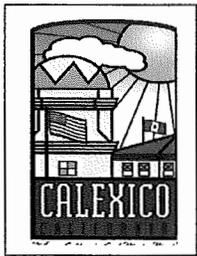


AGENDA
ITEM

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AGENDA STAFF REPORT

DATE: October 18, 2017

TO: Mayor and City Council

APPROVED BY: Armando G. Villa, City Manager 

PREPARED BY: Armando G. Villa, City Manager

SUBJECT: Approval of Reimbursement Agreement with Trinity 341, LLC – Trinity Farming & Manufacturing, Inc. and Environmental Consulting Services Agreement with Ericsson Grant, Inc. for Project No. UA 2017-10.

=====

Recommendation:

City Council approve one action item with two agreements:

1. Reimbursement Agreement with Trinity 341, LLC – Trinity Farming & Manufacturing, Inc.
2. Environmental Consulting Services Agreement with Ericsson Grant, Inc.

Background:

Trinity 341, LLC – Trinity Farming & Manufacturing, Inc. (Developer) seeks to construct a project (UA No. 2017-10) in the City of Calexico. This project requires environmental clearance and review be completed in compliance with the California Environmental Quality Act (CEQA). The City will hire a consultant to complete the require environmental review and the Developer acknowledges and agrees that the costs associated with the preparation of environmental clearance and environmental review documents are project specific costs that are the responsibility of the Developer as part of the entitlement process.

Discussion & Analysis:

With the execution of the Reimbursement Agreement, the applicant agrees to reimburse the city 100% of the actual cost and expenditures incurred by staff and the city's planning and environmental consultant.

The city will also be required to execute a Professional Service Agreement with Ericsson Grant, Inc. to complete the required environmental clearance and review in compliance with the California Environmental Quality Act (CEQA).

**AGENDA
ITEM**

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Fiscal Impact:

No direct impact to the city's General Fund. The applicant Trinity 341, LLC – Trinity Farming & Manufacturing, Inc. will reimburse the city for all administrative and consulting costs associated with Environmental Consulting Services provided by Ericsson Grant, Inc. in the amount of \$88,022.00.

Coordinated With:

City Attorney's Office.

Attachments:

1. Developer's Approval Email dated October 11, 2017.
2. Reimbursement Agreement between the City of Calexico Trinity 341, LLC – Trinity Farming & Manufacturing, Inc.
3. Professional Service Agreement and Proposal between City of Calexico and Ericsson Grant, Inc.

Armando G. Villa

From: James R Irwin <jirwin@trinity341.com>
Sent: Wednesday, October 11, 2017 6:36 PM
To: Armando G. Villa
Subject: Trinity confirmation to move forward with EIR proposal

Dear Mr. Villa,

I have reviewed EGI's proposal to provide an Environmental Impact Report for the Trinity Manufacturing and Cultivation Facility and approve the Proposal including schedule and cost estimates. Thank you for your time today and I look forward to seeing you a week from today, hopefully with your hand intact.

Best,

Jim

Best,

James R. Irwin, Jr.
Chief Executive Officer
Trinity 341, LLC; Trinity Farming & Manufacturing, Inc.
t: (858) 263-0430
c: (858) 442-8652
e: Jirwin@Trinity341.com

*"But the bravest are surely those who have the clearest vision of what is before them, glory and danger alike, and yet not withstanding go out to meet it." – Thucydides (C. 440-400 B.C.) *The History of the Peloponnesian War**

REIMBURSEMENT AGREEMENT FOR THE PREPARATION OF ENVIRONMENTAL CLEARANCE DOCUMENTS

This Agreement is made and entered into as of the 18th day of October, 2017, by and between the City of Calexico ("City") and Trinity 341, LLC – Trinity Farming & Manufacturing, Inc. ("Developer") (collectively referred to as the "parties").

RECITALS

- A. Developer seeks to construct a project in the City of Calexico which has been filed as UA No. 2017-10, and
- B. Such project requires that environmental clearance and review is completed in compliance with the California Environmental Quality Act ("CEQA"); and
- C. City will hire a consultant to complete the required environmental review; and
- D. Developer acknowledges and agrees that the costs associated with the preparation of environmental clearance and environmental review documents are project specific costs that are the responsibility of the Developer as part of the entitlement process.

AGREEMENT

1. Selection of Consultant. Developer acknowledges and agrees that there is a need to hire an independent third party consultant to use his/her own professional judgment to conduct and prepare the environmental clearance and environmental review documents. City reserves the right to contract the most qualified consultant through the third party contract at the discretion of the Director of Development Services. In this case, City has selected EGI, Ericsson Grant Inc. to be the third party consultant (*Proposal Attached*). Further, Developer acknowledges and agrees that Developer shall not have direct contact with consultant prior to circulation of the draft environmental impact report ("EIR"). Prior to circulation of the draft EIR, Developer agrees to direct all comments for consultant to the Director of Development Services or designee who will then forward the comments to the consultant.
2. Method of Payment. Developer shall deposit 100% of the estimated total cost of completing the environmental review prior to commencement of the environmental review. No work shall be performed by an environmental review consultant until Developer has deposited such money with the City. The estimate for services in this case is \$80,020.00. Developer will deposit \$88,022.00 which includes the estimated fee and a 10% administrative charge. City shall keep the money deposited to complete the environmental review in a separate account and will use the money to pay for the consultant's services. When the City has depleted the funds in the account, City shall immediately notify Developer of the additional funds necessary to complete the environmental review. Further, City shall notify consultant that no work should continue on the environmental review process until Developer has deposited additional funds with the City. If Developer fails to provide additional funds to the City, no further environmental review shall be completed.

Developer shall be responsible for all costs incurred by the City for the consultant's services up until the point that the City notifies the consultant to stop work on the project.

3. Administration Costs. In addition to the estimated cost of completing the environmental review, Developer shall deposit 10% of the estimated total cost of the environmental review to be treated as an administration cost. This administration cost is necessary to recover the City's costs to administer the contract for environmental review with the consultant.
4. Examination of Bills. Developer shall have the right to examine all invoices of the environmental consultant that are submitted to the City. City shall have 10 days from the date the invoices are received by City to copy and deliver such invoices for inspection by Developer. Developer shall direct any questions regarding such invoices to City, not the consultant.
5. Authority of City. Because City has the ultimate authority and responsibility to prepare and review the environmental documents prior to approval of a project, City shall guide the environmental consultant as to the appropriate considerations for the review. City shall keep Developer informed of any issues or areas of concern that arise during the environmental review process, so that the process can continue in a timely manner. If additional environmental or technical studies are required as a result of comments received from internal and external agencies, Developer is solely responsible for the costs of such studies. Nothing in this Agreement is meant to be a guarantee that Developer's project will be approved or that the environmental clearance will be obtained. Further, nothing in this Agreement specifies or guarantees the timing of completion of the environmental clearance and review or other related documents. The City has discretion under its police powers to approve land development projects in accordance with pertinent laws and policies.
6. Indemnity. Developer agrees to defend, indemnify and hold harmless the City, its officers, agents, employees and volunteers from and against any and all claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses in connection therein), arising out of the performance of this Agreement, except for any such claim arising out of the sole negligence or willful misconduct of the City, its officers, agents, employees or volunteers.
7. No Inducement. Developer declares and represents that no promise, inducement or agreement not herein expressed has been made to it and that this Agreement contains the entire agreement between and among the parties, and that the terms of this Agreement are contractual and not a mere recital. This Agreement is entered into knowingly, freely, intelligently, and voluntarily by the parties, without any duress, or coercion. The parties have had a full opportunity to review and consider the matter prior to executing this Agreement. The parties fully acknowledge that they also have had a full opportunity to discuss its contents with their respective representatives.
8. Validity. If any provision of this Agreement, or part thereof, is held invalid, void or voidable as against the public policy or otherwise, the invalidity shall not affect other provisions or

15. Entire Agreement. This Agreement constitutes the complete and exclusive statement of Agreement between the City and Developer. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Agreement.
16. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.
17. Termination. This Agreement may be terminated with thirty (30) days notice if Developer decides not to proceed with the proposed development project. Upon termination, Developer shall be responsible for compensation of the consultant's services performed up to the effective date of termination.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

CITY OF CALEXICO:

DEVELOPER:

Armando G. Villa
City Manager

James R. Irwin, Jr.
Trinity 341, LLC
Trinity Farming & Manufacturing Inc.

APPROVED AS TO FORM:

ATTEST:

Carlos Campos
City Attorney

Gabriela T. Garcia
City Clerk

Attachment: EGI, EIR proposal dated September 27, 2017.

**CITY OF CALEXICO
PROFESSIONAL SERVICES AGREEMENT**

1. PARTIES AND DATE.

This Agreement is made and entered into this day of October 18th, 2017 by and between the City of Calexico, a municipal corporation organized under the laws of the State of California with its principal place of business at 608 Heber Avenue, Calexico, California 92231 (“City”) and Ericsson Grant, Inc, a CALIFORNIA CORPORATION, with its principal place of business at 5145 Avenida Encinas, Ste., H Carlsbad, CA 92008 (“Consultant”). City and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

2. RECITALS.

2.1 Consultant.

Consultant desires to perform and assume responsibility for the provision of certain professional services required by the City on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing Environmental Clearance CEQA services to public clients, is licensed in the State of California, and is familiar with the plans of City.

