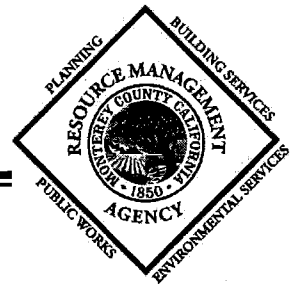


MONTEREY COUNTY

RESOURCE MANAGEMENT AGENCY

Carl P. Holm, AICP, Director



Building Services / Environmental Services / Planning Services / Public Works & Facilities
168 W. Alisal Street, 2nd Floor (831)755-4800
Salinas, California 93901 www.co.monterey.ca.us/rma

February 8, 2017

Mr. Brian Clark
430 Ortiz Avenue #B
Sand City, CA 93955

Subject: Carmel Rio Road LLC Subdivision (PLN140089)

Dear Mr. Clark,

Rincon Consultants has submitted a letter (attached) requesting modification of the contract tasks. These modifications would entail the release of contingency funds in the amount of \$13,092 in order to accommodate the additional effort required to complete the Final EIR. The request from Rincon Consultants itemizes and explains the additional services. RMA-Planning finds the additional services and costs to be necessary and reasonable.

Section 10.2 of the Settlement Agreement, as amended, says in part:

“Applicant shall execute and deliver to the County, the County’s standard Funding Agreement to pay for the consultant’s costs to prepare the EIR. With delivery of the EIR consultant Funding Agreement, Applicant shall deposit the initial amount required that that Funding Agreement. Thereafter, Applicant shall make payments on the EIR Funding Agreement, according to the terms of the EIR Funding Agreement. Applicant agrees to fully fund the EIR consultant costs.”

Section 1 of the Funding Agreement (FA) says “*PROJECT APPLICANT shall deposit an amount equal to the CONTRACTOR’S Base Budget. This amount totals \$158, 386.00 as follows . . .*”

Section 2 of the FA says that Applicant is to include a contingency of 15%, or \$23,757.90. This brings the FA contract amount to \$182,143.90.

Under Section 6. b. of the FA, the County is authorized to make a Transfer from Project Contingency, with your—the Applicant’s— approval. The Applicant is required to approve or disapprove the transfer within five days from the request. In addition, “*PROJECT APPLICANT’s approval shall not be unreasonably withheld.*” County does not agree with your assertion that information in other documents means that it is not required in this EIR. This EIR must be a stand-alone document, which uses information from various sources.

Please authorize the use of contingency funds in writing by signing below and submitting a check in the amount of \$13,092 to cover the additional costs. If we do not receive your written authorization and deposit within 10 days of the date of this letter (by February 20, 2017), the County will have no choice but to direct Rincon Consultants to stop work on the EIR. Your

Mr. Brian Clark
February 8, 2017
Page 2

inaction, may cause a delay to complete the EIR and present it to the Board of Supervisors per our Settlement Agreement. If you fail or refuse to timely authorize the Transfer and make the deposit, RMA-Planning does have the option of taking the project to the Planning Commission and Board of Supervisors with a recommendation for denial based on failure of the Applicant to provide resources necessary pursue the EIR. RMA-Planning would prefer not to do that, and would prefer to present a completed EIR to the Planning Commission and Board.

Sincerely,



Bob Schubert, AICP
Senior Planner

I hereby approve the use of \$13,092 in contingency funds and will submit a deposit with the County in that amount by February 20, 2017

Brian Clark



Rincon Consultants, Inc.

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Monterey, California 93940

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www.rinconconsultants.com

Project 14-00187

February 7, 2017

Bob Schubert, AICP
Senior Planner
County of Monterey
168 W. Alisal St., 2nd Floor
Salinas, California 93901

**Subject: Request for Release of Contingency Funds for the
Carmel Rio Road EIR**

Dear Mr. Schubert:

The purpose of this letter is to outline the level of effort required to complete the Carmel Rio Road Final EIR and to request modifications to our existing scope of work and fee in order to accommodate this additional effort.

