

memo berkeley

to **Suzi Merriam, Community Development Director**

from **Cecilia Jaroslowsky, Contract Planner**

re **City of Watsonville – Scope of Work and Budget Estimate
Application No. 2138, APNs 018-711-029; 018-711-030
Manabe Ow West, Watsonville**

date **11/5/21**

Project Understanding

The project site within the Manabe-Ow Business Park Specific Plan Business Park and the proposed project involves approximately 11.5 acres and the new construction of a rectangular two-story tilt up industrial structure totaling 156,200 square feet. The project includes a 7,950 square foot mezzanine for office space, new landscaping, new parking areas, site lighting, and storm water detention. The total floor to area ratio (FAR) for the 156,200 square foot structure would be 31% or 0.31.

The proposed warehouse is a conditionally permitted use in the Manabe-Ow Business Park Specific Plan Business Park designation. Pursuant to Section 14-12.400 of the Watsonville Zoning Ordinance, Design Review is required for new construction, and per Section 3.5 of the Manabe-Ow Business Park Specific Plan, a Special (Conditional) Use Permit is required for any use with the potential to generate significant impacts such as noise. Watsonville Municipal Code Section 14-12.513 (Findings) would apply and require the Planning Commission to evaluate the impact of the proposed use on, and its compatibility with, surrounding properties and neighborhoods to ensure the appropriateness of the use at the project location. A Special Use Permit requires a Tier Two Review, consistent with Section 6.5 of the Manabe-Ow Business Park Specific Plan, which requires Planning Commission review and approval of all projects that require a Special Use Permit. The Tier Two Review may also apply to any aspects of the development project that staff identifies are not consistent with the Specific Plan.

The California Environmental Quality Act (CEQA) requires an initial study for subsequent projects for which a Master Environmental Impact Report (Master EIR) was prepared (CEQA Guidelines Section 15177). The initial study must analyze whether the project may cause any significant effect on the environment

that was not examined in the Master EIR and whether the project was described in the Master EIR as being within the scope of the report. Because the Master EIR was certified October 26, 2010, additional analysis may also be required. Based on the initial study, if the City determines that the proposed project will have no additional significant effect on the environment that was not identified in the master environmental impact report and that no new or additional mitigation measures or alternatives may be required, no new environmental document would be required.

Project Entitlements

As proposed, the following would be required for approval of the project:

1. [Lot Line Adjustment](#), in accordance with Part 1 of Chapter 8 of Title 13 of the Watsonville Municipal Code. (already approved)
2. [Special Use Permit](#), in accordance with Part 5 of Chapter 12 of Title 14 of the Watsonville Municipal Code.
3. [Design Review](#), in accordance with Part 4 of Chapter 12 of Title 14 of the Watsonville Municipal Code.
4. [Sign Permit](#), in accordance with Part 12 of Chapter 14-12 and Chapter 8.6 of the Watsonville Municipal Code.
5. [Environmental Review](#), in accordance with the requirements of the California Environmental Quality Act.

MIG has generated the following scope of work and cost estimate to be used as a Task Order under the existing contract. This scope assumes the Lot Line Adjustment has been approved by the Minor Land Division Committee, and that the applicant will apply for a Special Use Permit, Design Review and Environmental Review, which must be to be approved by the Planning Commission. A Sign Permit is required per Part 12 of Chapter 14-12 and Chapter 8-6 of the Watsonville Municipal Code and will be reviewed and approved at a later date.

This scope assumes an Initial Study/Mitigated Negative Declaration will be required because the Master Environmental Impact Report (Master EIR) prepared for the Manabe-Ow Specific Plan was certified more than five years ago.

Scope of Work

MIG will coordinate with City of Watsonville Staff to complete the following tasks to complete the following

Task 1 – Project Initiation and Initial Review: MIG will undertake the following as part of this task.

- Review the key materials to understand project scope and issues.
- Initialize and/or update the project file, prepare referral materials, prepare necessary forms to communicate with City Departments and other Agencies.
- Conduct a digital site visit as appropriate to understand the project setting and context.
- Participate in meetings (virtually and/or by phone) with the applicant and City Staff, to coordinate project needs and issues.
- Review and analyze application materials to determine whether adequate information has been provided by the applicant and to understand project issues.
- Coordinate with other agencies that have jurisdiction over the application.
- Coordinate with other City Departments as needed to address project needs.
- Provide public information and coordinate with interested community members and groups.