2.2 Project.

City desires to engage Consultant to render such services for the UA 2017-10 project (“Project”) as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional Environmental consulting services necessary for the Project (“Services”). The Services are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules, and regulations.

3.1.2 Term. The term of this Agreement shall be from October 18, 2017 to October 18, 2018, unless terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

3.2 Responsibilities of Consultant.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Consultant on an independent contractor basis and not as an employee. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of City and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit "B" attached hereto and incorporated herein by reference. Consultant represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, City shall respond to Consultant's submittals in a timely manner. Upon request of City, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of City.

3.2.4 Substitution of Key Personnel. Consultant has represented to City that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Consultant cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the City, or who are determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the Consultant at the request of the City. The key personnel for performance of this Agreement are as follows: Kevin Grant.

3.2.5 City's Representative. The City hereby designates City Manager/Director of Development Services or designee, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. Consultant shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.2.6 Consultant's Representative. Consultant hereby designates Kevin Grant, or his or her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Consultant agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subconsultants shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subconsultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a City Business License, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its sub-consultants who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.8.1 Period of Performance. Consultant shall perform and complete all Services under this Agreement within the term set forth in Section 3.1.2 above ("Performance Time"). Consultant shall also perform the Services in strict accordance with any completion schedule or Project milestones described in Exhibits "A" or "B" attached hereto, or which may be separately agreed upon in writing by the City and Consultant ("Performance Milestones"). Consultant agrees that if the Services are not completed within the aforementioned Performance Time and/or pursuant to any such Project Milestones developed pursuant to provisions of this Agreement, it is understood, acknowledged and agreed that the City will suffer damage.

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold City, its officials, directors, officers, employees, and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.9.1 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.2.9.2 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.2.9.3 Air Quality. To the extent applicable, Consultant must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the APCD and/or California Air Resources Board (CARB). Although the APCD and CARB limits and requirements are more broad, Consultant shall specifically be aware of their application to "portable equipment", which definition is considered by APCD and CARB to include any item of equipment with a fuel-powered engine. Consultant shall indemnify City against any fines or penalties imposed by APCD, CARB, or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Consultant, its sub-consultants, or others for whom Consultant is responsible under its indemnity obligations provided for in this Agreement.

3.2.10 Insurance.

3.2.10.1 Time for Compliance. Consultant shall not commence Work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the subconsultant has secured all insurance required under this section.

3.2.10.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Consultant, its agents, representatives, employees or subconsultants. Consultant shall also require all of its subconsultants to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) *General Liability*: *****INSERT AMOUNT - TYPICALLY, \$1,000,000; HOWEVER, AMOUNT OF INSURANCE REQUIRED DEPENDS UPON NATURE OF CONTRACT AND RISK TO CITY. PLEASE CONTACT RISK MANAGEMENT TO CONFIRM AMOUNT*****] per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used including, but not limited to, form CG 2503, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: *****INSERT AMOUNT - TYPICALLY, \$1,000,000; HOWEVER, AMOUNT OF INSURANCE REQUIRED DEPENDS UPON NATURE OF CONTRACT AND RISK TO CITY. PLEASE CONTACT RISK MANAGEMENT TO CONFIRM AMOUNT*****] per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease.

3.2.10.3 Professional Liability. *****INCLUDE ONLY IF APPLICABLE; DELETE OTHERWISE*****] Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Project, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than *****CONTACT RISK MANAGEMENT TO CONFIRM REQUIREMENTS*****] per claim, and shall be endorsed to include contractual liability.

3.2.10.4 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms supplied or approved by the City to add the following provisions to the insurance policies:

(A) General Liability. The general liability policy shall be endorsed to state that: (1) the City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured with respect to the Work or operations performed by or on behalf of the Consultant, including materials, parts or equipment furnished in

connection with such work; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(B) Automobile Liability. The automobile liability policy shall be endorsed to state that: (1) the City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employer's Liability Coverage. The insurer shall agree to waive all rights of subrogation against the City, its directors, officials, officers, employees, agents, and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(D) All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its directors, officials, officers, employees, agents, and volunteers.

3.2.10.5 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its directors, officials, officers, employees, agents, and volunteers.

3.2.10.6 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. Consultant shall guarantee that, at the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its directors, officials, officers, employees, agents, and volunteers; or (2) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims, and administrative and defense expenses.

3.2.10.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VIII, licensed to do business in California, and satisfactory to the City.

3.2.10.8 Verification of Coverage. Consultant shall furnish City with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the City if requested. All certificates and endorsements must be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.10.9 Reporting of Claims. Consultant shall report to the City, in addition to Consultant's insurer, any and all insurance claims submitted by Consultant in connection with the Services under this Agreement.

3.2.11 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subconsultants, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "A" attached hereto and incorporated herein by reference. The total compensation shall not exceed **\$80,020.00** without written approval of City's City Manager/Director of Development Services or designee. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Consultant shall submit to City a monthly itemized statement which indicates work completed and hours of Services rendered by Consultant. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by City.

3.3.4 Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work

which is determined by City to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from City's Representative.

3.3.5 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 1600, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. [***INSERT "IF" OR "SINCE" AS APPLICABLE***] the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and [***INSERT "IF" OR "SINCE" AS APPLICABLE***] the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. Consultant shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. City may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to City, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Consultant to provide all finished or unfinished Documents and Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such document and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Consultant:

EGI, Inc., Ericsson Grant, Inc.

City:

City of Calexico
608 Heber Avenue
Calexico, CA 92231
Attn: City Manager

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Ownership of Materials and Confidentiality.

3.5.3.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement (“Documents & Data”). Consultant shall require all subconsultants to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents and Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City’s sole risk.

3.5.3.2 Indemnification. Consultant shall defend, indemnify and hold the City, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by City of the Documents & Data, including any method, process, product, or concept specified or depicted.

3.5.3.3 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City’s name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

3.5.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.5 Attorney's Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

3.5.6 Indemnification. Consultant shall defend, indemnify and hold the City, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged acts, omissions or willful misconduct of Consultant, its officials, officers, employees, agents, consultants, and contractors arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of all consequential damages and attorneys fees and other related costs and expenses. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against City, its directors, officials, officers, employees, agents, or volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against City or its directors, officials, officers, employees, agents, or volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse City and its directors, officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, its directors, officials officers, employees, agents, or volunteers. **[***IF FOR DESIGN PROFESSIONAL SERVICES (ARCHITECT, LANDSCAPE ARCHITECT, ENGINEER OR LAND SURVEYOR), USE THE FOLLOWING ALTERNATIVE LANGUAGE AND DELETE THE ABOVE LANGUAGE.** To the fullest extent permitted by law, Consultant shall defend, indemnify and hold the City, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or relating to any negligence, errors or omissions, recklessness, or willful misconduct of Consultant, its officials, officers, employees, agents, consultants, and contractors arising out of or in connection with the performance of the Consultant's Services, including without limitation the payment of all consequential damages, expert witness fees, and attorneys fees and other related costs and expenses. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against City, its directors, officials, officers, employees, agents, or volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against City or its directors, officials, officers, employees, agents, or volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse City and its directors, officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, its directors, officials officers, employees, agents, or volunteers.***]

3.5.7 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations,

understandings or agreements. This Agreement may only be modified by a writing signed by both parties.

3.5.8 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Imperial County.

3.5.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.10 City's Right to Employ Other Consultants. City reserves right to employ other consultants in connection with this Project.

3.5.11 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.5.12 Assignment or Transfer. Consultant shall not assign, hypothecate or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.13 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subconsultants of Consultant, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content or intent of this Agreement.

3.5.14 Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.5.15 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel or otherwise.

3.5.16 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.17 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5.18 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subconsultants to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.5.19 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.5.20 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.5.21 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.22 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6 Subcontracting.

3.6.1 Prior Approval Required. Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

CITY OF CALEXICO

EGL, Inc.

By: _____
Armando G. Villa
City Manager

By: _____
Kevin Grant
EGL, Inc.

