

AGENDA REPORT

City Council

MEETING DATE: March 30, 2016

PREPARED BY: Manjeet Ranu, AICP
Michael Strong, Senior Planner
Kathy Noel, Management Analyst

ACTING DEPT. DIRECTOR: Manjeet Ranu

DEPARTMENT: Planning & Building

CITY MANAGER: Karen P. Brust

SUBJECT:

Consideration of Housing Plan Professional Services Contracts and necessary funding.

RECOMMENDED ACTION:

Staff recommends that the Council:

1. Consider the information in the Agenda Report;
2. Adopt Resolution No. 2016-36 approving an off-cycle budget appropriation to the *At Home in Encinitas* project budget of \$25,000 and transfer from the operating budget a savings of \$60,000;
3. Authorize the City Manager to enter into an agreement for professional ballot proposition preparation services, inclusive of strategy and polling, with Cerrell Associates;
4. Authorize the City Attorney to enter into a retainer agreement with Nossaman LLP for special legal counsel experienced in Land Use Initiatives/Ballot Measures to provide the City with legal counsel regarding the many ballot-related substantive and procedural requirements;
5. Authorize the City Manager to execute all necessary amendments to the existing agreement for professional services scope of work and fee for CEQA compliance with RECON Environmental for an amount not to exceed \$354,860; and
6. Authorize the City Manager to execute all necessary amendments to the existing agreement for professional services scope of work and fee for preparation of Zoning Standards and Design Guidelines with Code Studio for an amount not to exceed \$89,090.

STRATEGIC PLAN AND WORK PLAN:

The actions before the Council fit within the Community Planning focus area and will help achieve the goal to qualify for a certified Housing Element. Additionally, completing *At Home in Encinitas* is a part of the Council's recently approved Work Plan.

FISCAL CONSIDERATIONS:

An off-cycle budget appropriation of \$25,000 plus a transfer of operating budget savings of \$60,000 is necessary to complete the work for the Housing Plan and in getting *At Home in Encinitas* on the ballot in November 2016. This would bring the total budget for *At Home in Encinitas* to \$935,732. While the City Clerk and *At Home in Encinitas* have set aside funds for the logistics of placing the project on the November ballot, the cost of EMC Chapter 30.00 noticing requirements and County Registrar of Voters pass-through fees will not be known until the Council determines what the ballot proposition will be this summer. Additionally, depending on Council’s wishes, the level of effort to provide information to the voters about the ballot proposition may require additional funds.

The current project budget is \$850,732¹. As of March 22, 2016, the project has incurred actual life-to-date expenditures totaling \$566,223² with an additional \$110,733³ still to be paid in contractual agreement commitments. Further, projected work to be completed includes⁴; additional work to finalize the Environmental Impact Report/Environmental Assessment (EIR) for \$55,000, special legal counsel for compliance services estimated at \$75,000, ballot proposition and election work totaling \$95,000, and work to finalize the Zoning Standards and Design Guidelines for \$20,000 with \$13,776 available for direct costs and contingencies. The need for further funding totals \$85,000⁵ at this point in the project process. As a result of a vacant Planning and Building Director position, salary savings of \$60,000⁶ will be transferred from the departmental operating budget to off-set the current funding request. The purpose of the operating budget transfer is to replenish the funds intended for legal services that were used to pay for expenses related to the public engagement process, including printing and materials for Community Dialogue Sessions. The additional budget appropriation request is \$25,000⁷.