Task 1 Deliverables:

- *Project referral and responses*
- *Completeness letter in compliance with the Permit Streamlining Act*
- *Meeting minutes (as appropriate)*
- *Collateral materials (e.g., public notice, memos) if necessary*

Task 2 – Environmental Analysis: CEQA applies to discretionary actions by public agencies that have the potential to result in a physical change in the environment. The City has indicated they require the preparation of an Initial Study (IS) and Negative Declaration (ND) or Mitigated Negative Declaration (MND) for the project. This scope of work includes the preparation of an IS/ND/MND for use by the City in their planning and permitting process. This Task assumes that technical reports prepared by qualified consultants will be provided by the project applicant for use by MIG in the preparation of the IS for the following subject areas: hazardous materials (Phase I and, if necessary, Phase II ESAs), noise and transportation. Biological and cultural resources

assessments from the Manabe Ow Specific Plan EIR will be utilized for the analysis of impacts in these areas, and MIG will prepare a biological existing conditions survey to update the biological resources assessment, as described under Subtask 2.b.

MIG will review the project site, technical reports provided by the applicant, conduct additional desk top research, and review relevant regulatory plans. If at any point in the preparation of the IS MIG identifies a potential project impact that cannot be mitigated, MIG will notify the City immediately and engage in discussions of whether to proceed into preparation of an EIR.

Preparation of the IS/ND/MND will include the following subtasks:

Task 2. a Project Initiation

Upon authorization to proceed, MIG will coordinate a project kick-off meeting with the client/applicant. The kick-off meeting could include a site visit or a conference call to discuss: 1) Roles and responsibilities and lines of communication; 2) Identify project data needs; 3) Confirm project deliverables; 4) Identify potential regulatory or agency needs/concerns; and 5) Confirm project schedule.

The site visit will also allow us to gain an understanding of the project context, to document project site conditions for the project description and to document conditions of concern for the environmental analysis.

During this task MIG staff would prepare a comprehensive data request outlining the information needed from the client for the CEQA analysis. MIG would also begin to collect available project information (documents, maps, reports, etc.).

Tribal Consultation

Prior to the release of a negative declaration, mitigated negative declaration, or environmental impact report for a project, Tribal consultation will commence with formal notice to the Tribal contact(s) on the lead agency's tribal consultation request list. Once the application for the project is deemed complete by the City, MIG will provide formal notification in compliance with AB 52. MIG will facilitate responses within 30 days to requests for consultation, and will document, if necessary, agreed upon mitigation measures or a lack of good faith mutual agreement. On behalf of the City, MIG may request assistance from the California Native American Heritage Commission in identifying the California Native American tribes that are traditionally and culturally affiliated with the project area. If requested by the City, the consultant

will facilitate the consultation process as an optional task under a separate scope and subject to additional fees charged on an hourly basis, plus direct expenses.

Task 2. b Prepare Technical Reports

Air Quality (Including Health Risk Assessment, or HRA)

MIG will prepare a clear and concise technical report that fully evaluates the proposed project's potential air quality impacts in accordance with Appendix G of the CEQA Guidelines. MIG proposes to use the California Emissions Estimator Model (CalEEMod, Version 2016.3.2) to estimate the potential emissions generated by the construction and operation of the proposed project. The model run would be based on project-specific information provided by the Applicant and the City, including project-specific trip generation rates obtained from the project's traffic report. The resulting emissions estimates will be compared to CEQA significance thresholds maintained by the Monterey Bay Air Resources District (MBARD).

The proposed project site is located within 1,000 feet of sensitive residential receptors (located north of the site). In addition, the census tract for the proposed project (6087110400) is considered a Disadvantaged Community pursuant to SB535. Due to this, MIG proposes to prepare a quantitative HRA that evaluates potential adverse health risk associated with diesel PM emitted by construction equipment and distribution trucks (including on-site idling emissions). MIG would use the U.S. EPA-approved and MBARD-recommended regulatory model (AERMOD) to predict exposure to concentrations of pollutants at sensitive receptor locations and quantify associated health risks. The project's potential health risks will be compared against MBARD carcinogenic and chronic risk thresholds. MIG anticipates control measures will be required to reduce construction equipment and truck emissions to the lowest feasible levels to reduce potential adverse health risks at sensitive receptor locations.

To achieve the proposed scope of work within the currently identified budget, MIG's proposal assumes:

- The Applicant will provide a plan set to base technical modeling information on.
- The Applicant will make reasonable attempts to respond to all requests for technical information necessary to prepare the technical

reports, including requests pertaining to construction phasing, existing and proposed equipment operations and emissions levels, operating schedules, etc.

