



Board Report

File #: 18-059, Version: 1

- a. Approve Amendment No. 6 to Professional Services Agreement No. A-12442 with Denise Duffy & Associates, Inc. to continue to provide services associated with completion of an Environmental Impact Report (EIR) for projects located in the Carmel River Lagoon Area and Carmel River Lagoon Restoration and Management Plan (Request for Proposals #2012-CRL-1) for Phases 1 and 2 to: update the Schedule of Rates; increase the not to exceed amount of \$824,554 by \$360,470 for a total amount not to exceed \$1,185,024; and extend the expiration date from June 30, 2018 for eighteen (18) additional months through December 31, 2019, for a revised term from April 23, 2013 to December 31, 2019; and
- b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute Amendment No. 6 to Professional Services Agreement No. A-12442; and
- c. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute future amendments to Professional Services Agreement No. A-12442 to extend the term beyond the original term authorized in Request for Proposals #2012-CRL-1 where the amendments do not significantly alter the scope of work or change the approved Agreement amount.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve Amendment No. 6 to Professional Services Agreement No. A-12442 with Denise Duffy & Associates, Inc. to continue to provide services associated with completion of an Environmental Impact Report (EIR) for projects located in the Carmel River Lagoon Area and Carmel River Lagoon Restoration and Management Plan (Request for Proposals #2012-CRL-1) for Phases 1 and 2 to: update the Schedule of Rates; increase the not to exceed amount of \$824,554 by \$360,470 for a total amount not to exceed \$1,185,024; and extend the expiration date from June 30, 2018 for eighteen (18) additional months through December 31, 2019, for a revised term from April 23, 2013 to December 31, 2019; and
- b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute Amendment No. 6 to Professional Services Agreement No. A-12442; and
- c. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute future amendments to Professional Services Agreement No. A-12442 to extend the term beyond the original term authorized in Request for Proposals #2012-CRL-1 where the amendments do not significantly alter the scope of work or change the approved Agreement amount.

SUMMARY/DISCUSSION:

The County (RMA) is Lead Agency for a project located within and adjacent to the Carmel River State Beach and Lagoon between State Route (SR) 1 and the Pacific Ocean in the unincorporated Carmel area of Monterey County, California. The project is a multi-objective, multi-year, multi-organizational effort to improve habitat for threatened and endangered species in the lower Carmel River and Lagoon, improve natural floodplain function, and protect public infrastructure, while maintaining or improving flood risk to existing developed areas.

Pursuant to a 2013 Memorandum of Understanding (MOU) between the County, US Army Corps of Engineers (USACE) and the National Marine Fisheries Service (NOAA Fisheries), the project consists of three project components: 1) Ecosystem Protective Barrier (EPB); 2) Scenic Road Protection Structure (SRPS); and 3)

Interim Sandbar Management Plan (ISMP). An Environmental Impact Report on the project is being prepared for the project. The Capital Improvement Committee last received an update on this project on December 9, 2016 (Legistar File No. 16-1333).

Since that time, the Draft EIR was released for a 60-day public review period beginning December 2, 2016 and ending on January 31, 2017. The County received a significant number of comments, which included challenges to, and requests for additional, technical studies related to the SRPS component. Due to significant delays and challenges in addressing significant public comment and technical issues related to proposed Carmel River Lagoon Area Projects, the Resource Management Agency (RMA) has identified the need to process an amendment to its consultant's contract to continue the environmental analysis for the project by providing ongoing consultation services and additional technical studies regarding the Scenic Road Protection Structure. Amendment No. 6 to the Professional Services Agreement (PSA) with Denise Duffy & Associates, Inc. (DD&A) includes: update the Schedule of Rates; increase the not to exceed amount of \$824,554 by \$360,470 for a total amount not to exceed \$1,185,024; and extend the expiration date from June 30, 2018 for eighteen (18) additional months through December 31, 2019, for a revised term from April 23, 2013 to December 31, 2019. Attachment A provides a summary of the PSA to date.

The expanded scope of work includes additional technical study, which activities are broken out into three stages and generally includes the following:

- *Stage 1:* Establishment of a Technical Advisory Committee (TAC), evaluation of natural stream alignment and breach location (draft), evaluation impacts of wall options on the beach (draft), preliminary 60% design (draft)
- *Stage 2:* Ongoing TAC activities, sediment transport analysis
- *Stage 3:* Complete TAC activities, evaluation of natural stream alignment and breach location (final), evaluation impacts of wall options on the beach (final), preliminary 60% design (final)

Stage 1 of the DD&A amended scope of the additional studies (establishment of a Technical Advisory Committee (TAC), evaluation of natural stream alignment and breach location (draft), evaluation impacts of wall options on the beach (draft), preliminary 60% design (draft) can be completed with the \$100,000 included in the RMA's FY 2017-18 adopted budget in the Capital Improvement Programs Fund 404. . If Stages 1, 2 and 3 were to be completed concurrently the technical studies could be completed within 9 months; if they are completed sequentially the timeline expands out to 18 months.