	Environmental Initial Report	Legal	Ballot/Election	Direct Costs	Total
Previous Budget Appropriations:					
WC14B Project Balance	\$ -	\$ -	\$ -	\$ 246,606	\$ 246,606
FY 15 Appropriation	-	-	-	50,000	50,000
FY 15 Mid-Year	-	-	-	9,126	9,126
FY 15 Mid-Year	295,000	-	-	-	295,000
FY 16 Appropriation	-	90,000	-	-	90,000
FY 16 1ST Qtr	25,000	-	110,000	25,000	160,000
1 Current Project Budget	320,000	90,000	110,000	330,732	850,732
2 Spent to date	(200,794)	(30,323)	-	(335,106)	(566,223)
3 Committed to date	(99,066)	-	-	(11,667)	(110,733)
4 Additional Work Needed	(55,000)	(75,000)	(95,000)	(33,776)	(258,776)
5 Project Budget Shortfall/ Savings	(34,860)	(15,323)	15,000	(49,817)	(85,000)
Source of Funding:					
6 Vacancy Savings - P&B Director	34,860	-	-	25,140	60,000
Savings Reallocated	-	-	-	-	-
7 New Appropriation	-	15,323	(15,000)	24,677	25,000
Balance	\$ -	\$ -	\$ -	\$ -	\$ -

The chart below provides a list of contracts, agreement amounts, and year-to-date expenditures.

Provider	Original Agreement Amount	Contract Amendment Amount	Total Amended Amount	Actual YTD Expenditures
Code Studio	\$69,090	\$20,000	\$89,090	\$63,746
MJE Marketing Services, Inc.	\$97,920			\$93,931
RECON	\$299,860	\$55,000	\$354,860	\$200,794
SANDAG	\$12,820			\$12,820
Veronica Tam	\$12,900			\$10,566
Winter & Co.	\$93,144			\$93,144
Hogan Law APC	\$10,000			\$4,400
Goldfarb & Lipman LLP	-			\$25,923
TOTALS	\$595,734	\$75,000	\$443,950	\$505,324

This chart indicates the overall effect this budget appropriation will have on the General Fund Balance.

City of Encinitas			3/24/2016
General Fund Balance Status	Meeting Date	Resolution #	Increase (Decrease) to fund balance
Net available fund balance at 6/30/2015			\$ 13,599,967
FY 2015-16 Budget Amendments			
1. Pacific View professional services	07/15/15	2015-47	(25,000)
2. SEIU and unrep. MOU impacts	07/15/15	2015-46	(180,800)
3. Alternative Fuel study additional budget	08/19/15	2015-42	(31,925)
4. Montgomery At-grade Pedestrian Crossing	10/28/15	2015-77	(573,766)
5. CalPERS Lump Sum Payment 5% of FY 2014-15 Budget Surplus	10/28/15	2015-72	(341,956)
6. 1Q FY2015-16 Operating Adjustments	11/18/15	2015-71	500,533
7. 1Q FY2015-16 CIP Adjustments	11/18/15	2015-79	(45,456)
8. El Portal Pedestrian and Bike Underpass local share	11/18/15	2015-75	(704,000)
9. Land Use/Development mediation program	12/09/15	2015-78	(7,750)
10. Law Enforcement Overtime	12/09/15	2015-85	(50,000)
11. TMDL Compliance Program	12/16/15	2015-76	21,761
12. Hwy 101 Emergency Repairs (CX11F)	02/10/16	2016-01	(83,925)
13. Hwy 101 Slope Monitoring Project (CX16F)	02/10/16	2016-01	(4,014)
14. City Council work plan FY2015-16 operating budget adjustments	02/10/16	2016-09	118,668
15. Design for supplemental safety measures at Chesterfield	02/24/16	2016-25	(52,259)
Net available fund balance before mid-year amendments			12,140,078
16. Mid-Year budget amendments	03/09/16	2016-24	(316,075)
17. Mid-Year fund transfer amendments	03/09/16	2016-24	(745,598)
18. Housing Element (WC14B) - pending 3/30/16	03/30/16	2016-36	\$ (25,000)
Available fund balance:			\$ 11,053,405

BACKGROUND AND ANALYSIS:

At its February 24, 2016 meeting, the Council provided staff:

1. Direction to retain services of an elections consultant with the intent of developing a strategy, not a sales pitch.
2. Work with our existing outreach consulting firms to explore internally developing an interactive parcel map and how we can mobilize our stakeholder groups.
3. Give future consideration to what the community conversations entail, what council involvement looks like and whether a standardized video is appropriate.