- MIG's SOW includes up to 4 CalEEMod runs to estimate unmitigated/mitigated project emissions and 2 AERMOD runs (for the proposed HRA).

The development of additional modeling inputs and files due to project changes made after MIG has completed these model runs may be subject to additional compensation (depending on the nature of the changes and budget remaining at the time of the change).

Biological Resources

MIG biologists will perform the following tasks to ascertain a current assessment of existing conditions in the Biological Resources section of the Initial Study:

- Review the existing reports, current database information (CNDDDB, IPac, NWI, eBird, iNaturalist, etc.), and recent aerial photography (Google Earth) for orientation to the project site.
- Following the initial review, a MIG biologist will visit the site and confirm existing conditions. If site conditions have changed, the changes will be mapped using a GPS unit, and the information will be uploaded to GIS.
- Once the site visit is completed MIG will prepare a memo report that includes an updated project setting and updated regulatory information as appropriate and will provide a figure of current site conditions.

Greenhouse Gases/Energy

MIG will prepare a clear and concise technical report that fully evaluates the proposed project's potential greenhouse gas (GHG) and energy impacts in accordance with Appendix G of the CEQA Guidelines. MIG will quantify the increase in GHG emissions generated by the construction and operation of the proposed project using the same methodologies employed to prepare the project's Air Quality Technical Report. Applicable GHG reduction measures from the City of Watsonville's most recent Climate Action and Adaption Plan would be included in the project's emissions profile, and the resulting GHG emissions estimates would be

evaluated in the context of local, regional, and state GHG reduction targets.

Regarding energy resources, the report would include brief environmental and regulatory setting discussion that place energy resources in the appropriate context, quantify the project's potential energy consumption levels (using information from the emissions estimates and/or modeling conducted for the project), and evaluate whether the project would result in the wasteful, inefficient, or unnecessary consumption of energy resources. The analysis would document the energy saving site design (layout and orientation, proximity to regional arterials), building design (energy efficient building materials and systems), and operating characteristics (e.g., any trip reducing or other energy saving operations) that result in the efficient use of available energy resources.

Noise and Vibration

To prepare the CEQA analysis, MIG will first conduct a thorough and comprehensive analysis of the applicant's noise study for consistency with project description details, appropriate assumptions and methodology, and technical accuracy. MIG will ensure the reports are technically accurate by checking:

- Report assumptions are predicated upon facts or expert opinion and are consistent with the project description.
- Report methods use current, industry-accepted models, equations, and other guidance and recommendations; and
- Report conclusions are based on substantial evidence.

MIG will prepare a brief memorandum summarizing the results of our peer review. The memorandum will identify key issues and deficiencies, if any, in the technical studies and recommend revisions or supplemental analyses necessary to prepare an adequate CEQA analysis. The applicant's Noise Report and MIG's peer review will be included as an appendix to the CEQA document.

Transportation

Hexagon Transportation Consultants, Inc. will perform a peer review of the traffic analysis prepared for the subject project. The purpose of the review is to ensure that the completed traffic analysis prepared for the subject is technically adequate and that the conclusions and recommendations presented are appropriate and adequately mitigate any project impacts per local and CEQA requirements.

Hexagon's scope of services includes reviewing the traffic analysis prepared for the project to ensure that it adequately meets City and CEQA requirements. However, it does not include updating/revising any of the analyses contained in the traffic study prepared for the project. The tasks to be included in the peer review of the completed traffic study are:

1. *Review of CEQA Required Analysis.* Per Senate Bill (SB) 743 and updated CEQA guidelines, beginning July 2020 the use of VMT as the metric to determine a development's impact on the transportation will supersede the use of level of service and delay. Therefore, an evaluation of VMT is required for the project. The report will be reviewed to ensure the required VMT evaluation is included in the completed traffic study and is adequate per CEQA requirements as recommended by Governor's Office of Research and Planning (OPR) Technical Advisory guidance on the evaluation of transportation impacts in CEQA.
2. *Review of Roadway Operations Analysis.* Though not required per CEQA, an evaluation of the project's effect on the surrounding roadway system should be included in the completed traffic study per the current City of Watsonville General Plan. The operations analysis for surrounding roadways, intersections and freeways will be reviewed for the following:
 - Traffic count data upon which the analyses are based will be reviewed to ensure the count data is representative of current traffic conditions.
 - The trip generation estimates for the project will be reviewed to ensure that they reasonably represent the operations of the proposed distribution warehouse.
 - The directional distribution and assignment of site-generated traffic will be reviewed for consistency with existing travel patterns and the relative location of complementary land uses in the area.
 - LOS calculations output will be reviewed for accuracy. Project and cumulative conditions level of service calculations will be reviewed to ensure project traffic and traffic due to future traffic growth are accurately represented within the established traffic volumes.

