sign here)

\_\_\_\_\_  
(print name/title)

By:

\_\_\_\_\_

Name/Title \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Patricia Howe, City Clerk

If required by City, proper notarial acknowledgment of execution by Consultant must be attached. If a Corporation, Agreement must be signed by one corporate officer from each of the following two groups.

**\*Group A.**  
Chairman,  
President, **or**  
Vice-President

**\*\*Group B.**  
Secretary,  
Assistant Secretary,  
CFO **or** Assistant Treasurer

**Otherwise**, the corporation **must** attach a resolution certified by the secretary or assistant secretary under corporate seal empowering the officer(s) signing to bind the corporation.

EXHIBIT "A"

SCOPE OF SERVICES AND FEE

The following Scope of Goods/Services are to be provided to City by Contractor under this Agreement:

The Contractor's proposal entitled "Costco EIR Scope of Work Amendment and Budget Reallocation" dated January 31, 2007 ("Proposal") is attached to this Exhibit A and is incorporated by this reference. The Scope of Services to be provided to the City by the Contractor, the cost estimates and fees are fully set forth in the proposal.



DAVID EVANS  
AND ASSOCIATES INC.

January 31, 2007

Ms. Jill Ekas, AICP  
Planning Manager  
Community Development Department  
1017 Middlefield Road  
Redwood City, California 94064

**SUBJECT: COSTCO EIR SCOPE OF WORK AMENDMENT AND BUDGET REALLOCATION**

Dear Ms. Ekas:

David Evans and Associates, Inc. (DEA) is pleased to submit this letter proposal to revise our existing budget to complete the Redwood City Costco Wholesale Final Environmental Impact Report (EIR). The following summarizes the tasks and fees requested to cover labor and expenses. Fees are summarized in Attachment 1.

**Task 1. Prepare Technical Memorandum**

As discussed during our January 5, 2007, teleconference, the City has increased the estimate for fuel sales from volume from 540,000 gallons to 750,000 gallons per month. The City has requested that DEA prepare a technical memorandum identifying how the increased sales volume would affect each of the environmental issues addressed in the draft EIR. DEA will prepare a draft and final memorandum and provide up to 5 copies of each to the City.

**Fee: \$1,452.00**

**Task 2. Respond to Air Quality Comments and Attend Final EIR Hearing**

Under this task, Hans Giroux, of Giroux and Associates, will prepare responses to air quality and noise related comments on the Draft EIR. Additionally, Mr. Giroux will attend the Final EIR public hearing to address questions on air quality and/or noise issues.

**Fee: \$2,880.00**

**Task 3. Attend Public Meeting and EIR Appeal Hearing**

Per the City's request, we are requesting funds to cover labor and expenses associated with attending a public informational meeting subsequent to release of the Final EIR and one Appeal Hearing.

**Fee: \$3,672.00**



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**Task 4. Fehr & Peers Cost Amendment**

As we have discussed, Fehr & Peers is requesting additional funds to support their work effort. The attached request from Fehr & Peers identifies specific scope issues and the requested fee amendment.

**Fee: \$6,820.00 (includes 10% mark up)**

To cover labor costs associated with preparing the response to comments and preparation of the Final EIR, we are requesting to reallocate \$5,000 from the direct expense budget to our labor budget. This would leave approximately \$2,600 to print the FEIR. With your authorization, we will make the changes in our accounting system. Additionally, we are requesting authorization of \$7,500 in contingency funds to cover labor associated with unanticipated document revisions and/or related costs associated with the ongoing effort to complete the Final EIR.

The total cost for the additional effort would be \$14,824.00 for work summarized in Task 1-3. The additional \$7,500 would bring to total to \$22,324.00. We are developing draft responses to comments this week and will provide information for you to review. Please let me know if you have questions or need additional information.

Sincerely,

**DAVID EVANS AND ASSOCIATES, INC.**

Ryan J. Birdseye  
Environmental Sciences and Planning Discipline Leader

David Evans and Associates, Inc.

Attachment 1  
Redwood City Costco CEQA Budget Amendment  
Cost Estimate

Task	Rate	Estimated Hours	Cost	Subtotal
<b>Task 1. Prepare Technical Memorandum</b>				
Project Manager	\$ 153.00	4	\$ 612.00	
Project Planner	\$ 105.00	8	\$ 840.00	
		Subtotal	\$ 1,452.00	\$ 1,452.00
<b>Task 2 - Respond to AQ Comments/Attend Hearing</b>				
Giroux & Associates	\$ 120.00	24	\$ 2,880.00	
		Subtotal	\$ 2,880.00	\$4,332.00
<b>Task 3 - Attend Public Meeting and Appeal Hearing</b>				
		Subtotal	\$ 3,672.00	\$8,004.00
<b>Task 4 - Fehr &amp; Peers</b>				
Fee Amendment		Subtotal	\$ 6,820.00	\$ 14,824.00
<b>Contingency Fee Request</b>				
		Subtotal	\$7,500.00	\$22,324.00
		<b>Grand Total</b>		<b>\$22,324.00</b>



January 31, 2007

Mr. Ryan Birdseye  
David Evans and Associates, Inc.  
9635 Granite Ridge Drive, Suite 300  
San Diego, California 92123

**Subject: Budget Amendment for the Redwood City Costco Peer Review**

SJ05-782A

Dear Ryan:

Fehr & Peers Associates, Inc. is submitting this additional budget request for work not included in our original scope, dated August 5, 2005, for the above-referenced project. The current request covers the following additional services:

- PM peak period travel time analysis along SR 84 and through surrounding neighborhoods between Costco and US 101 ramps
- Responding to comments on the draft report and preparing the final memorandum (assuming 12 hours to respond to comments)
- Attendance at three additional meetings (two public hearings and one project meeting)

The cost to conduct these additional services is \$6,200. This increase brings our total project budget to \$29,900. Please sign below to authorize the budget increase.

Sincerely,

FEHR & PEERS ASSOCIATES, INC.

Robert Eckols, P.E.  
Senior Associate

Jason Nesdahl  
Transportation Engineer

ACCEPTED BY:

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Representing: \_\_\_\_\_

Date: \_\_\_\_\_