There are three interrelated fields of professional services to accomplish the task of delivering a ballot proposition to the voters:

1. **Polling.** Statistically valid polling is a part of the public input process and elucidates community-supported solutions.
2. **Strategy.** Based on the public process, polling and desired outcome of achieving a certified Housing Plan, a strategy is gleaned to guide the crafting of the ballot measure, along with finalizing messaging.
3. **Legal compliance.** Special legal counsel is necessary to assist in formulating an appropriate ballot question(s) and other related processes pursuant to applicable law.

Funds were previously appropriated and allocated to enable the polling and strategy work in crafting the ballot measure. However, additional funds are necessary to ensure compliance with the complex local, county and state legal framework surrounding this ballot proposition. Special legal counsel for compliance services may cost an additional \$75,000.

Additionally, the EIR for *At Home in Encinitas* is one of the most complex CEQA documents ever prepared for the City of Encinitas. Unanticipated issues arose that require additional work. While a level of contingency was built into the scope of work to address these, it is impossible to anticipate all contingencies. Previously, the Council appropriated and allocated an additional \$25,000 to address this additional work. An additional \$30,000 is needed, now that the public review period of the Draft EIR has concluded, of which \$25,000 in new funds are required. The amount needed to finalize the Zoning Standards and Design Guidelines following the public review and approval process has been reduced from \$25,000 to \$20,000 since staff does not need the consultants to attend any public hearings, which makes available \$5,000 for the additional EIR work, reducing the additional funds needed for the EIR to \$25,000. Furthermore, since this contract was authorized by the Council, the Council must authorize the amendment, which can be found in Attachment 3.

Minimally remaining funds in the *At Home in Encinitas* will be used for direct costs, such as printing, noticing, travel to state agency meetings, nominal contingency and similar expenses. Any funds remaining at the conclusion of *At Home in Encinitas* will be returned to the General Fund.

Based on Council’s direction, staff prepared a request for proposal, consistent with the City’s practices and standards. The City received four proposals, as outlined below:

Proposer	Fee	Fee Analysis
Public Policy Strategies	\$80,000	Fee was not broken down by task to enable full evaluation of the bidder’s value to the City
Cerrell Associates	\$70,000	Demonstrated best value to the City by their overall strategy, approach to public opinion research methods, and their ability to provide full service for appropriate tasks
Lew Edwards Group	\$64,250	Relies more heavily on staff and current consultants rather than providing a full service approach
The San Diego Group	\$63,525	Proposal was not as comprehensive as the others to enable a full evaluation of the fee

Staff recommends that the Council authorize the City Manager to enter into an agreement with Cerrell Associates for strategy and polling services (polling will be conducted by their sub-consultant, Probolsky Research). Cerrell Associates demonstrated the best value for the City's needs by identifying an overall strategy, their approach to public opinion research and their ability to provide full services for appropriate tasks rather than serving in a support role. Their dual approach to public opinion research includes a statistically valid telephone survey focused on learning about issues directly related to the project, while the focus groups allow for an understanding of complex visual content, such as the housing strategy maps. Importantly, Cerrell Associates includes an effective strategy to assist the Council in determining community supported solutions and includes creating educational materials. Cerrell Associates' proposal includes numerous related projects with issues, strategies and solutions that are useful in meeting the City's needs. Cerrell Associates has been in business for 50 years, while Probolsky Research has been conducting public opinion research for over 20 years. Highly skilled, experienced principals of the firms will be working directly with Encinitas. Please see Attachment 1 for complete information about their qualifications and experience, along with their proposed services and fee.

