



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Department Name:** Planning and Development  
**Department No.:** 053  
**For Agenda Of:** January 29, 2019  
**Placement:** Administrative  
**Estimated Time:** N/A  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** 4/5

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**TO:** Board of Supervisors  
**FROM:** Department Dianne M. Black, Director, Planning and Development  
Director(s) (805) 568-2086  
Contact Info: Daniel T. Klemann, Deputy Director, Long Range Planning  
(805) 568-2072  
**SUBJECT:** Advanced Metering Facility Zoning Ordinance Amendments  
Agreement for Services with Wood Environment and Infrastructure Solutions

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Other Concurrence:** Risk Management

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors:

- a) Approve and authorize the Chair to execute an Agreement for Services of Independent Contractor with Wood Environment and Infrastructure Solutions (Attachment 1) to prepare zoning ordinance amendments and associated planning activities during the period of February 1, 2019, to December 31, 2019, for a base amount of \$127,958 and a total contract amount not to exceed \$147,152;
- b) Authorize the Director of Planning and Development, or designee, to approve up to a 15% contingency cost not to exceed \$19,194 for services being performed under the Agreement, for a total contract amount not to exceed \$147,152;
- c) Approve and authorize the Director of Planning and Development, or designee, to make immaterial changes in accordance with Section 35 of the Agreement;
- d) Approve the budget revision in Attachment 2, increasing Account 7460, Professional Services, offset by an increase to revenue Account 5101, Environmental Resource Services, in Planning and Development in the amount of \$147,152; and

- e) Determine that the Board of Supervisors' actions are exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(5), which exempts organizations or administrative activities of governments that will not result in direct or indirect physical changes to the environment.

**Summary Text:**

On August 23, 2016, the Board of Supervisors (Board) authorized the Planning and Development Department (P&D) to enter into a contract with a consulting firm (Amec Foster Wheeler, now Wood Environment and Infrastructure Solutions, Inc., or Wood) to prepare zoning ordinance amendments. The amendments will provide a land use permit exemption path for Southern California Gas Company (SoCalGas) to install advanced metering facilities throughout the Inland Area of the unincorporated county. P&D staff initiated the contract and consultant staff began work in 2016. However, shortly thereafter, SoCalGas directed P&D staff to suspend processing of the proposed zoning ordinance amendments so that SoCalGas could pursue potential project options and prepare permit applications for some proposed facilities. In autumn 2018, SoCalGas contacted P&D staff in order to resume processing of the proposed zoning ordinance amendments, but the previously approved consultant contract had expired.

SoCalGas recently requested P&D and Wood to prepare a revised scope of work and cost estimate (Attachments 3 and 4, respectively). The consultant budget estimate is \$127,958, with a 15% contingency amount (\$19,194), for a total, not-to-exceed amount cost of \$147,152. Board approval of the contract is required since it will exceed \$100,000. SoCalGas has signed an Agreement to Pay and will deposit the full contract amount before P&D authorizes Wood to begin. Therefore, the Board approval of a budget revision to allow P&D to receive and expend up to \$147,152 in consultant costs is also required.

**Background:**

SoCalGas will be installing advanced metering facilities and devices near existing natural gas distribution lines and natural gas customers under the proposed program. The first program element is the Pipeline Safety Enhancement Plan, which incorporates pole-mounted wireless telecommunications facilities, placed along existing natural gas pipelines, to transmit data that would alert SoCalGas of a pipeline leak. The second program element is the Advanced Metering Project, which uses pole-mounted data collection units in combination with upgraded meters to collect usage data for billing and safety purposes. The third program element, Safety Device Installation, is the installation of wireless "methane sniffer" safety devices at sensitive facilities, such as hospitals and schools, to alert SoCalGas of the presence of excessive natural gas at such facilities. To effectuate these three program elements, approximately 105 pole-mounted data collection units will be installed throughout unincorporated areas of the county within the Inland Area. The data collection units will be installed on approximately 15 existing poles and approximately 90 new poles.

Under the County Land Use and Development Code (LUDC) (Chapter 35.44, *Telecommunications Facilities*) and Montecito Land Use and Development Code (MLUDC) (Chapter 35.444, *Telecommunications Facilities*), advanced metering facilities for natural gas utilities are considered telecommunication facilities and, therefore, are subject to discretionary review. In a letter dated February 29, 2016, SoCalGas requested that the County process amendments to the LUDC and MLUDC

to exempt the data collection unit facilities of its planned advanced metering infrastructure from land use permit requirements (Attachment 5).

On April 5, 2016, the Board initiated the ordinance amendments. The Board also directed P&D staff to accept SoCalGas' offer to provide up to \$120,000 toward the cost of processing the ordinance amendments. (See the Board Agenda Letter for the April 5, 2016, hearing, included as Attachment 6.)