Attest:

City Clerk

Attest:

Approved as to Form:

City Attorney

EXHIBIT "A"

SCOPE OF SERVICES

[INSERT SCOPE**]**

EXHIBIT "B"

SCHEDULE OF SERVICES

[INSERT SCHEDULE**]**

EXHIBIT "C"

COMPENSATION

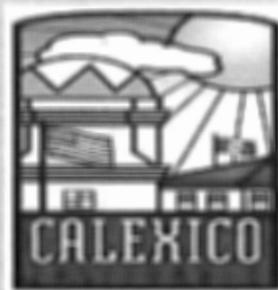
[INSERT RATES & AUTHORIZED REIMBURSABLE EXPENSES**]**

PROPOSAL FOR

TRINITY 341, LLC • BARRINGTON CONSULTING LLC • DESERT VALLEY PARTNERS, LLC
CALEXICO DISTRIBUTION COMPANY, LLC • COLE BOULEVARD ADVISORS, LLC

TRINITY MANUFACTURING & CULTIVATION FACILITY ENVIRONMENTAL IMPACT REPORT

Submitted to:



Submitted by:



September 2017



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5145 Avenida Encinas, Suite H
Carlsbad, CA 92008
●●●●
Toll free: 888-316-4813
Direct: 858-353-7073
Fax: 760-501-0219



September 27, 2017

Mr. Armando Villa, City Manager
City of Calexico
608 Heber Avenue
Calexico, CA 92231

RE: Trinity Manufacturing & Cultivation Facility Environmental Impact Report (EIR)

Dear Mr. Villa,

Ericsson-Grant, Inc., (EGI) is pleased to provide this proposal to prepare an EIR for the Manufacturing & Cultivation Facility. The facility includes a total of five applications including three new cultivation and manufacturing buildings, one existing cultivation and manufacturing building located at 2421 Enterprise Boulevard, and one Transportation Office.

Given the location of the Calexico Facility on disturbed land with an existing building in the Cannabis Overlay Zone, EGI believes that multiple resource areas will be found to have “No Impact” and thus be scoped out during preparation of the Initial Study. EGI is aware that this Project may be challenged and understands the importance of producing a legally defensible document. To this end, we identify technical studies that should be prepared to demonstrate due diligence and support the analysis in the EIR.

EGI intends to produce the EIR on an expedited schedule of 22 weeks. Full details of our scope and an estimated cost are included in the proposal. The final cost to complete the document will be refined upon receipt of all Application materials and detailed project descriptions for each parcel.

Contact Information

EGI recognizes the importance of this project and appreciates the opportunity to submit our proposal for the Trinity Manufacturing & Cultivation Facility. If you have any questions, feel free to contact me at 858-353-7073 or kgrant@ericsson-grant.com.

Sincerely,

Kevin L. Grant
Managing Principal

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INTRODUCTION & PROJECT UNDERSTANDING

CONTACT INFORMATION

Ericsson-Grant Inc. (EGI) has prepared the following scope of work for the Trinity Cultivation & Manufacturing Facility (“proposed Project” or “Project”) Environmental Impact Report (EIR) in response to a request from the City of Calexico. Our contact information is as follows:

Ericsson-Grant Inc.
5145 Avenida Encinas, Suite H
Carlsbad, CA 92008
Contact: Kevin Grant, Managing Principal
Direct: 858-353-7073
Fax: 760-501-0219
e-mail: kgrant@ericsson-grant.com

PROJECT UNDERSTANDING

This proposal is based on the following: the Uniform Application submitted for the Trinity 341 Project which included a Project Description, a Facility Site Plan, Odor Control Plan, Project Security & Control Plan, Emergency Response Plan and Community Relations Plan and Neighborhood Responsibility; the Trinity 341 Calexico Facility Site Plan prepared by McGee-Sharon Architecture, Inc.; and the Trinity 341 Main Building Calexico Facility Site Plan, Trinity 341 Transportation Office Calexico Facility Site Plan, Trinity 341 Building 1 Calexico Facility Site Plan, Trinity 341 Building 2 Calexico Facility Site Plan and the Trinity 341 Building 3 Calexico Facility Site Plan all prepared by Development, Design and Engineering, Inc., dated September 6, 2017.

We understand that proposed Project involves five applications with separate Applicants on five parcels totaling approximately 8.23 acres. All the parcels are zoned Industrial and within the Cannabis Overlay Zone (COZ). The Project includes one existing building at 2421 Enterprise Boulevard that will be improved to accommodate cultivation and manufacturing. In addition, three other buildings (B, C and D) on parcels 1, 2 and 3 are proposed to be newly constructed with similar cultivation and manufacturing facilities. The Project also proposes new construction of a Transportation Office located north of the existing building at 2421 Enterprise Boulevard. The overall layout of the proposed Trinity Cultivation & Manufacturing Facility is illustrated in Figure 1 and summarized in Table 1. Layouts of each building/parcel are provided in Figures 2 thru 6. Photos 1 thru 4 show existing conditions of the Project site.

EGI understands that the Project will involve coordination/consultation with the following jurisdictions and agencies. As appropriate, EGI will solicit input from these City, County, local and state agencies regarding the Project.

- City of Calexico, CA
- County of Imperial, CA
- State of California
- Imperial Irrigation District

INTRODUCTION & PROJECT UNDERSTANDING

- Imperial County Air Pollution Control District
- Regional Water Quality Control Board

EGI is aware that the following applications will be required in association with the Trinity Cultivation & Manufacturing Facility. These applications will be referenced/utilized as necessary in preparing the EIR:

- Development Agreements
- Commercial Cannabis Activity Regulatory Permit Applications
- Environmental Information Applications
- Uniform Applications
- Any Regulatory Permits Deemed Necessary by State and Local Agency for Cultivation and Manufacturing of Cannabis.
- State Permits – Expected as early as January 2018
- Site Plan Review for all Submitted Permit Applications
- All Building Permits Necessary
- Parcel Map Approval

As part of fulfilling City requirements for each Application, the following plans must be prepared and submitted. These documents will be reviewed and referenced as appropriate in the EIR analysis.

- Neighborhood and Community Plan
- Security Plan
- Emergency Response Plan
- Odor Control Plan

INTRODUCTION & PROJECT UNDERSTANDING

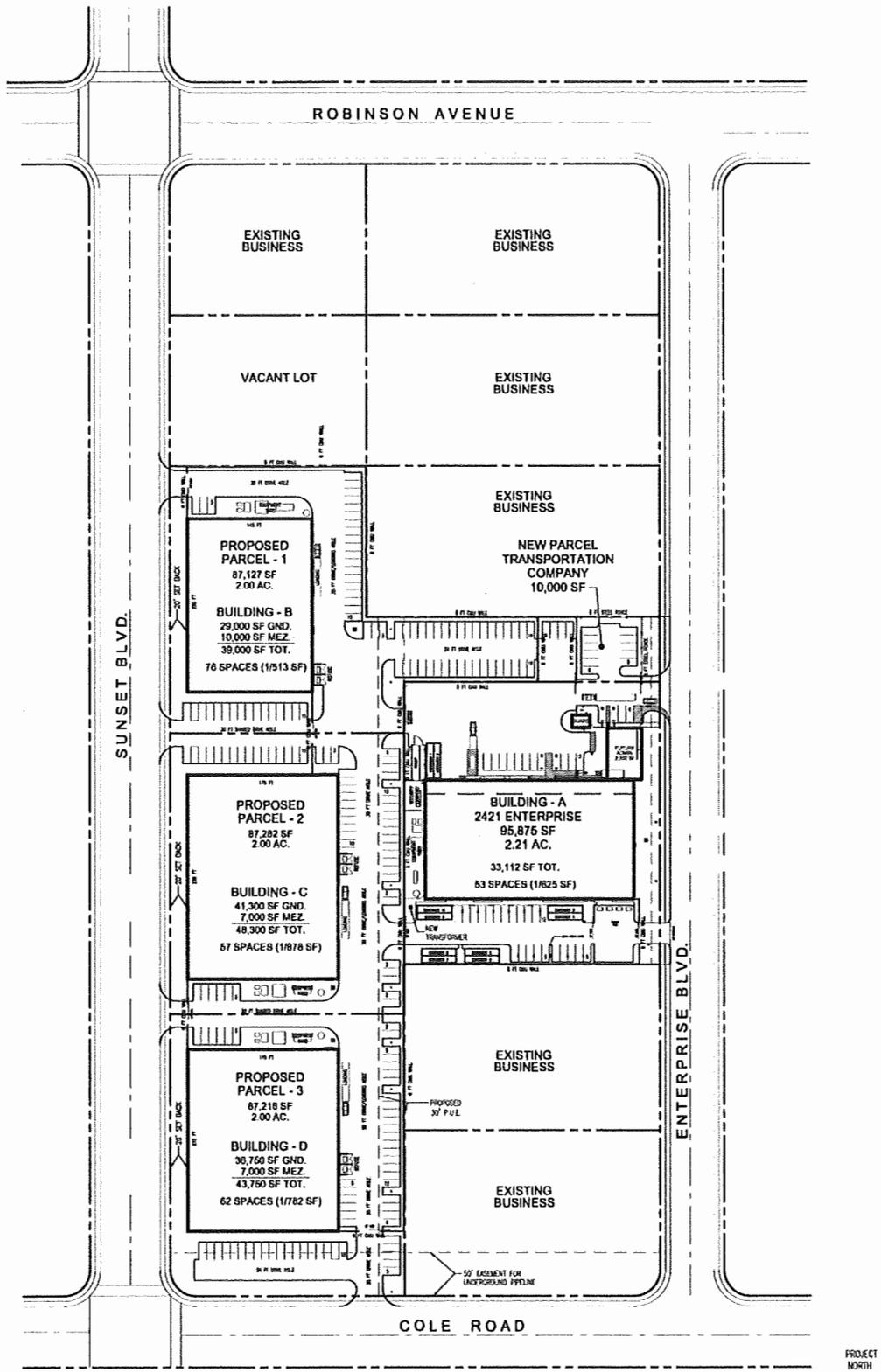


FIGURE 1 – TRINITY CULTIVATION & MANUFACTURING FACILITY OVERALL SITE PLAN

INTRODUCTION & PROJECT UNDERSTANDING

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INTRODUCTION & PROJECT UNDERSTANDING