The City Attorney and staff also recommend that the City Council enter into agreement with Nossaman LLP for legal compliance services. Nossaman LLP is an expert in the field of "ballot box planning" and is uniquely qualified to support Encinitas for this project. Please see Attachment 2 for complete information about their qualifications and experience, along with their proposed services and fee.

ENVIRONMENTAL CONSIDERATIONS:

The action before the City Council is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15262, Feasibility and Planning Studies. This item involves the ongoing study related to preparing all deliverables in support of the City's Housing Plan update. This general direction does not have a legally binding effect on any possible future discretionary action. Public input received and technical information prepared during the proposed process will be utilized in reaching a decision on the discretionary actions for the Housing Plan Update.

ATTACHMENTS:

1. Cerrell Associates proposal
2. Nossaman LLP retainer agreement
3. RECON Environmental agreement amendment
4. Code Studio agreement amendment
5. City of Encinitas Resolution No. 2016-36 titled "A Resolution of the City Council of the City of Encinitas amending the Fiscal Year 2015-16 Budget"

**ATTACHMENT 1
CERRELL ASSOCIATES PROPOSAL**



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Los Angeles, California 90004
Phone: 323-466-3445
Fax: 323-466-8653
www.cerrell.com

March 23, 2016

Ms. Gina Zenns
Management Analyst
City of Encinitas
Sent via email: gzenns@encinitasca.gov

Re: RFP for Elections Consultant – Cerrell Associates Response

Dear Ms. Zenns:

Thank you for the opportunity to submit the Cerrell team’s response to provide election services to the City of Encinitas (City) in advance of the City Council’s decision on which housing element plan to place on the November 8, 2016 General Election ballot.

Given the complexities of the various plans that have been presented, the City needs a skilled and experienced team that understands how to effectively conduct a research program that accurately assesses voter sentiments about public policy and translates those results into a strategic education plan. With our extensive elections experience and local public policy and land use knowledge, the Cerrell team is the ideal choice for the City to partner with to design and implement a comprehensive survey research and strategic education program.

For this effort, we’ve teamed with our longtime partner Probolsky Research. We routinely work with them, including for the Orange County Water District, an energy company facing a crisis situation, and a coastal land use project in Los Angeles County.

Recognized as elections experts, they have a demonstrated track record of success with ballot measures, guiding public outreach messaging and predicting election outcomes. Through similar work conducting more than 500 public opinion surveys, 250 of which have been for local or regional government agencies, our team has developed a keen understanding of assessing the public’s attitudes and opinions to determine a community supported solutions.

Our research will deliver the City a clear picture of the landscape of likely voter receptivity to a housing element plan, as well as identify an effective public messaging strategy moving forward. Our ongoing working relationship will allow us to hit the ground running on day one, and meet the City’s tight timeline.

Thank you again for the opportunity to submit our experience and vision for your consideration. We are excited about the opportunity to partner with the City on this important effort and would welcome any opportunity to discuss this proposal in greater detail.

Sincerely,

Lisa Gritzner
President

Tori Chica
Public Affairs Director

Brandon Stephenson
Chief Strategic Officer

Situation Analysis

The City has undergone a comprehensive effort to update its Housing Plan, gathering feedback from residents through a variety of channels to ensure the housing needs of all Encinitas communities are met. This has resulted in the development of four potential housing plans the City Council could place on the November 2016 ballot for voter consideration.

To gauge the success of the City's outreach efforts, and ensure the most favored plan is placed before voters, the Cerrell team recommends a scientific analysis of the City's voters through a survey research program. Understanding public opinion is essential to good governance, revealing likely voter receptivity to upcoming elections and establishing an appropriate public outreach campaign. Effective public education efforts demand a thorough understanding of what the voters think, what priorities they hold and how they respond to different messages.

Opinion research gives the strategy team the knowledge of what the voting public is thinking and identifies the most effective responses. This type of research also reveals the best ways to reach various constituencies and maximize the value from public expenditures by ensuring that the most effective educational messages speak to the unique needs and desires of specific key groups.