Scope Modifications and Fee Estimate

As we described in our January 9, 2017 contract amendment request, Rincon encountered a number of circumstances up to this point which required the allocation of additional time beyond our originally approved scope of work and fee to complete the Administrative Draft EIR and Draft EIR. We still request additional budget to recover these costs, which include 77 professional staff hours totaling \$8,575 and \$1,100 in printing chargers.¹

Moving forward, we anticipate a higher level of effort to complete the responses to comments and Final EIR than originally budgeted. Our current budget includes 60 professional staff hours to respond to comments on the Draft EIR. The comment period closed on January 23, 2017 and a total of 33 letters were received, including a 52-page letter from Stamp Erickson Attorneys at Law and 15 separate email letters from the project applicant. After reviewing the letters and related attachments, we estimate that responding will require a total 100 professional staff hours, in addition to the effort required by our subconsultants Todd Groundwater and Balance Hydrologics. While Balance Hydrologics has adequate remaining budget to assist with responses to comments, Todd Groundwater does not. We also anticipate that additional staff effort will be required to complete the Administrative Final EIR and for project management for the remainder of the project.

¹ Please note that these figures differ slightly from our January 9 request. This is due to more accurate budget reporting available since January 9.



This additional effort and associated cost could be partially covered within the existing project budget by reallocating remaining budget for several existing tasks, as outlined below.

- Reallocate \$12,404 from Balance Hydrologics' remaining budget. This would retain \$5,000 for Balance staff to assist with responses to comments. However, Balance staff would not be available to attend project hearings.
- Reallocate miscellaneous unbilled time for Tasks 1 through 7.2 that total \$174. This unbilled budget is the result of small remaining budgets in each task that are too small to be billed in half-hour increments of professional staff time.

The table below shows our estimated level of staff effort required and suggested budget reallocation. As shown therein, by reallocating Balance Hydrologics' remaining budget and miscellaneous unbilled time for earlier tasks, the total additional funds required to complete the Final EIR would reduce from \$25,670 to \$13,092. This represents approximately 55 percent of the contingency budget of \$23,757.90

Carmel Rio Road Subdivision Project EIR

Cost Recovery and Final EIR Supplemental Budget Estimate

2/7/2017

Tasks	Cost	Hours	Rincon Consultants				
			Principal \$160/hour	PM/ Sen. Supervising \$150/hour	Environmental Scientist III \$105/hour	Graphics \$70/hour	Admin \$55/hour
Prepare Draft EIR (recover costs)	\$8,575	77		25	39	1	12
Draft Responses to Comments (supplemental budget)	\$5,380	40	2	26	10		2
Administrative Final EIR (supplemental budget)	\$2,660	20	2	10	8		
Project Management (supplemental budget)	\$1,575	11	2	8			1
Subtotal Labor	\$18,190	148	6	69	57	1	15
Additional Costs							
Todd Groundwater	\$5,000						
Printing:							
Draft EIR (recover costs)	\$1,100						
FEIR (supplemental budget)	\$1,380						
Subtotal Additional Costs:	\$7,480						
TOTAL LABOR + ADDITIONAL COSTS	\$25,670						
Reallocated Budget							
Portion of Balance Hydrologics Remaining Budget	\$12,404						
Miscellaneous Unbilled Time for Tasks 1 through 7.2	\$174						
Subtotal Reallocated Budget	\$12,578						
TOTAL COSTS - REALLOCATED BUDGET	\$13,092						

Timeline

Rincon can complete the draft responses to comments within three weeks of approval of this request.



We appreciate your consideration of this request. If you have any questions or would like any additional information, please contact us at your convenience.

Sincerely,
RINCON CONSULTANTS, INC.

Megan Jones, MPP
Senior Program Manager

Stephen Svete, AICP, LEED AP ND
Principal