**TABLE 1
SUMMARY OF PROJECT BY APPLICANT AND APN**

Applicant	Assessor's Parcel Number (APN)	Address or Proposed Parcel	Building/ Size in sq. ft./ Parking Spaces	Lot Size Sq. Ft./ Acres	Proposed Action	License
Trinity 341, LLC (See Figure 4)	059-343-018-000	2421 Enterprise Boulevard	A/ 33,112/ 53	87,120/ 2.00	Lot Line Adjustment & Parcel Carveout	Cultivation & Manufacturing
Barrington Consulting, Inc. (see Figure 2)	059-343-003-000 059-343-014-000	1	B/ 39,000/ 73	87,120/ 2.00	Lot Merger	Cultivation & Manufacturing
Cole Boulevard Advisors, LLC (see Figure 5)	059-343-006-000	2	C/ 48,300/ 57	87,120/ 2.00	Lot Line Adjustment	Cultivation & Manufacturing
Desert Valley Partners, LLC (see Figure 6)	059-343-016-000	3	d/43,750/62	87,120/ 2.00	Lot Line Adjustment	Cultivation & Manufacturing
Calexico Distribution Company, LLC (see Figure 3)	TBD, Upon Parcel Map Approval	N/A	Transportation Office/ 288/15	10,000/ 0.23	To be determined upon parcel map approval. Proposed 10,000 sq. ft. parcel from APN 059-343-018	Transportation & Distribution
Total				358,480/8.23		

As the time this proposal was prepared, only the application for 2421 Enterprise Boulevard had been submitted to the City.

INTRODUCTION & PROJECT UNDERSTANDING

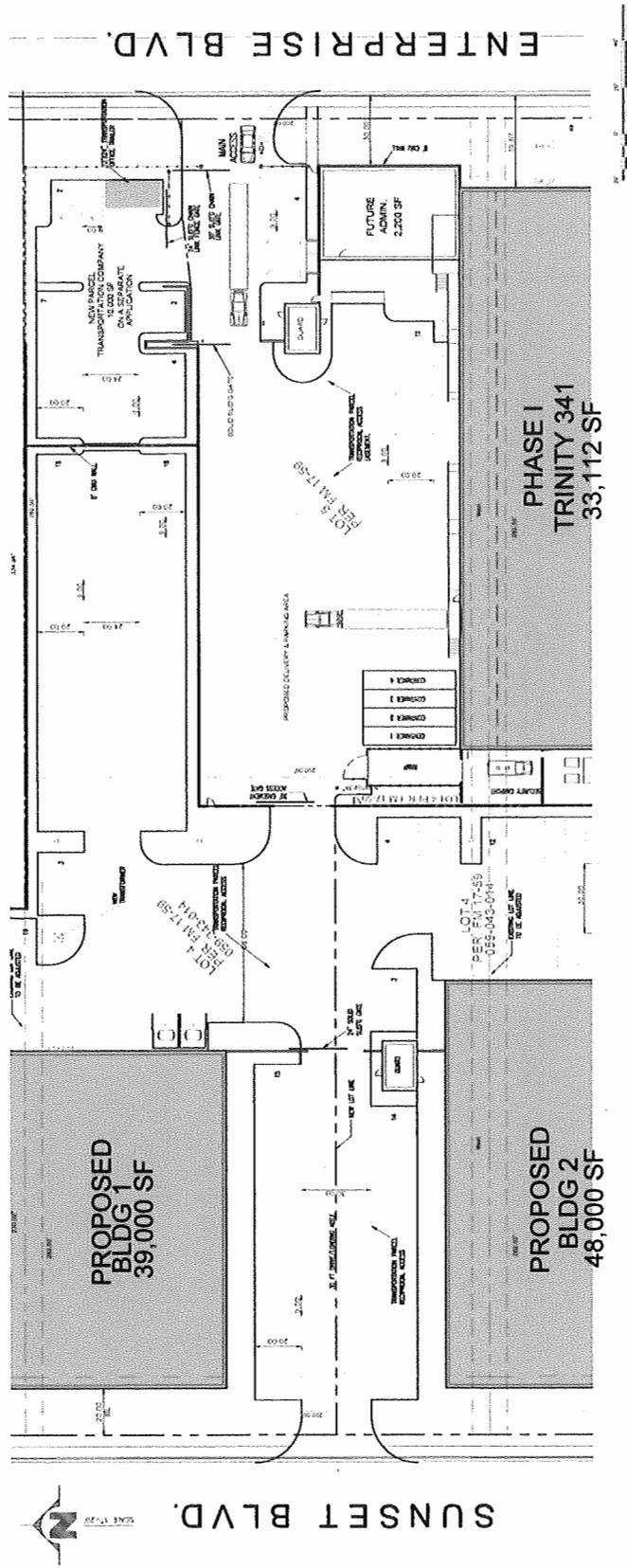


FIGURE 3 – TRANSPORTATION OFFICE – CALEXICO DISTRIBUTION COMPANY, LLC

INTRODUCTION & PROJECT UNDERSTANDING

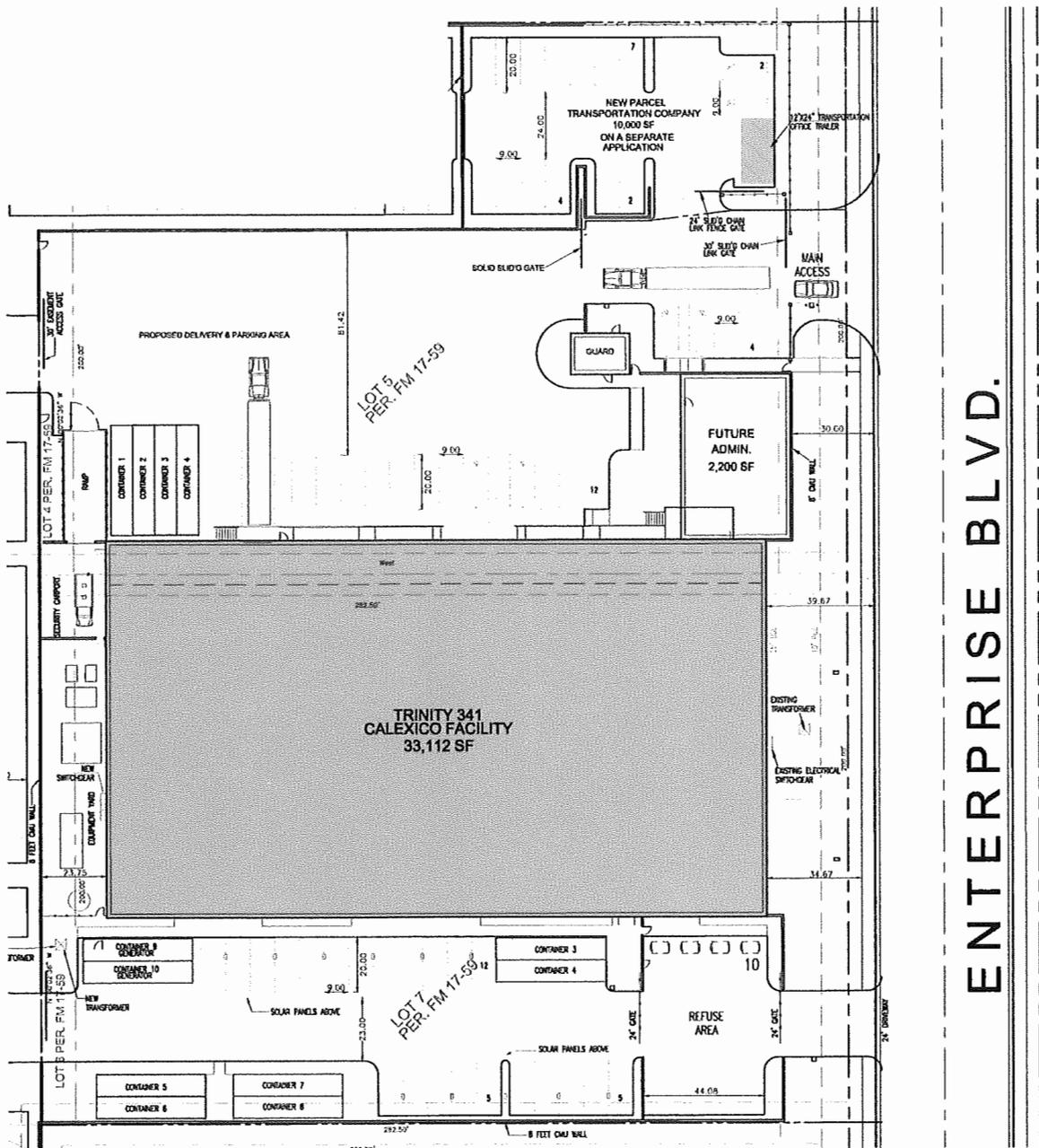


FIGURE 4 – 2421 ENTERPRISE BOULEVARD, BUILDING A - TRINITY 341, LLC

INTRODUCTION & PROJECT UNDERSTANDING

All the parcels have been previously disturbed and 2421 Enterprise Boulevard has been developed with a warehouse and parking lot. Parcels 1, 2 and 3, while void of structures do contain vegetation and stock-piles of soil as illustrated in the photos below.