Our research will deliver a clear picture of the landscape of likely voter receptivity to a housing plan measure, and how to most effectively communicate information about that measure to Encinitas residents. Our goal is to understand the community's needs, wants and opinions, and translate that into an effective messaging strategy. Assumptions will be tested, and new information uncovered. Our research will ensure our ability to strategically tailor messaging to address the issues that are important to specific demographic groups.

Timing

The Cerrell team understands the significant time constraints the City is under in order to move forward with a housing plan ballot measure. The City's Planning Commission will be discussing the housing element options in May, and the Council is tentatively scheduled to discuss how to proceed in June.

Understanding the immediacy of providing the City Council and staff with the information necessary to make an appropriate and well-informed decision on how to proceed, we will conduct all of our activities based on this timeline.

Cerrell stands ready to begin working with the City the day after the City Council selects our team as the winning bidder. We will have a kickoff discussion on March 31 and quickly transition into the survey research portions of our program and then onto our communications activities, hitting our deadlines throughout the program. We do not envision any problems wrapping up our activities by mid-May.

Seamless Integration and Compliance

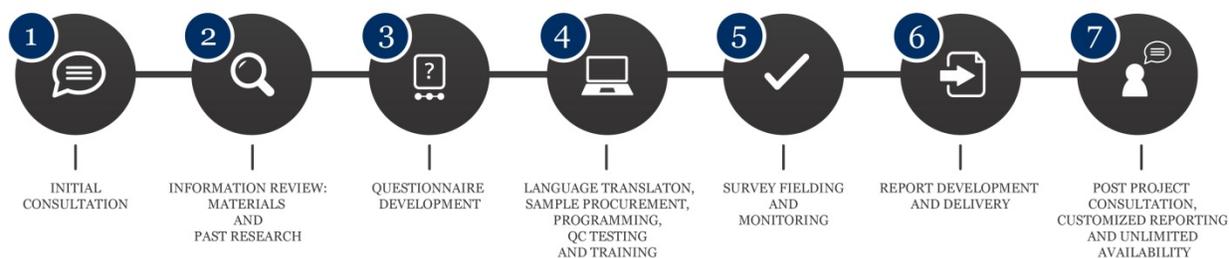
Our team has worked with hundreds of cities and government agencies through our seven decades of combined experience. Through our work, we understand how to seamlessly integrate our team with City personnel, ensuring that we become an extension of the City's project team. This is vital to ensure that everyone remains on the same page as far as project goals, deliverables and timeline.

Beyond that, we understand the importance of collaborating with other vendors and consultants the City has retained on the housing element project. Receiving a thorough briefing from your public participation and communications consultants will be invaluable, as they have gained critical insights into the community's sentiments and positions.

Lastly, we pride ourselves on conducting all of our work in strict compliance with all local, county, state and federal regulations. Our ethical approach is a hallmark of our work, and we look forward to working with the City Attorney's office, as well as any external legal counsel, to make sure our strategies, tactics and messages follow not only the letter but the spirit of applicable regulations.

Scope of Work: Simple, Effective and Client-Friendly Process

The Cerrell team takes pride in our intuitive, simplified process that maximizes client contributions without taxing their internal resources. We recognize our role is to facilitate an effective research program on your behalf resulting in understandable, actionable results.



Research design and recommendations

Understanding public opinion is essential to good governance, revealing likely voter receptivity to upcoming elections and establishing an appropriate public outreach campaign. Effective public education efforts demand a thorough understanding of what the voters think, what priorities they hold and how they respond to different messages.

Opinion research gives the strategy team the knowledge of what the voting public is thinking and identifies the most effective responses. This type of research also reveals the best ways to reach various constituencies and maximize the value from public expenditures by ensuring that the most effective educational messages speak to the unique needs and desires of specific key groups.