- The evaluation of the proposed project site access point(s) will be reviewed to ensure their adequacy and need for additional access points.
- 3. *Review Recommended Mitigation and Impact Fee.* Hexagon will review the identified mitigation measures to ensure they adequately mitigate the project impacts. Hexagon also will review all applicable City and County traffic impact fees that may be required of the project. The need for implementation of improvements by the project or adequate project fair-share contribution will be identified.
- 4. *Review Memorandum.* The results of the review will be documented in a technical memorandum report.
- 5. *Second Round of Review.* Upon revision of the traffic study, Hexagon will review the traffic study a second time to ensure that all issues identified in the in the peer review memorandum were addressed. It is estimated that this task will take a maximum of six hours of staff time.

Any work not specifically referenced in the above scope of services, for example reviewing additional traffic-related aspects of the project, attending meetings or public hearings, revising or updating any traffic-related analyses, and providing cost estimates or feasibility drawings for mitigation measures shall be considered additional services. Additional services shall be provided upon authorization and, if requested, will be billed separately.

Task 2.c Initial Study

Administrative Draft IS

MIG will submit an Administrative Draft IS for review by the City and applicant that contains the following major sections

- Introduction – this section will describe the purpose and organization of the IS, the need for the IS pursuant to CEQA Guidelines, and the intent of the document. The intent is to provide the City with detailed information about the project’s environmental effects and any measures required to mitigate potentially significant impacts.
- Project Description – This will serve as the basis for all subsequent analysis of environmental impacts and thus is an essential chapter of the IS. The project description will provide a thorough and

comprehensive description of all aspects of the proposed project including project purpose, design, construction and maintenance of the project, project timing and duration, and permits and approvals required for the project. Information for the project description will be obtained in coordination with the Client and the City.

- CEQA Checklist – MIG will describe physical changes to the environment that would result from construction and operation of the project by answering the questions in the IS checklist contained in Appendix G of the State CEQA Guidelines (14 CCR 15000 et seq).

MIG anticipates that the project will have little or no impacts in many of the resource areas analyzed under CEQA, including Aesthetics, Agriculture and Forestry Resources, Biological Resources, Energy, Geology and Soils, Land Use and Planning, Mineral Resources, Population and Housing, Public Services, Recreation, Utilities and Service Systems, and Wildfires. These areas will not be addressed in detail in the IS, however, answers will be provided for all checklist questions (answers may be grouped if appropriate). We anticipate the IS to address the following subject areas in more detail in order to demonstrate consistency with regulatory requirements (state, federal or local), address typical public concerns, and to substantiate less than significant impact findings: Air Quality and Greenhouse Gas Emissions, Biological Resources, Hazardous Materials, Hydrology and Water Quality, Noise, and Transportation.

Public Draft IS/ND/MND

MIG will address one round of comments on the Administrative Draft IS from the City and applicant, then provide a Screen Check IS, and lastly the Public Draft IS/MND for public circulation. MIG will provide up to four (4) hard/ print copies of the Public Draft IS and one electronic (camera ready) version so the City can post it to their website.

MIG will assist the City in preparing the Notice of Intent (NOI) to Adopt the IS that the City will use to fulfill the public noticing requirements of CEQA Guidelines Section 15072. Posting public notice consistent with CEQA requirements will be the responsibility of the City. The City will also be responsible for filing the NOI with the Santa Cruz County Clerk. Transmission of the NOI to the County Clerk starts the 20-day public review and comment period.

Response to Comments

MIG anticipates that public comment on the project would most likely be limited to surrounding residents of the proposed project site and that their concerns would likely be focused on the temporary construction impacts associated with the project. As such, MIG has planned a limited number of hours to prepare a response to public comments document for each project that the City may use in their deliberations whether to adopt the findings of the ND/MND and approve the project. This scope of work assumes the City will prepare and file the Notice of Determination the after the ND/MND is adopted.

Task 2.d Project Management, Coordination, and Administration

MIG has allocated budget for client and City communications (conference/video calls) and staff coordination to ensure we can communicate clearly and effectively. MIG recognizes that frequent communication is needed to move the project forward. Additionally, this task covers implementing our quality control review process and administrative time for contracting and invoicing.