Photo 1: Looking north east towards existing building at 2421 Enterprise Boulevard.



Photos 2: Looking south east towards Cole Road. Utilities and fire hydrant adjacent to Parcel 3.

INTRODUCTION & PROJECT UNDERSTANDING



Photo 3: View north across Cole Road towards Parcels 1, 2 and 3. Existing building at 2421 Enterprise Boulevard and other businesses visible at right of photo.



Photo 4: Looking east across Parcel 3. Site is covered with soil stockpiles and weeds. Existing businesses to south of 2421 Enterprise Boulevard visible at center of photo.

INTRODUCTION & PROJECT UNDERSTANDING

OVERVIEW OF SCOPE OF WORK, SCHEDULE, MILESTONES AND COST

EGL has prepared this Scope of Work for the proposed Project assuming preparation of a Project-level EIR analyzing all five applications. Our Scope identifies each item in the CEQA Guidelines, Appendix G Checklist and methodically addresses each resource area. We describe our understanding of existing conditions and approach to analyzing the issue, as well as the level of technical documentation that would lend itself to supporting the level of significance conclusions. The work effort associated with preparation of technical studies in support of the analysis and preparation of the EIR is clearly identified in the Scope of Work.

To facilitate understanding of the relationship of technical studies to the EIR, we have included a table correlating each study with the associated resource item listed in CEQA Appendix G checklist (see next page).

EGL has prepared an expedited schedule to complete the EIR (see page 26). Our schedule clearly identifies the number of weeks associated with various deliverables and key milestones (see page 26). A cost estimate is provided based on the information provided to date (see page 27). A detailed cost spreadsheet will be provided after receipt of all Application materials and Project Descriptions for each parcel

APPROACH

EGL's approach to preparing a thorough, adequate, and legally defensible document is based on a clear understanding of the Project and on-going communication with the City and Applicant. This approach leads to efficiencies in preparing the document by avoiding wasted time, effort and budget. Our end goal is to prepare an unbiased, legally defensible document that fulfills all the requirements of CEQA.

The following assumptions are made regarding our approach to this Scope of Work.

- EGL has identified the full spectrum of technical studies that may be required to support the environmental document. Preparation of the studies that are optional will be at the discretion of the City of Calexico.
- EGL is responsible for providing copies of administrative draft, screen-check, draft and final documents. Electronic versions of the Administrative Draft versions of these documents will be made available via EGL's secured ShareFile site.
- EGL will be responsible for preparing the Mitigation Monitoring and Reporting Program.
- The City of Calexico will be responsible for coordination and delivery of environmental documents to the State Clearinghouse.
- The City of Calexico will be responsible for mailing all required notices to affect agencies and interested parties based on a list generated by the City.
- EGL will assist the City with the preparation of the Notice of Preparation, Notice of Completion and Notice of Determination.
- EGL will assist the City with preparation of response to comments on the Draft EIR.
- EGL will prepare the Final EIR as efficiently and cost-effectively as possible.

INTRODUCTION & PROJECT UNDERSTANDING

ANTICIPATED STUDIES

The table below summarizes the studies that are anticipated to be needed to prepare a legally defensible EIR. The corresponding section of the EIR that the technical study would support is also provided. These studies are referenced in the Scope of Work as appropriate.

EIR Section	Required Technical Studies
Air Quality	Air Quality/GHG Impact Assessment
Biological Resources	Biological Assessment
	Biological Surveys
Cultural Resources	Cultural Resources Assessment
Climate Change and Greenhouse Gases	See study listed for Air Quality
Geology and Soils	Geotechnical Investigation
Hazards and Hazardous Material	Phase I ESA
Hydrology and Water Quality	Drainage Study
	Hydrology and Water Quality Assessment
Noise	Noise Impact Assessment
Water	Water Supply Assessment
Transportation and Traffic	Traffic Impact Assessment
Other CEQA Sections	Appendix F CEQA Energy Conservation Analysis

SCOPE OF WORK

TASK 1 - PROJECT INITIATION

EGI recognizes the importance of project initiation in establishing the foundation for managing the EIR. From the outset, EGI will take the lead with the City to establish the framework for communication, sharing information and maintaining control of the schedule. Project initiation includes EGI attendance at a kick-off meeting, a site visit, initial data collection, and scoping meeting preparation. The project kick-off meeting will involve City staff, EGI Project Director and Senior Project Manager as well as any sub-consultants, as appropriate. At the kick-off meeting, communication protocol will be established and each Project Team member's role and responsibilities will be identified. In addition, data needs, preliminary Project schedule, Project goals and objectives, purpose and need, and potential alternatives to the proposed Project will be discussed. EGI anticipates providing a list of questions for the Applicants at this meeting based on information needs of our sub-consultants. With team consensus, EGI will determine an appropriate time for a weekly conference call. EGI will facilitate these calls with an agenda and follow-up with distribution of notes summarizing the call and identifying action items for the following week. Team calls are invaluable for maintaining communication, ensuring understanding, and avoiding delays when information or clarification is needed on a specific issue.

EGI will provide the team with a link to our ShareFile system to store and maintain files as well as the Administrative Record for the Project per the requirements of AB 900. Using a centralized location to store data allows our project team members, the City, the Applicants and EGI staff to share confidential files of any size securely while facilitating access to this information via any web browser and a high-speed internet connection.

SUB-TASK 1.1 DATA COLLECTION/SITE VISIT

EGI will identify any plans, data gaps, maps, or technical studies which will need to be requested from the City. EGI will also conduct a site visit of the proposed Project site, taking special note of the surrounding uses to obtain a full understanding of current conditions. Digital photos will be taken of the Project area which will be included in the environmental document as appropriate.

SUB-TASK 1.2 PROJECT DESCRIPTION

Under this sub-task, EGI will draft and distribute a Project Description to ensure that the City, as well as the Project Team, has a complete understanding of all aspects of the Trinity Cultivation & Manufacturing Facility prior to initiating preparation of the technical studies and the EIR. The Project Description will be provided to the City for review and comment. EGI will make revisions based on one round of comments (i.e., there will be one review cycle for the Project Description). The Project Description will be provided electronically in Word for mark-up in track-changes by the Project Team.

SUB-TASK 1.3 INITIAL STUDY/NOTICE OF PREPARATION

EGI will prepare the Initial Study and Notice of Preparation (NOP) for the EIR. The Initial Study will be based on the CEQA Guidelines Appendix G Environmental Checklist Form. EGI will work with the City to print and distribute the Initial Study/NOP to the State Clearinghouse, local agencies,

SCOPE OF WORK

and individuals as identified on the NOP distribution list. The City will be responsible for publishing the NOP in a newspaper of general circulation for the area. Issues raised during the 30-day NOP review period will be reviewed by EGI and the City to determine if the Scope of Work needs to be revised. If comments require further work or studies, the Scope of Work will be modified after consulting with the City.

SUB-TASK 1.4 SCOPING MEETING PRESENTATION

EGI will assist the City in conducting one public scoping meeting for the EIR. This task will involve preparation for the scoping meeting, including coordination with the Project Team and creating meeting materials (sign-in sheet, a PowerPoint presentation, and handouts). We assume that the scoping meeting notice (date, time, location) will be incorporated into the NOP. Comments and issues identified at the scoping meeting will be considered by EGI and the City prior to finalizing the Scope of Work. If comments require further work or studies, the Scope of Work will be modified after consulting with the City.

Deliverables: One (1) camera-ready Initial Study/NOP document, and one Draft Project Description provided electronically via EGI's ShareFile system.

TASK 2 - ADMINISTRATIVE DRAFT EIR

An Administrative Draft Environmental Impact Report (ADEIR) will be prepared in conformance with the CEQA Guidelines. The ADEIR will address all issue areas determined to have a potentially significant impact as identified in the Scope of Work developed in concert with the City. The ADEIR will be delivered to City staff electronically for internal review and comment utilizing track-changes prior to public release of the Draft EIR (under Task 3, below). The major sections and areas of concern to be addressed are outlined below.

INTRODUCTORY SECTIONS

Executive Summary

This section will include a brief description of the proposed Project and a summary table listing the potential impacts identified in the EIR by topic, along with the corresponding mitigation measures and the level of significance after mitigation. Areas of controversy known by the City, divulged during the NOP review period, or raised at the public scoping meeting, will be identified. A summary of the Project alternatives will also be provided.

Introduction

The Introduction will discuss the legal authority for preparing the EIR under CEQA as well as the City's environmental review requirements. This section will also include a brief overview of the Project background and local context and identify responsible agencies. The public participation and scoping processes will also be explained.

