



AGENCY: City Council  
MEETING DATE: January 11, 2021  
DEPARTMENT: CDD/PW  
PRESENTED BY: C. O'Neal  
EMAIL ADDRESS: [coneal@fortbragg.com](mailto:coneal@fortbragg.com)

## AGENDA ITEM SUMMARY

### **TITLE:**

**Receive Report and Consider Contract Amendment with LACO Associates, Inc. (LACO) for Consulting Planning Services for the Grocery Outlet Project and Authorizing City Manager to Execute Contract Amendment (Amount Not To Exceed \$38,044; Account No. 119-0000-2668)**

### **ISSUE:**

Since July of 2020, the Community Development Department has remained understaffed, an issue which initially arose from the budget cuts due to the COVID-19 Pandemic. Despite staffing challenges, there were numerous planning project applications submitted in various phases of completeness in the queue. Without sufficient staff reviewers, the City solicited the assistance of LACO Associates, Inc. (LACO) for assistance with planning services related to the Grocery Outlet Project. At the time of the initial contracting with LACO, the scope of services and costs quoted by the Consultant was less than \$25,000 and thus a Professional Services Agreement was executed by the City Manager under purchasing authority identified by Municipal Code §3.20.040.

LACO has completed the Initial Study for CEQA for the project but due to unforeseen circumstances (namely challenges with Vehicle Miles Travelled or VMT), LACO is requesting additional budget to complete the planning work on this project. LACO is requesting an additional \$13,400, bringing the new contract total to \$38,044. Per the purchasing authorization and duties established by the aforementioned Municipal Code Section, City staff is seeking City Council authorization to execute the amended contract.

### **ANALYSIS:**

On June 3, 2019, BRR Architecture and Best Development Group submitted an application and a deposit in the amount of \$15,000 for a developer deposit account (DDA) for a Grocery Outlet to be sited at 851 S. Franklin Street (formerly the site of the Social Services Building). Over the coming months, several iterations of the submittal were drafted until staff determined the project packet to be complete on October 23, 2019. Upon determination of a complete application, a request for comments was submitted to commenting agencies and by January of 2020 an Initial Study (IS) for the CEQA determination was started. As described above, in the first nine months of 2020, the Planning Department experienced significant staff turnover, and COVID furloughs further impacted staff's capacity to complete workloads.

In August of 2020, the City executed a contract with LACO to process the proposed application for the new Grocery Outlet (Attachment 4), including the project analysis with City General Plan consistency, Zoning, and Design Review Guidelines, review of special studies and other application materials, California Environmental Quality Act (CEQA)

document development and review, creation of the Staff Report and presentation to the City Planning Commission, and appeal to the City Council, if necessary. The initial estimated cost for the scope of services was \$24,644. An additional deposit request of \$30,000 from the applicant to cover the remaining consultant staff and City staff time was requested from the applicant on December 11, 2020. The \$30,000 will bring the total deposit from the applicant to \$45,000, an amount which should sufficiently cover both the consultant's time, staff time, and costs associated with hearing notice distribution and hearing(s).

On December 4, 2020, LACO submitted a budget amendment request (Attachment 2) which provides a general description of the increased costs and rationale for those increases.

**RECOMMENDED ACTION:**

Receive Report and approve a contract amendment with LACO for planning services for the Grocery Outlet Project in the amount of \$38,044.

**ALTERNATIVE ACTION(S):**

1. Request contract amendments and approve contract with LACO for planning services for the Grocery Outlet Project.
2. Deny contract amendment and recommend alternate means for processing planning permit for the Grocery Outlet Project.

**FISCAL IMPACT:**

This project is funded directly by applicant through a Developer Deposit Account (DDA) thus any real expenses incurred by the City for managing the consultant, preparing and distributing notices on behalf of the applicant, or other services rendered by either City staff or consulting staff are invoiced to the applicant.

**GREENHOUSE GAS EMISSIONS IMPACT:**

Processing the contract amendment is not expected to have any greenhouse gas emission impacts.

**CONSISTENCY:**

In accordance with the Fort Bragg Municipal Code §3.20.040, the City Manager is designated as the Purchasing Officer for the City and delegated authority for approving contracts for professional services up to the amount of \$25,000. As this project is now expected to exceed the allowed threshold, staff is seeking Council authorization to proceed accordingly.

**IMPLEMENTATION/TIMEFRAMES:**

If the contract amendment is approved by Council, an amendment will be circulated and signed by both parties (Attachment 6). In the meantime, the completed CEQA document is scheduled to begin circulation on January 14, 2021 and circulate for 30 days. During the circulation period, any comments received from the public will be reviewed and incorporated as appropriate. After the circulation period ends, LACO will prepare any responses to comments, amendments to the documents, and/or begin the staff report for Planning Commission (depending upon the level of responses received). A full tentative timeline for

this project can be found on the City's Community Development Active Planning Permit Application Page: <https://city.fortbragg.com/486/Active-Planning-Permit-Applications>.

**ATTACHMENTS:**

1. LACO's Initial Contract Proposal
2. LACO's Contract Amendment Request
3. Resolution – Contract Amendment 2
4. Contract dated 8/4/2020
5. First Amendment to Contract dated 11/23/2020
6. Proposed Second Amendment to Contract

**NOTIFICATION:**

1. Kevin Doble, LACO
2. Terry Johnson, Best Development
3. Jenna Markley, BRR Architecture