



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 &
Development
Department No.: 053
For Agenda Of: May 18, 2021
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Lisa Plowman, Director, Planning & Development (805) 568-2085
Director:
Contact Info: John Zorovich, Deputy Director, Energy, Minerals and Compliance
Division (805) 568-2519
SUBJECT: Novation Agreement transferring Ecology and Environment, Inc. Contract No.
BC19183 to WSP USA, and Approval of Amendment No. 1 to Contract No.
BC19183 to Complete an Environmental Impact Report and Environmental
Impact Statement for the Plains Replacement Pipeline Project located in the 3rd, 4th,
and 5th Supervisorial Districts

County Counsel Concurrence

As to form: Yes

Other Concurrence: **Risk Management**

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions: That the Board of Supervisors:

- a) Approve, ratify, and authorize the Chair to execute the attached Novation Agreement to transfer the Agreement for Services of Independent Contractor between the County and Ecology and Environment, Inc. (existing Agreement Contract No. BC19183) to WSP USA, including all rights and obligations contained therein. The Novation Agreement is included as Attachment 1-A. Contract No. BC19183 is included as Attachment 1-D.
- b) Upon approval of Recommended Action “a”, approve and authorize the Chair to execute Contract Amendment No. 1 to Contract No. BC19183 in the amount of \$582,771 for a total contract not-to-exceed cost of \$1,732,687 for work that was not included in the original Agreement for Services to prepare the Environmental Impact Report (EIR) and the Environmental Impact Statement (EIS) for the Plains Replacement Pipeline Project (Project). Contract Amendment No. 1 is included as Attachment 1-B. A detailed statement of work is included as Attachment 1-C.
- c) Upon approval of Recommended Action “a”, authorize the Director of Planning and Development, or designee, to approve immaterial changes in accordance with Section 35 of the Agreement.

- d) Determine that these actions are exempt from CEQA pursuant to CEQA Guidelines Section 15378(b)(5), which exempts organizational or administrative activities of governments that will not result in direct or indirect physical changes to the environment.

Summary Text:

Planning and Development presently contracts with Ecology and Environment, Inc. for EIR and EIS services for the Plains Replacement Pipeline Project. In December 2019, Ecology and Environment, Inc., announced that they joined the WSP USA family of companies, and became a wholly owned subsidiary of WSP USA on September 2, 2020. On April 13, 2021, the Planning and Development Department received a letter from WSP USA providing notice of the merger of Ecology and Environment Inc. to WSP USA Inc. This includes operating under WSP USA Inc.'s Federal Tax Identification Number 11-1531569. As evidence of the merger, WSP USA provided a copy of the certificate of merger filed with New York State. Approval of Recommended Action "a" will transfer the rights and obligations in the existing Agreement between the County and Ecology and Environment, Inc. to WSP USA. The County's consent is drafted to be effective retroactively to September 2, 2020 when the merger was completed.

Contract Amendment No. 1 to Contract BC19183 includes \$582,771 in additional funding for work that was not included in the original Agreement for Services to prepare the EIR and EIS for the Plains Replacement Pipeline Project. These costs result from various project-related changes including:

- Changes to the project description resulting in additional multiple reviews of project submittals and technical work;
- A change in the EIR and EIS alternatives analysis based on the shutdown of the Santa Maria Pump Station and the Santa Maria refinery;
- A newly proposed re-route alternative around the city of Buellton;
- A change in the baseline analysis and the no-project alternative;
- A change in oak tree impacts;
- An expansion of the EIS to analyze all areas of the project rather than just portions crossing federal lands; and
- Additional project modifications requested by the Bureau of Land Management, U.S. Fish and Wildlife Service, California Department of Fish and Wildlife, and the U.S. Army Corps of Engineers.

This contract amendment request also includes an additional \$107,000.00 in contingency funding to replenish the contingency fund, of which \$109,288.00 has been spent to date. A description of the requested scope modification and associated costs for the above tasks is provided in Attachment 1-C.