Project Description

EGI will confirm the Project Description is adequate as drafted and that it describes all components of the Trinity Cultivation & Manufacturing Facility, construction duration, project phasing (if applicable) and operation as required by CEQA. The Project Description will be updated as

SCOPE OF WORK

necessary to describe all applications associated with the Project as well as any regulatory reviews. This information will be presented using text, maps, graphics and tables. A discussion of the 'Uses of the EIR' itemizing the entitlements and approvals required by the City and other agencies which may rely on the EIR will also be included. As required by CEQA, the Project Description will also include a statement of Project Objectives to be developed based on consultation with the City and/or Applicant, as applicable.

ENVIRONMENTAL SETTING AND ANALYSIS

The Environmental Setting and Analysis comprises the main chapter of the EIR and includes separate sections for each environmental topic area identified as having a "potentially significant" or "significant" impact. The text of each section will be formatted so that the impact statements and corresponding mitigation measures stand out from the text discussion for clarity and ease of reference (i.e. impact statement headings and numbers and mitigation measure numbers will appear in bold text). The level of significance of each impact after mitigation will also be provided. Each section will include:

- A description of the environmental setting specific to each topic area;
- A description of the regulatory setting, including applicable local, state and federal laws and policies;
- The methodology used for conducting the analysis of each topic area;
- Identification of the current applicable standards of significance from CEQA Appendix G and elsewhere;
- Identification of impacts including analysis and conclusions regarding the level of significance;
- A consistency analysis based on the current City of Calexico General Plan goals, policies and objectives; and
- Mitigation Measures to address potentially significant and significant impacts, including timing and enforcement responsibility, as applicable.

The tasks associated with each issue identified in the CEQA Appendix G Environmental Checklist Form are described below along with EGI and each sub-consultant's role. The analysis of each issue will be based on the environmental conditions existing at the time the Initial Study/NOP is issued.

AESTHETICS

The proposed Project site encompasses approximately 8.23-acres. The entire Project site is in an industrial area with an existing building and parking lot at 2421 Enterprise Boulevard fronting on Enterprise Boulevard on the east. Three additional buildings are proposed that would be of similar size and scale to the existing building. A Transportation Office is also proposed to the north of 2421 Enterprise Boulevard. The proposed uses are visually compatible with the existing industrial uses. The Project would be required to comply with all applicable design and lighting standards. Therefore, Aesthetics is anticipated to be scoped out as part of the Initial Study and would not be analyzed in the EIR.

SCOPE OF WORK

AGRICULTURE AND FOREST RESOURCES

The proposed Project is within the Cannabis Overlay Zone and is zoned Commercial Highway. No agricultural land, timber or forest resources are on the Project site. Therefore, Agriculture and Forest Resources is anticipated to be scoped out as part of the Initial Study and would not be analyzed in the EIR.

AIR QUALITY

The Project site is located in the Salton Sea Air Basin, which is under the jurisdiction of the Imperial County Air Pollution Control District (ICAPCD). The Basin is a non-attainment area for particulate matter, 10 microns or less (PM₁₀) both at the federal and state level. All of Imperial County is a non-attainment area for Ozone (O₃), but is in attainment for carbon monoxide (CO). Air quality impacts would occur in the short-term during construction as well as in the long-term in association with implementation of the Project. Heavy equipment exhaust, vehicle trips associated with delivery of materials, construction workers traveling to and from the site, and dust generated on a long-term basis by soil disturbance are all potential sources of short-term air pollutants and emissions. Operational emissions would include exhaust from cultivation activities and traffic to and from the Trinity Cultivation & Manufacturing Facility. To analyze both construction and operational emissions, an Air Quality Impact Assessment will be prepared in conjunction with a Greenhouse Gas Assessment. Impacts of the Project conflicting with an applicable air quality plan, exposing sensitive receptors to pollutant concentrations and objectionable odors will all be discussed as part of the Air Quality Section of the EIR based on the findings of the Air Quality Impact Assessment prepared for the Project. The Odor Control Plans prepared by the Applicants will be reviewed and incorporated into the discussion as appropriate. Odor control measures will also be discussed in this section. Mitigation Measures will be identified if warranted.

BIOLOGICAL RESOURCES

The Project site is in an industrial area. The eastern portion of the Project site is vacant land that has been disturbed and contains multiple soil stock piles and weeds. The western portion is paved and contains an existing building with ornamental landscaping and a few trees. Based on its location and level of disturbance, the site is not anticipated to contain any sensitive or endangered species. A Biological Survey and search of the California Natural Diversity Database will be conducted to ensure there are no sensitive species on site. Findings of the survey and database search will be compiled in a Biological Assessment. The Assessment will be used to formulate the discussion of Biological Resources in the EIR and determine if any impacts to birds or wildlife would occur. Mitigation Measures will be identified if warranted.

CULTURAL AND TRIBAL CULTURAL RESOURCES

As previously described, the Project site is in an industrial area. The site has been disturbed and contains a building and parking lot. The vacant eastern half of the Project site may contain buried resources. A Cultural Resources Inventory will be conducted including a records search to determine if there are any known cultural resources on the Project site. The Findings of the Inventory will be included in the discussion of Cultural Resources in the EIR. Mitigation Measures will be identified if warranted.

SCOPE OF WORK

Public Resources Code 21080.3.1 requires that prior to the release of an environmental impact report for a project, the lead agency shall begin consultation with a California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed project if: (1) the California Native American tribe requested to the lead agency, in writing, to be informed by the lead agency through formal notification of proposed projects in the geographic area that is traditionally and culturally affiliated with the tribe, and (2) the California Native American tribe responds, in writing, within 30 days of receipt of the formal notification, and requests the consultation. EGI will work with the City of Calexico to facilitate Native American Consultation, if requested.

GEOLOGY AND SOILS

The eastern half of the Project site would require grading and leveling to accommodate development of Parcel 1, 2 and 3. A Geotechnical Investigation would be required to determine soil conditions, corrosive characteristics and seismicity. The findings of the Geotechnical Investigation will be used to formulate the analysis in the Geology and Soils section of the EIR. Mitigation Measures will be identified if warranted.

GREENHOUSE GAS EMISSIONS

The proposed Project would generate a limited amount of exhaust and emissions during construction. In addition, vehicle trips would be generated during operation. Each of the four cultivation and manufacturing facilities would also demand 3-5 megawatts of electricity. This Scope of Work assumes that the assessment of Project-generated emissions will include a quantitative assessment of greenhouse gas (GHG) emissions based on the analysis included in the Air Quality Impact Assessment. The findings of the Geotechnical Investigation will be used to disclose any Project impacts in Geology and Soils section of the EIR. Mitigation Measures will be identified if warranted.

ENERGY

In accordance with Appendix F of the CEQA Guidelines, a discussion of energy resources needed for the Trinity Cultivation & Manufacturing Facility will be required to analyze the following impacts:

The Project's energy requirements and its energy use efficiencies by amount and/or fuel type for the construction and operation of the existing building at 2421 Enterprise, the three proposed buildings and the Transportation Office if appropriate. The energy intensiveness of materials may be discussed, including:

- The effects of the Project on local and regional energy supplies and on requirements for additional capacity.
- The effects of the Project on peak and base period demands for electricity and other forms of energy.
- The degree to which the Project complies with existing energy standards.
- The effects of the Project on energy resources.

SCOPE OF WORK

- The Project's protected transportation energy use requirements and its overall use of efficient transportation alternatives.

Mitigation Measures may include potential measures to reduce wasteful, inefficient and unnecessary consumption of energy during construction and operation. The discussion will explain why certain measures were incorporated in the project and why other measures were dismissed.

HAZARDS AND HAZARDOUS MATERIALS

Based on the Project site's location in an industrial area, the potential exists for chemicals to be found in soils on the undeveloped portion of the site. Workers could be exposed to health hazards associated with inhalation and exposure to chemical residues during Project construction if present. A Phase I Environmental Site Assessment (ESA) will be prepared to determine if any Recognized Environmental Concerns are present on the Project site. In addition, this section will examine all chemicals used in the cultivation process as well as waste generated by the Trinity Cultivation & Manufacturing Facility. The findings of the Phase I ESA will be used to disclose any Project impacts in Hazards and Hazardous Materials section of the EIR. Mitigation Measures will be identified if warranted.

HYDROLOGY AND WATER QUALITY

Approximately 2 acres of the Project site are currently undeveloped and completely pervious. The existing building at 2421 Enterprise Boulevard includes a paved area and parking lot which have previously been engineered to flow into existing storm drains. A Drainage Study and Hydrology and Water Quality Assessment would be required for development of Parcels 1, 2 and 3 and the Transportation Office. The findings of the Drainage Study and Hydrology and Water Quality Assessment will be used identify any impacts in the Hydrology and Water Quality section of the EIR resulting from construction and operation of the Project. Mitigation Measures will be identified if warranted.

LAND USE

The proposed Project site consists of one parcel located in the Cannabis Overlay Zone. A parcel map is required to facilitate the configuration illustrated in Figure 1. In addition, the Project will require a lot merger and subdivision to accommodate. The site has a General Plan Designation of Industrial and is zoned Commercial Highway. The Project is consistent with the existing land use and COZ zoning designations. The Project will be examined for consistency with applicable General Plan polices and for compatibility with surrounding uses. Mitigation Measures will be identified if warranted.