On August 23, 2016, the Board authorized P&D to enter into an Agreement for Services with Amec Foster Wheeler (now known as Wood) to provide contract services for preparing the ordinance amendments. (See the Board Agenda Letter for the August 23, 2016, hearing, included as Attachment 7.)

As described above, in 2017, SoCalGas suspended processing of the zoning ordinance amendment application. The consultant contract expired on September 30, 2017.

In autumn 2018, SoCalGas requested P&D and Wood staff to re-initiate the ordinance amendments and prepare a revised scope of work and cost estimate. The revised cost estimate is \$127,958 with a 15% contingency amount (\$19,194) for a total, not-to-exceed cost of \$147,152. The contingency amount would allow for additional efforts that were unforeseen but necessary to complete the scope of work.

Wood staff will draft the proposed ordinance language and will present the project at public hearings. P&D staff will provide contract and project oversight and technical direction to Wood staff.

#### **Fiscal and Facilities Impacts:**

Budgeted: As described below, funding for staff costs is budgeted in the Long Range Planning Budget Program of the adopted Fiscal Year 2018-19 budget; however, appropriations are required to fund contractual services.

#### **County Staff**

The Long Range Planning Budget Program of the adopted *Fiscal Year 2018-19 budget* (pages D-272 and D-288) provides funding for staff expenses for the current fiscal year. As of December 15, 2018, staff spent \$4,499.24, or approximately 52 hours. Staff expects to spend approximately \$10,762.76, or approximately 128 more hours, through the remainder of Fiscal Year 2018-19 to administer the contract, provide direction to the contractor, and perform related project duties.

#### **Contract Services**

SoCalGas executed an Agreement to Pay on May 18, 2016, to pay up to \$120,000 for contract services related to the Advanced Metering Facility Zoning Ordinance Amendment. On October 31, 2016, SoCalGas submitted a \$95,000 deposit to the County for planned contract services. The County paid \$15,558.57 to Amec Foster Wheeler for contract services performed in Fiscal Year 2016-17 before SoCalGas requested P&D stop the project. The remaining unspent contract service appropriation funding of (\$79,441.43) was not included in Long Range Planning's Fiscal Year 2018-19 budget because the contract had expired. The unspent funds were not returned to SoCalGas because P&D understood that the contract would be renewed.

The Long Range Planning Budget Program of the adopted Fiscal Year 2018-19 budget did not appropriate funds for contract services and, therefore, a budget revision is required. Staff requests an increase to Account 7460 (Professional Services) in the P&D’s Fiscal Year 2018-19 budget to allow for up to \$147,152 in contract services. The budget increase will be offset by an increase to revenue Account 5101 (Environmental Resource Services), to account for SoCalGas’ payments. Approval of the attached budget revision in the amount of \$147,152 will provide budget authorization to fund the Agreement for Services (Attachment 2).

SoCalGas has signed an updated Agreement to Pay. County staff will work with SoCalGas to receive payment for the additional \$67,710.57 required to complete the current Wood contract.

There are no facilities impacts.

**Fiscal Analysis:**

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund	\$ 15,262.00		
State			
Federal			
Fees			
Other:			\$ 147,152.00
Total	\$ 15,262.00	\$ -	\$ 147,152.00

**Key Contract Risks:**

P&D staff performed a risk analysis on the proposed contract. It is a medium risk proposal because (in part) the contract amount is greater than \$100,000, the project is moderately complex, and the project may be moderately sensitive. However, P&D staff considers Wood’s work performed to date and on recent P&D projects to be of high quality and its staff has previous experience working for and with P&D. In addition, the Agreement includes a Termination for Convenience clause to further mitigate risk.

**Staffing Impacts:**

**Legal Positions:** N/A      **FTEs:** N/A

**Special Instructions:**

Clerk of the Board shall forward a copy of the Minute Order, stamped Board Agenda Letter, and signed contract to the Long Range Planning Division; Attn: Selena Evilsizor.

**Attachments:**

1. Agreement for Services of Independent Contractor (Wood Environment and Infrastructure Solutions)
  - o Exhibit A: Statement of Work
  - o Exhibit B: Payment Arrangements
  - o Exhibit C: Indemnification and Insurance Requirements
2. Fiscal Year 2018-2019 Budget Revision

3. Wood Technical Proposal
4. Wood Cost Proposal
5. SoCal Gas Letter to Santa Barbara County, dated February 29, 2016
6. Board Agenda Letter from April 5, 2016
7. Board Agenda Letter from August 23, 2016

**Authored by:**

Selena Evilsizor, AICP, Senior Planner, Long Range Planning Division, (805) 568-3577