Our research will deliver a clear picture of the landscape of likely voter receptivity to a housing plan measure, and how to most effectively communicate information about that measure to the City's likely November 2016 Election voters.

Most importantly, our job is not to sell the community on a particular plan or action. Instead, our goal is to understand the community's needs, wants and opinions, and translate that into an effective messaging strategy. Assumptions will be tested, and new information uncovered. Our research will ensure our ability to strategically tailor messaging to address the issues that are important to specific demographic groups.

Good polling is the City's roadmap to effectively directing voter outreach.

Given this effort requires (1) identifying which of the four housing alternatives are most favored by the community and (2) determining ballot measure feasibility for the November 2016 General Election (including identifying most effective, factual messages to drive voter education efforts), we propose performing our research in two phases, the results of both of which can be delivered by mid-May assuming we are afforded rapid response from the City.

Phase 1: Focus Groups

We often recommend conducting focus groups to uncover concerns, regional themes, topics or issues that may be unknown to stakeholders and to test/refine ideas and messaging. While key insiders may have a significant depth of knowledge of a region or topic, we often find that critical information is simply unknown given the nature of an ever-changing landscape of public opinion and social fabric.

In-person focus groups are also an excellent forum to test visuals which will be central to evaluating community preference for one of the four housing proposals and which cannot be tested in a phone survey. Furthermore, focus groups also help to capture group vernacular and tone, which is a great asset in the creation of outreach and communications content.

The qualitative nature of a well-planned and conducted focus group yields a unique depth of insight. Because participants are in a group setting, the focus group can yield information that is often less accessible in one-on-one situations; individuals tend to react to, build off of or disagree with the opinions and perceptions of others in the group. This generates a layer of understanding that can be uniquely insightful. A well moderated group yields genuine perceptions.

We recruit between 10 and 12 participants to generate meaningful feedback. We will work with you to define an appropriate set of recruiting criteria, but we envision that participants would be recruited to be representative of likely November 2016 voters.

A buffet, snacks or other refreshments are typically served at the focus group to help encourage participation and maintain the energy level and interest of the participants.

Focus groups can be held in a variety of locations, and most of us are familiar with those facilities that are specially designed for the purpose of focus groups. These are good resources, but Probolsky Research generally recommends that clients allow us to choose locations with which participants feel more at ease.

Focus group rooms can be intimidating to participants – even industry professionals. The traditional room, incorporating a two-way mirror for observation, can influence participant behavior. This is not an insurmountable situation, but it does require additional time and nuance on the part of the moderator.

We have found that a less formalized environment that is more familiar to participants is most conducive to effective research. A location within a hotel boardroom or casual restaurant or even a community room is often appropriate, for example. An example of the dynamic, relaxed and engaged environment this creates can be found in this small video clip taken from a recent focus group we conducted in California (participant, project and client identities are, of course, concealed to protect confidentiality): <https://youtu.be/wKcfw69swwQ>.

That said, should you prefer to hold focus groups at a dedicated focus facility (with a one-way mirror for live observation of sessions by the client), we are happy to accommodate.

For a project such as this, we recommend conducting two focus groups to ensure we capture the most accurate reflection of community sentiment. Both can be performed within a two-day period. In advance of the sessions, we will develop a discussion guide in collaboration with the client.

Our price is comprehensive and includes all costs for participant recruitment and compensation, facility rental, discussion guide design, audio- and video-recording, transcription, and reporting and analysis.

Specifically, our focus groups will help you to:

- Determine which of the four housing alternatives are most favored by the community
- Identify the specific aspects of each plan that voters find appealing/unappealing
- Assess how voters make tradeoffs and prioritize goals/aspects of the housing element
- Identify any potential adjustments to the preferred alternative that would enhance voters' support for the plan

Phase 2: Likely Voter Telephone Survey

We recommend fielding statistically accurate quantitative research for projects such as these. It is important to note that only telephone research is recognized by AAPOR (American Association for Public Opinion Research) as being statistically valid and is simply the only form of research that can be relied upon as being both accurate and publicly defensible. Telephone research allows us to test, refine and prioritize those key themes that are revealed by qualitative research such as focus groups.