MINERAL RESOURCES

The Project site is in an industrial area that has been developed and does not include any mining or mineral extraction operations. Likewise, the Project site does not contain mineral resources. Therefore, this issue is anticipated to be scoped out of the Initial Study and will not be analyzed in the EIR.

SCOPE OF WORK

NOISE

Construction noise would be limited to the short-term use of heavy equipment operated during daylight hours, material deliveries and construction worker traffic. Ambient noise levels would also change in the long-term in association operation of the Project. The cultivation and manufacturing facilities would all be equipped with scrubbers and HVAC and traffic noise would increase in association with worker trips, pick-ups and delivery of materials. A Noise Impact Assessment will be required to analyze short-term construction and long-term operational noise. The Assessment will utilize noise thresholds as identified in the City's Noise Ordinance (Health and Safety Chapter 8.46). The findings of the Noise Impact Assessment will be used identify any impacts in the Noise section of the EIR resulting from construction and operation of the Project. Mitigation Measures will be identified if warranted.

POPULATION AND HOUSING

The Project site is in an industrial area and would not displace existing housing, generate new housing or increase the population of Calexico. Therefore, this issue is anticipated to be scoped out of the Initial Study and will not be analyzed in the EIR.

PUBLIC SERVICES

Fire Protection

The Calexico Fire Department would provide fire protection to the proposed Project. The EIR will discuss provision of fire protection to the proposed Project. EGI will contact the Department and solicit input on design requirements, fire safety, etc. Any concerns relative to adequacy of Fire Department staffing, fire equipment, site design, and emergency access will be documented. The Emergency Response Plans prepared by the Applicants will be analyzed and incorporated into the discussion as appropriate. Impacts will be identified and mitigation measures will be provided as appropriate in the EIR.

Police Protection

The proposed Project site is in the Calexico Police Department's service area. The EIR will discuss provision of Police Protection to the proposed Project. EGI will contact the Police Department and solicit input on design requirements to address public safety. Any concerns relative to staffing, patrols, security and, emergency access, will be documented. Plans prepared by the Applicants (Neighborhood and Community Plan; Security Plan, and Emergency Response Plan) will be analyzed and incorporated into the discussion as appropriate. Impacts will be identified and mitigation measures will be provided as appropriate in the EIR.

Schools

The Project would not add residential uses which would generate students. Therefore, this issue is anticipated to be scoped out of the Initial Study and will not be analyzed in the EIR.

Parks

The Project would not add residential uses which would generate demand for parks. Therefore, this issue is anticipated to be scoped out of the Initial Study and will not be analyzed in the EIR.

SCOPE OF WORK

Other Facilities and Services

Each of the four cultivation and manufacturing facilities will demand between 3 – 5 megawatts of electricity during operation. The Transportation Office is estimated to demand less than 3,000 watts per day. A power line is proposed to be located on the east side of the of Parcels 1, 2 and 3 and to the east of 2412 Enterprise Boulevard and the Transportation Office. IID will be contacted to determine the utility's existing infrastructure, capacity and ability to serve the Project. Any deficiencies or required improvements will be analyzed in the EIR. Mitigation measures will be identified, if necessary.

UTILITIES AND SERVICE SYSTEMS

Water

The proposed Project will increase demand for a limited amount of water during construction as and several thousand gallons during operation for each of the four cultivation and manufacturing facilities. Each cultivation and manufacturing facility is estimated to use 5,500 gallons of water per day with 60% to be recaptured, treated and reused. Therefore, 2,200 gallons of water will be needed on a daily basis. The 10,000 sq. ft. Transportation Office site is expected to use 30 gallons of water per day. EGI will contact the Calexico Water Department and solicit input on ability to treat and supply water to the Project. Any deficiencies in the system or availability of water expressed by the Water Department will be documented. Impacts will be identified and mitigation measures will be provided as appropriate in the Water section of the EIR. A Water Supply Assessment will be prepared if warranted after discussing proposed water demand with the City and consulting Water Code Section 10910.

Wastewater

Each of the four cultivation and manufacturing facilities and HVAC systems will generate a waste stream from operations. Each facility will be designed with wastewater tank approximately 2,500 gallons in size to hold water discharged from benches as well as condensate captured from the HVAC system. EGI will get further details on wastewater disposal from the Applicant and contact the City of Calexico Wastewater Department as necessary. Any impacts associated with wastewater will be identified and mitigated as appropriate in the EIR.

Solid Waste

Construction and operation of the proposed Project would generate the need for provision of solid waste pick-up and disposal. Once operational, the Trinity Cultivation & Manufacturing Facility would generate sludge by-products that will require disposal at an accepting landfill. EGI will contact Allied Waste for details regarding solid waste collection and disposal. The EIR will discuss the service provider's ability to serve the proposed Project's waste demands. The disposal facility receiving the waste will be discussed as well as the landfill capacity remaining/available to accommodate the Project's waste. Impacts will be identified and mitigation measures will be provided as appropriate in the Solid Waste section of the EIR.

SCOPE OF WORK

RECREATION

The Project site is in an industrial area and would not impact recreational facilities. Therefore, this issue is anticipated to be scoped out of the Initial Study and will not be analyzed in the EIR.

TRANSPORTATION AND TRAFFIC

The proposed Project would result in increased local traffic volumes during both construction and operation. In the short-term, traffic would be increased in association with construction materials and equipment as well as construction worker trips. In the long term, the Project would generate daily employee trips (16 to 23 employees for both cultivation and manufacturing and transportation and distribution) as well as weekly trips for distribution to dispensaries in San Diego, Los Angeles and Orange County (estimated to be eight trips per week). The number of trips associated with distribution would add minimal traffic to Enterprise Boulevard, State Route 111, and Interstate 8. Parking is proposed on each parcel. The Applicants will request a reciprocal parking easement.

A Traffic Study will be prepared to assess impacts of the proposed Project on the circulation network including ingress and egress to the site. Impacts will be identified and mitigation measures will be provided as appropriate in the Transportation and Traffic section of the EIR.

OTHER CEQA CONSIDERATIONS

This section of the EIR will cover Energy Conservation, Significant and Unavoidable Environmental Effects, Long-Term Growth-Inducing Impacts and Significant Irreversible Environmental Changes, and Mandatory Findings of Significance. The Energy Conservation discussion will be based on CEQA Appendix F.

Administrative Draft EIR Deliverables: One electronic version of the Administrative Draft EIR in Word format will be made available to the City for internal review via EGI's ShareFile. Revisions and comments will be made by the City in "track changes" and uploaded to ShareFile for EGI.

TASK 3 – DRAFT EIR AND MITIGATION MONITORING AND REPORTING PROGRAM

DRAFT EIR

Preparation and Distribution of the Draft EIR

The Draft EIR will be prepared based on consolidated "track changes" comments received from the City on the Administrative Draft EIR. The Draft EIR will incorporate requested changes as appropriate. The 30-day public and agency review period will commence once the documents are submitted to the State Clearinghouse and made available for public review.

Draft EIR Deliverables: EGI will assist in producing and delivering 15 copies of the document on CD to the State Clearinghouse for distribution. One electronic version of the Draft EIR in Word and PDF format will be made available to the City via download from EGI's ShareFile for internal production.

SCOPE OF WORK

MITIGATION MONITORING AND REPORTING PROGRAM

The Mitigation Monitoring and Reporting Program (MMRP) will be prepared based on the updated Draft EIR and any revisions to the mitigation measures precipitated by comments received on the updated Draft EIR. The MMRP will be prepared in a tabular format with columns identifying: the mitigation measure number; the mitigation measure text; timing for carrying out the measure; and the agency responsible for implementing the mitigation measure. Space will be provided in the table for the monitor to sign-off on completion of the measures.

MMRP Deliverables: One electronic version of the MMRP will be made available to the City in both PDF and Word formats via download from EGI's ShareFile for internal production and use.

TASK 4 – FINAL EIR AND MITIGATION MONITORING AND REPORTING PROGRAM

At the conclusion of the 45-day review period, EGI will review the comment letters received on the Draft EIR and coordinate with City staff to discuss the responses. Assuming a maximum of 20 comment letters from individuals and agencies and/or 150 comments that require answers other than "comment noted," EGI will prepare draft responses to comments, along with an errata section containing any EIR text revisions. Upon completion, an electronic copy of the Administrative Final EIR and the Mitigation Monitoring and Reporting Program (MMRP) will be made available to the City for download from EGI's ShareFile. Based on the comments received from staff, final revisions to the document will be made.

Final EIR and MMRP Deliverables: Electronic copy of the Administrative Final EIR and the Mitigation Monitoring and Reporting Program (MMRP) will be provided to the City via EGI's ShareFile. EGI will revise the Final EIR based on comments received from the City. Following completion of all revisions, ten (10) hardcopies, and five (5) CD's of the Final EIR will be delivered to the City. EGI will prepare additional copies, at the Applicant's expense.