The MIG Project Manager would be the point of contact with the City and the Client and would keep both apprised of project progress. If issues arise that would affect the schedule or budget, the Project Manager would immediately inform the client and discuss the best approach to resolving issues. The MIG Senior Project Manager will provide quality control and senior oversight of staff.

In preparing this scope of work, MIG Inc. has made the following assumptions regarding features of the proposed project and available data.

1. The City is the CEQA lead agency for the Project.
2. We will rely on input provided by the City's Public Works Department to support the transportation analysis provided by the project applicant.
3. The client will provide the estimated disturbance area of pervious and impervious surfaces, both existing and proposed, and topographic survey data.
4. The City will provide one consolidated set of comments on the Draft Initial Study.

5. MIG will complete and submit Administrative Draft and Screen Check versions of the IS for review by the City. Upon receipt of comments on the Screen Check draft, MIG will prepare a Public Review Draft IS/ND/MND for publication on the City's website, public circulation and review.
6. This scope of work includes attendance at one staff-level meeting, which may include attendance by members of the applicant's development team, and attendance at two public hearings (1 Planning Commission and 1 City Council).

Task 2 Deliverables:

- *Administrative Draft and Screen Check versions of the IS (electronic submittal, in Word and PDF formats)*
- *Public Review IS/ND/MND (electronic submittal, in Word and PDF formats)*
- *Draft ND or MND (electronic submittal, in Word and PDF formats), if appropriate.*

Task 3 – Planning Commission Staff Report Preparation and Decision-Making: Working from City templates, MIG will prepare analysis and recommendations by undertaking the following tasks.

- Draft a decision-making document for consideration by City Planning Staff, including conditions of project approval. Based on feedback from Staff, MIG will complete a final decision-making document with conditions of approval for use by the City.
- Support project completion by reviewing meeting minutes, drafting Notice of Determinations, and updating tracking information to document project close-out.

Task 3 Deliverables:

- *Draft decision document (electronic submittal, in Word and PDF formats)*
- *Final decision document (electronic submittal, in Word and PDF formats)*

Task 4 – Decision Making and Public Hearing: MIG will provide additional support at public hearings.

- MIG will attend two public hearings, one Planning Commission and one Minor Land Division Committee, to provide additional support or expertise as needed. All hearings and meetings will be attended virtually.
- Support project completion by reviewing meeting minutes, drafting NOD (if necessary, based on Task 2), and project close-out.

Budget

MIG will complete the above-noted scope of work for this project for an estimated cost of approximately \$127,386, as follows:

BUDGET ESTIMATE	Estimated MIG HOURS	ESTIMATED CONSULTANT COSTS
Planning Review		
Review project application and technical reports	37	\$ 5,365.00
Inter-department Coordination, Project conditions	32	\$ 4,064.00
Client Meetings/Telephone/Consultations	27	\$ 3,429.00
Interagency Coordination/Consultation	37	\$ 4,699.00
CEQA - Initial Study/Mitigated Negative Declaration	425	\$ 86,130
Public Information/Coordination	10	\$ 1,270.00
Preparation of Staff Report for Planning Commission	70	\$ 8,890.00
Revisions	30	\$ 6,300.00
Public Hearing(s)/Meeting(s) and preparation & presentation	20	\$ 2,540.00
Project/Applicant Meeting Minutes/Summary	17	\$ 2,159.00
Other/Misc.	20	\$ 2,540.00
Total	725	\$ 127,386

Assumptions:

- There will be no more than one round of project review to determine whether the application is complete for processing.
- Communication with applicant via phone, virtual, or email will not exceed a total of 17 hours.
- The budget reflects MIG preparing the environmental initial study.
- The budget reflects MIG preparing a Negative Declaration or Mitigated Negative Declaration, if the Initial Study finds this is required.
- Quality assurance/control will be done by MIG.
- MIG staff will visit the property virtually; public hearings will occur virtually; all other meetings will occur virtually or by phone.

- Direct expenses, such as for any significant copying costs, will be billed at cost, and will be in addition to the above total; this would first be discussed with the City.
- Notice and agenda preparation and similar administrative tasks would be the responsibility of City.
- Attendance at any additional meetings, changes to the project description, or expansion of this scope of work or level of analysis required would require additional fees.
- This scope assumes that the project is consistent with, and does not require an amendment to, the Manabe-Ow Specific Plan.