Staff is also coordinating with the California Department of Parks and Recreation (State Parks), USACE, and NOAA Fisheries to address State Parks request that the County propose a project that is within its own jurisdiction. Staff is working with State Parks and NOAA Fisheries staff to identify a scope of work, cost, and funding mechanism to retain a third-party consultant to advance discussions regarding the different SRPS project alternatives.

State Parks is the underlying landowner and has stated that it does not support placing either the EPB or SRPS project components on State Parks land; for the SRPS, this is a change from past discussions. With respect to the SRPS, staff believes that Coastal Commission may be unlikely to approve the SRPS option that keeps SRPS off State Park's land, a 40-foot seawall that requires a fence for safety (meaning no public access). In addition, the Carmel Area Wastewater District (CAWD), whose facility is situated immediately adjacent to and surrounded on three sides by the Lagoon, has asked the County to include mitigation for this project that resolves all their lagoon-related flooding exposure (e.g. flood wall). Unless all agencies and stakeholders come to agreement, this effort cannot reach conclusion and costs will continue to escalate. To date, all costs for this

project have been assumed by the County. Without a project, homes along the Lagoon are exposed to possible flooding. Few homeowners in this area have taken actions to reduce their individual flood risk (e.g. elevate their structures above the flood levels). Therefore, staff continues to consider options should this Project not move forward (e.g.; do nothing, loan/grant program for homeowners, etc.). Meanwhile and pursuant to the MOU, County must continue its effort on this EIR to continue receiving permits for managing the sandbar.

It is anticipated that the additional technical studies, once complete, will cause the DEIR to be updated and recirculated. Once the technical studies are near completion staff will work with the consultant to prepare a scope of work and budget for DEIR recirculation, and update cost estimates for Final EIR and project permitting.

OTHER AGENCY INVOLVEMENT:

Resource Management Agency (RMA) has entered into an MOU with the United States Army Corps of Engineers (USACE) in consultation with the National Marine Fisheries Service (NMFS, aka NOAA Fisheries) for the planning and implementation of this project. The RMA is also working with the regulatory agencies consisting of Regional Water Quality Control Board (RWQCB), California Coastal Commission (CCC), U.S. Fish and Wildlife Service (USFWS) and the California Department of Fish and Wildlife (CDFW). The California Department of Parks and Recreation (State Parks) is the underlying landowner.

The following offices have reviewed and approved Amendment No. 6 as to form and legality, and fiscal provisions, respectively:

Office of the County Counsel
Auditor-Controller's Office

FINANCING:

The County has spent a total of \$779,099 in the past six fiscal years toward planning and analyzing the long-term project. The total estimated cost to complete the project is \$17,465,470, with the following remaining activities and associated costs:

Technical Studies = \$360,470
State Parks Facilitation = \$20,000
Recirculate and Final EIR = \$160,000
Design = \$500,000
Permitting = \$190,000
Construction = \$15,500,000
Total Estimated Remaining Cost = \$16,730,470

The RMA's FY2017-18 adopted budget (Fund 404) includes \$100,000 for the project. The \$100,000 in FY 2017-18 will allow the consultant to complete the first of three stages of additional technical studies.

Anticipated cost to complete the additional technical studies is estimated to be:

Stage 1 = \$ 99,780 (\$100,000 from FY 2017-18 adopted budget)
Stage 2 = \$188,310
Stage 3 = \$ 72,380
TOTAL = \$360,470

Stage 1 is fully funded and is anticipated to be complete within six (6) months of the consultant beginning work. RMA staff will request a budget augmentation during the building of the FY 2018-19 recommended

budget to fund stages 2 and 3 of the technical studies (\$260,690). At the same time staff is looking for grant programs that could fund the project. Once funding is secured for stages 2 and 3, the County will authorize the consultant to begin work

Staff anticipates a need to request a budget augmentation request during the building of the FY 2019-20 recommended budget to fund DEIR recirculation, Final EIR, and project permitting. RMA staff is working with the County's Strategic Grant Program to identify and apply for the approximately \$16,630,000 in additional funds necessary to complete the planning, construction and post construction monitoring phases of this project.

Once the Final EIR is complete and a project is selected, staff will develop a cost estimate, timeline and funding strategy to complete the design, construction and post-construction monitoring of the project.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Approval of the Amendment be advancing the Board's Strategic Initiative to plan and develop a sustainable, physical infrastructure. The Project is designed to balance environmental protection while maintaining flood protection for lagoon-area properties and public infrastructure. The technical studies and on-going environmental review of the Project continues to advance the Project toward implementation.

- ☐ Economic Development
- ☐ Administration
- ☐ Health & Human Services
- ☒ Infrastructure
- ☐ Public Safety

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Approved by: Carl P. Holm, AICP, RMA Director, Ext. 5103

The following attachments are on file with the Clerk of the Board:

- Attachment A - Summary of PSA with DD&A
- Attachment B - Amendment No. 6 to PSA
- Attachment C - PSA and Amendments No. 1 - 5 to PSA