TASK 5 – PUBLIC NOTICES

EGI will prepare all required CEQA notices for distribution by the City of Calexico. This will include the completion and distribution of the Notice of Preparation, Notice of Availability, Notice of Intent, Notice of Completion and Notice of Determination. EGI will work with City staff to develop press releases and website postings to provide information to the public regarding the Draft EIR. Publishing of press releases and posting of information to the website will be the City's responsibility.

Public Notices Deliverables: Draft and final versions of CEQA-required notices and press releases will be made available to the City for via download EGI's ShareFile for internal review. Revisions and comments will made by the City in "track changes" and uploaded to ShareFile for EGI. Final approved versions will also be provided to the City as PDF documents.

TASK 6 – MEETINGS AND PUBLIC HEARINGS

EGI anticipates participation at up to three public meetings (one for the public scoping meeting, one with the Planning Commission, one with the City Council). EGI's Principal-in-Charge/Project

SCOPE OF WORK

Director and Senior Project Manager will attend meetings with the Project Team to initiate the environmental review process, review screen-check document comments, and resolve issues as they arise through the process.

Our scope also provides for attendance of the EGI's Principal-in-Charge/Project Director and Senior Project Manager at 10 staff meetings during the course of preparing the EIR, assuming a maximum duration of two hours each. Alternatively, we will participate in weekly conference calls as a supplement to the staff meetings, which would increase the frequency of communication among the project team. We will also prepare notes/status reports as a follow-up for each team conference call (assumes one-page summary status).

TASK 7 - CEQA FINDINGS OF FACT & STATEMENT OF OVERRIDING CONSIDERATIONS

This task would involve EGI preparing the CEQA Findings of Fact (Findings) and Statement of Overriding Considerations (SOC) for certification of the Final EIR portion of the EIR.

Findings and SOC Deliverables: *Electronic copies of the draft and final versions of CEQA Findings and Statements will be delivered to the City for internal review and ultimate distribution.*

SCHEDULE AND MILESTONES

SCHEDULE

The following table is a summary of the proposed schedule for the Trinity Cultivation & Manufacturing Facility. The schedule provides a timeline for completion of the EIR, inclusive of staff review time, public review, and current staff workloads.

PROJECT COMPLETION SCHEDULE FOR THE TRINITY CULTIVATION & MANUFACTURING FACILITY EIR

	Project Task	Weeks
1)	Project Initiation, NOI, NOP	1
2)	Administrative (Screen-check) ADEIR	6
	City Review	1
3)	Draft EIR Preparation	1
	Public Review Period	6.5
4)	Administrative Final EIR	2
	City Review	0.5
	Final EIR Findings/MMRP	1
	City Review	1
5)	Public Hearings	2
6)	CEQA -Required Notices	Through Draft EIR and Final EIR process
7)	Staff Meetings	Through Draft EIR and Final EIR process
8)	Project Management	Through Draft EIR and Final EIR process
Total		22 weeks

EGI is committed to meeting the Project schedule identified above. EGI's knowledge of local conditions, familiarity with the Cannabis Ordinance, and relationships with City staff will facilitate our efforts to complete the work detailed above in a timely and responsible manner.

MILESTONES

EGI would propose the following milestone payment schedule. Each task would be billed monthly based on a percentage complete.

- | | |
|----------------------------------|-------------------------------------|
| Milestone 1 - Project Initiation | Milestone 4 - MMRP |
| Milestone 2 - Draft IS/MND | Milestone 5 - NOD |
| Milestone 3 - Final IS/MND | Milestone 6 - Meetings and Hearings |

This proposal constitutes a formal offer by EGI to provide professional environmental consulting services to the City of Calexico in accordance with the Scope of Work, schedule and cost described above. This offer is valid for a period of 90 days.

COST ESTIMATE

COST ESTIMATE

It is estimated that the total budget required by EGI to complete the proposed scope of work will be **\$80,020, not including costs for technical studies** (see table below). While this budget is expected to be sufficient for the proposed Scope of Work (which is further defined by the assumptions listed below), any currently unforeseen expansion of required efforts beyond the expected Scope of Work may necessitate corresponding changes to the budget.

Studies	Cost*
Air/GHG Quality Assessment	\$9,570
Biological Assessment	\$4,500
Biological Surveys	\$6,050
Cultural Resources Inventory	\$4,600
Tribal Cultural Resources Consultation	\$3,900
Geotechnical Investigation	TBD
Drainage Study	TBD
Hydrology and Water Quality Assessment	TBD
Phase I ESA	TBD
Noise Impact Assessment	\$11,950
Traffic Impact Assessment	\$12,500
Appendix F Energy Conservation Analysis	\$2,550
Water Supply Assessment	\$9,500

*Costs are estimates only. EGI reserves the right to adjust these costs once actual project description is finalized and all applications have been received.

The budget estimate is given as a “not to exceed” amount, subject to the notes and assumptions listed below. Any additional work required beyond the parameters described in the scope of work and/or the following budget notes may require additional budget.

It is assumed that the proposed Project will not change significantly once the preparation of the EIR has begun. Although some minor modifications to the Project are expected, any modification that would result in the need for re-analysis or revised technical studies may require additional budget.

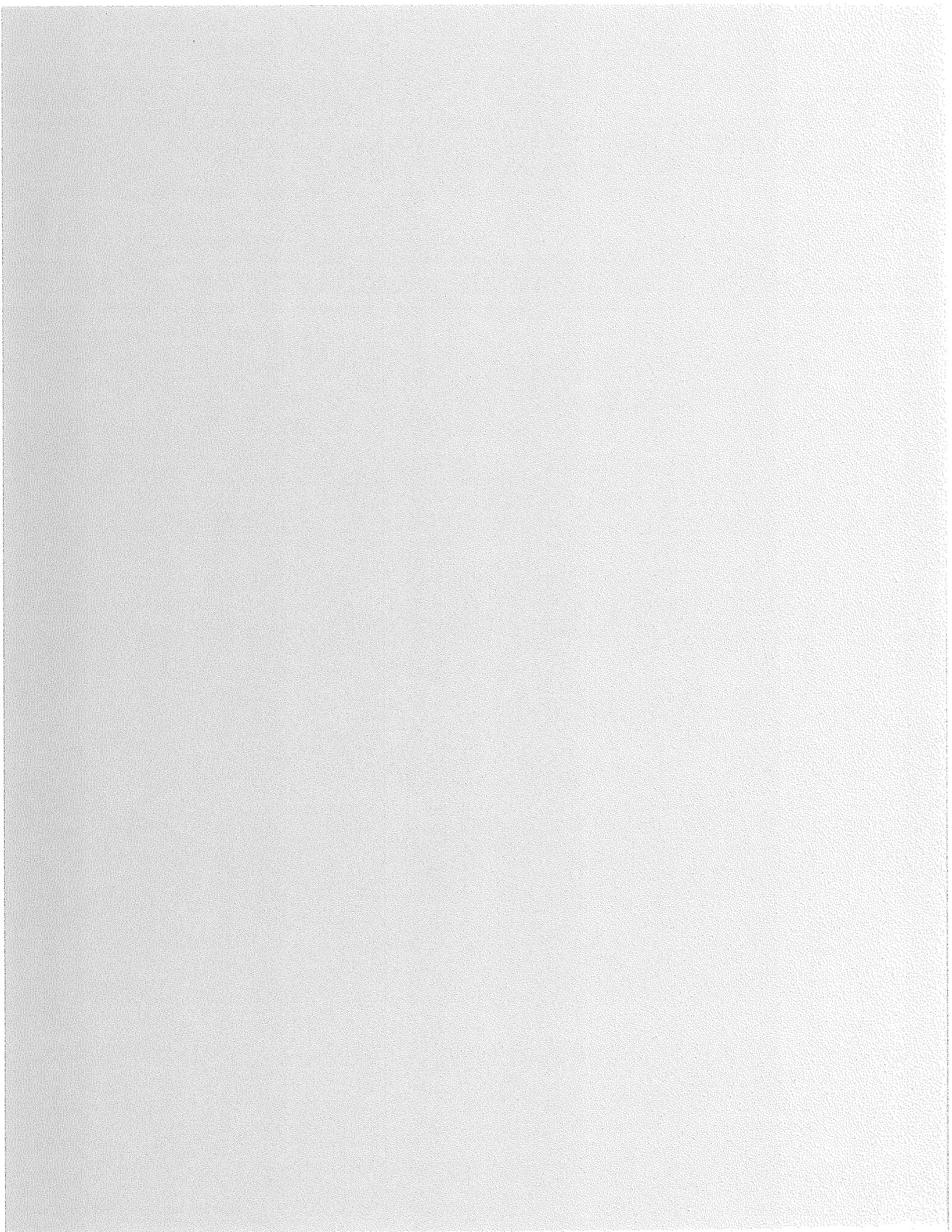
One round of screen-check revisions is assumed for the draft document. Should additional rounds of review be requested, additional budget may be required. The budget assumes that any discrepancies between comments will be resolved by the City.

Attendance by the Project Manager at three meetings with City staff and two public hearings is included. Historically, EGI attends any and all meetings without any cost to the applicant or City. Our goal is to ensure all relevant and current information is part of the analysis.

Prior to any cost overruns, EGI shall seek written approval from the City of Calxico City Manager.

COST ESTIMATE

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