

THIRD AMENDMENT TO AGREEMENT TO FURNISH ENVIRONMENTAL ANALYSES

This Third Amendment to Agreement is made and entered into this 3rd day of May 2005, by and between the City of Redlands, a municipal corporation ("City") and Michael Brandman Associates ("Consultant").

RECITALS

WHEREAS, on August 5, 2003, the City and Consultant entered into an agreement entitled "Agreement for the Provision of Professional Environmental Consulting Services" (the "Agreement") which described the scope of work which Consultant would undertake for City for the total compensation of \$127,000 in connection with the necessary environmental review for General Plan Amendment No. 93, Agricultural Preserve Removal No. 100, Zone Change No. 390, and Tentative Tract No. 16361, and

WHEREAS, on January 6, 2004, the City and Consultant amended the Agreement to increase the compensation to be paid by City to Consultant by the amount of \$29,060.00 for a total compensation of \$156,060, and

WHEREAS, on December 21, 2004, the City and Consultant amended the Agreement to increase the compensation to be paid by City to Consultant by the amount of \$15,500.00 for a total compensation of \$171,560, and

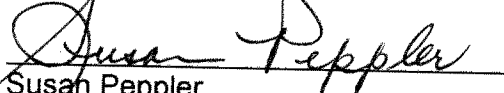
WHEREAS, the City has determined that additional work is required to amend the Scope of Work for the Environmental Impact Report (EIR) to incorporate additional work that has exceeded the previously authorized scope of work due to extensive comments on the Draft EIR, prolonged delays, additional meetings, additional geotechnical work, expanded EIR discussions and extended work associated with project management.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the City of Redlands and Michael Brandman and Associates hereby agree as follows:

Section 1. Section 4.2 of the Agreement is hereby amended to increase the compensation to be paid by City to Consultant by the amount of \$39,480.00 for a total compensation of \$211,040.00 including the amount expended in the original contract approved August 5, 2003, and amended January 6, 2004 and December 21, 2004.

Section 2. Exhibit "A" of the Agreement which describes the extent of Consultant's Services is hereby amended to include revisions to the EIR to reflect the revisions, the details of which are attached hereto as Exhibit "A".

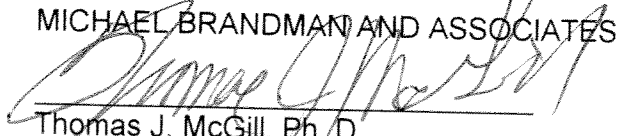
CITY OF REDLANDS

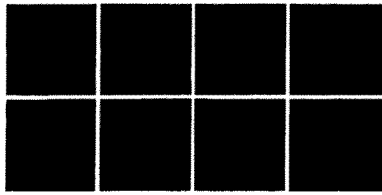

Susan Peppler
Mayor of the City of Redlands

ATTEST:


Lorrie Poyzer
City Clerk

MICHAEL BRANDMAN AND ASSOCIATES


Thomas J. McGill, Ph.D.
Regional Manager of Michael Brandman & Associates



Michael Brandman Associates

ENVIRONMENTAL SERVICES • PLANNING • NATURAL RESOURCE MANAGEMENT

April 11, 2005

VIA OVERNIGHT DELIVERY

Asher Hartel
City of Redlands
Planning Department
35 Cajon Street, Suite 20
Redlands, CA 92373-1505

Subject: Request for an Amendment to the Scope of Work/Budget Augment for the Environmental Impact Report (EIR) for Tentative Tract 16361

Dear Mr. Hartel:

Michael Brandman Associates (MBA) is requesting an Amendment to the Scope of Work and Budget Augment for our preparation of the EIR for Tentative Tract 16361 (commonly referred to as the Covington project).

The work needed on this project will greatly exceed that of the authorized Scope of Work, due to extensive comments on the Draft EIR, prolonged delays in the project, and other reasons which are further explained in the attached document. The total budget augment requested is \$39,480.

Please feel free to contact me if you have any questions about this request.

Sincerely,

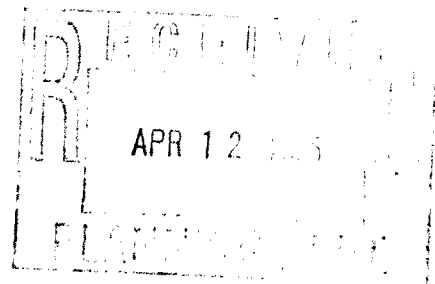
Christine Jacobs Donoghue
Christine Jacobs-Donoghue
Project Manager
Michael Brandman Associates
621 E. Carnegie Drive, Suite 100
San Bernardino, CA 92408

Attachment

CJD:sep

H:\Client\06290007\Apr200511 cover ltr.doc

cc: John Jaquess



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Basis for Budget Augment/ Amendment to Scope of Work

Additional Costs Due to Time Delays

The environmental review process conducted by Michael Brandman Associates (MBA) was scheduled to take 9 months to complete; however, 12 months is a reasonable schedule for an Environmental Impact Report (EIR). The review process project began in August 2003 and it is now estimated to be completed by May 2005, a total of 17 months, which is over 10 months behind schedule. The most relevant reasons for the delays are as follows:

- The primary reason for the extended project schedule has been extensive geotechnical work required for the project. MBA's geologists found the work by the applicant to be insufficient to support the environmental review. It took a long period of time to resolve what additional work was needed, and then to conduct the additional investigations. This issue resulting in a delay of approximately 6 months.
- Another factor contributing to the delay was the large volume of comments received on the project which required detailed written response. The Response to Comments includes approximately 112 pages of comment letters and 125 pages of text in written response to the comments made on the EIR. The volume of the comments resulted in a delay of about 6 weeks.
- Additional delays resulted from substantial wait periods on information needed from the project applicant throughout the environmental process.

A delay in project schedule of this magnitude extends the project into new fiscal years not anticipated in the original budget in terms of the inflation of project costs, staff salaries and subconsultant rates (approximately 5% per year). Accordingly, a budget augment is requested to address costs associated with extended project management, and to account for inflation for those tasks which extend beyond the original project schedule. Time delay/inflation expenses will be specifically identified herein. Although the delay has been 10 months, costs resulting from only 7 months are sought based on the reasonable timeframe of 1 year for an EIR.

The inflation cost for each task affected by inflation is identified below:

Draft EIR	\$207
RTC/Final	300
MMP	73
Findings	82
Public Meetings/Hearings	233
NOD	15
Staff Meetings	225
PM	<u>255</u>
Total	\$1,390

A delay in project schedule of this magnitude also requires extended project management time to manage the work effort, schedule, budget, billings and planned staff allocation over the additional time (see Project Management heading later in this document).

Response to Comments/Final EIR

The scope of work and budget provided for 80 hours of MBA professional staff time to address written comments received on the Draft EIR during the public review period. As indicated above, the amount of comments were voluminous, requiring over 125 pages of written text in response. MBA also required inputs from Applicant's subconsultants (engineers, hydrologists, geologists), which required extensive unanticipated coordination by MBA. Inputs had to be requested numerous of times, and initial information provided was often unresponsive to the subject issue needing to be addressed. This effort was time consuming, and also resulted in the need to prepare an additional administrative draft of the response to comments document in order to achieve progress on the document and project schedule. Subconsultant time was also needed to address comments and review applicant inputs.

Finally, the project Applicant made a number of changes to the project which required additional revisions to the response to comments and the Final EIR, including a comprehensive revision to the traffic section of the EIR.

The resulting work effort has required approximately 260 hours of professional staff time.

A budget augment of \$19,230 is requested to address this effort.

Findings of Fact

The scope and budget provides for 25 hours of professional staff time for the preparation of environmental findings and statement of overriding considerations. MBA's standard findings provide a brief introduction, and findings on the potentially significant impacts, as well as a statement of overriding considerations. Based on the large degree of public opposition, and the recent rigorous reliance of courts on a project's environmental findings, MBA determined that it would be prudent to prepare more rigorous environmental findings that would be useful in the event of a court challenge. Specifically, the more rigorous document includes findings on the following additional items: Less than Significant Impacts, Growth-Inducing Impacts, Unavoidable Adverse Impacts, Irreversible Impacts, and Alternatives to the Proposed Project. In addition, the document provides additional context specific to California Environmental Quality Act (CEQA) for discussion of these items. An administrative draft of these findings has been submitted; however, extensive revision is still anticipated, so that the projected total-hour requirement for this work is 75 hours.

A budget augment of \$5,500 is requested to address this effort.

Project Meetings

The scope of work provides for five (5) meetings with City Staff on the project. More than seven (7) meetings have been held to resolve environmental issues on the project.

The scope of work also provides for limited attendance by subconsultant at staff meetings or public hearings. At least three (3) have included the attendance of technical experts (geology and traffic). In addition, upcoming public hearings require attendance by technical experts in three areas (traffic, biology and cultural resources) is required in addition to the project manager and project director.

An augment is requested to ensure funding of professional staff for the public hearings. Additional meeting preparation time is also requested for technical experts to coordinate materials needed at the

hearing (cultural), and to review the revised traffic study prepared the applicant's traffic consultant for sufficiency, and to be properly prepared for the public hearing (traffic).

A budget augment of \$7,200 for public meetings is requested to address this effort.

Project Management

Approximately 8 hours of project management per month is required for a project of this size. The project has experienced an approximately 7-month delay resulting in the need for continued project management during this time, including work load allocations, revised schedules, budget, billings and other coordination/management. Approximately 56 additional hours of work will be incurred as a result of delays.

A budget augment of \$6,160 is requested to address this effort.

Summary of Additional Costs

<u>Item</u>	<u>Additional Cost</u>
Draft EIR	\$ 207
RTC/Final EIR	19,530
MMP	73
Findings	5,582
Public Meetings/Hearings	7,433
NOD	15
Staff Meetings	225
PM	<u>6,415</u>
Total Augment Requested	\$ 39,480