Background: Plains is requesting approval of a Development Plan (Case No. 17DVP-00000-00010) to allow for the replacement of the existing Plains Line 901 and 903 Pipeline system with a lower capacity pipeline system that traverses portions of Santa Barbara, San Luis Obispo, and Kern Counties. The replacement pipeline system would serve to transport crude oil from the Las Flores Canyon Pump Station within the ExxonMobil Santa Ynez Unit (Santa Barbara County) to the Pentland Delivery Point in the San Joaquin Valley (Kern County). The replacement pipeline system would be constructed in generally the same pipeline alignment as the original pipeline.

Ecology and Environment, Inc., now WSP USA, is contracted to prepare the project EIR and EIS under Contract No. BC19183, approved by the Board of Supervisors on February 12, 2019. Ecology and Environment, Inc., staff’s transferred to WSP USA, maintaining the expertise and experience represented in the Statement of Qualifications submitted by Ecology and Environment, Inc. for the proposed Project.

During the preparation of the EIR and EIS, multiple project-related changes have occurred, resulting in work completed by the contractor which was not included in the original Agreement for Services, as well as additional new work remaining to be performed. Due to these changes, tasks on both the EIR and EIS have expanded past their original scope of work, and the contract needs to be reconciled in order to add funding to support the unanticipated work. Details of the project changes, statement of work, and costs are detailed in Attachment 1-C.

Fiscal and Facilities Impacts:

The total contract value to complete the EIR and EIS increases from \$1,149,916 to \$1,732,687. Costs for consultant preparation and processing of the EIR and EIS will be fully reimbursed by Plains. The applicant will deposit the authorized amount (\$582,771) with P&D upon the Board’s approval of the requested Contract Amendment No. 1. P&D will continue to invoice the applicant for all staff time necessary to administer the Agreement for Services and related planning activities. Funding for this project is budgeted in the Permitting Budget Program on page D-294 of the County of Santa Barbara Fiscal Year 2020–21 adopted budget.

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			
State			
Federal			
Fees			
Other:			\$582,771.00
Total:	\$	\$	\$582,771.00

The Agreement is fully funded by the Project applicant. The applicant has provided contract funds in the amount of \$1,149,916 and will provide the additional \$582,771 to increase the total not-to-exceed cost to \$1,732,687. The additional funds will be allocated to Contract Tasks 1, 2, 5, 6, and 7. Upon approval of this contract modification, the project contingency will be replenished by \$107,000 to a total of \$147,701. Any contingency funds used must be identified by the consultant and approved by P&D Director, or designee, prior to the work commencing.

Key Contract Risks:

A risk analysis was performed on the originally proposed contract and was determined to be of low risk. The contract amendment amount of \$582,771 will be paid in-full by the applicant in the form of a deposit to the County prior to work commencing on the proposed changes. As such, there is low risk to County fiscal resources for the contract amount. The contract will continue payment arrangements based on periodic compensation at selected milestones as they are completed. Funds from the deposit will only be expended upon satisfactory product delivery and performance by WSP.

Special Instructions: The Clerk of the Board will forward a copy of the complete executed Contract Amendment No. 1 to the Agreement for Services and Minute Order to: P&D, Energy, Minerals & Compliance Division, Attention: Jacquelynn Ybarra, via email at [jybarra@countyofsb.org](mailto: jybarra@countyofsb.org).

Attachments:

Attachment 1:

- A. Novation Agreement to transfer the Agreement for Services of Independent Contractor (BC19183)
- B. Contract Amendment No. 1 to Agreement for Services
- C. Statement of Work and Cost Estimate
- D. Original Contract and Change Orders 1 and 2
- E. CEQA Notice of Exemption

Authored by:

Jacquelynn Ybarra, Planner III

**ATTACHMENT 1-A:
NOVATION AGREEMENT TO TRANSFER AGREEMENT
FOR SERVICES OF INDEPENDENT CONTRACTOR**

**ATTACHMENT 1-B:
CONTRACT AMENDMENT NO. 1**

**ATTACHMENT 1-C:
STATEMENT OF WORK AND COST ESTIMATE**

**ATTACHMENT 1-D:
CONTRACT BC19069 AND CHANGE ORDERS NO. 1 AND 2**

**ATTACHMENT 1-E:
CEQA NOTICE OF EXEMPTION**