We incorporate several key methodological approaches in our telephone surveys that ensure our results are accurate. Our approach has been proven in elections and our accuracy is recognized by election and respected public policy experts.

We contact respondents on their landlines and mobile phones. The importance of calling mobile phones cannot be overemphasized. Studies indicate that nearly one-half (47.0%) of American households have cut their landline service entirely. Moreover, 71.0% of 24-34 year-olds use only their mobile and renters are far more likely to not have landlines than landlords and people living with non-family members went mobile-only 85.0% of the time. In addition, more than one-third of homes (35.1%) receive all or almost all calls on wireless telephones despite also having a landline.

Conducting research in the language most comfortable to respondents is a critical component to obtaining accurate, reliable results. Probolsky Research firmly believes that research must be conducted in the preferred language of the respondents. For example, most respondents in Encinitas speak English; however, many of those to whom English is a second language are more comfortable speaking their native language and are more likely to participate if given the option to respond in the language they speak most at home.

Those who prefer to speak other languages should not be overlooked. We have extensive experience polling in foreign languages. Spanish is already included in our pricing for no

additional charge. We initiate all interviewing calls in English and switch to another language only upon request or when a clear language communication issue presents itself. Other languages are available, just let us know.

Our approach ensures the greatest participation rate, the lowest possible bias and the greatest accuracy of research results.

Ballot Language

The Cerrell team has a long history of expertise in crafting effective ballot measure language, including that of the ballot label itself, and the ballot description. We will work with the City and its legal team to craft effective language for the measure that the City Council may ultimately decide to place on the ballot. These activities would include all relevant documents to formally place the measure on the ballot, impartial analysis and ballot arguments.

Sample Size and Stratification

The City has 36,627 registered voters. Based on our analysis of past voting behavior within the City, we forecast that no more than 32,000 will likely cast ballots in the November 2016 General Election.

With that in mind, we recommend surveying up to 300 respondents, which will deliver a high level of statistical validity while also allowing for robust analysis of key sub-groups and demographics for a more reasonable cost to the City. Naturally, we are happy to provide pricing based on different sample sizes depending on your specific needs – just let us know.

We apply a stratified random sampling methodology to our sample design. In other words, we ensure that the demographic proportions of survey respondents match the demographic make-up of the City itself. There are several key advantages that stratified random sampling offers over simple random sampling:

Stratified random sampling delivers significantly greater accuracy in our results by ensuring that our respondents mirror the target population. This allows us to assess how opinions differ among sub-groups - providing the public outreach and education effort with guidance for a targeted messaging strategy that ensures the most effective message is delivered to the most receptive audiences.

Specifically, our telephone survey will help you to:

- Develop an accurate November 2016 election turnout model
- Identify knowledge of issues relevant to the selected housing proposal
- Evaluate awareness, understanding and opinions about the housing proposal and the reasons for its being presented to the voters
- Quantify likely voter support/opposition for the proposal
- Test assumptions and specific features of the proposal as well as arguments in favor and opposed to the proposal so as to develop strategic, factual message points for outreach expenditures
- Profile results by demographic measures critical to targeted outreach efforts
- Establish a roadmap for how best to design public education efforts (including messaging recommendations, key messaging vehicles/messengers such as media, online advertising, e-mail, mail, etc.)

Strategic Messaging and Communications

Every program needs to have a solid strategy of how and when to deliver research-based messages to target audiences. As such, Cerrell will develop themes and language that will serve as the cornerstone for all external communications activities – providing factual information to the City’s constituents. These messages will rely heavily on the messages tested in the survey research and will incorporate existing messages the City uses to communicate with its constituents regarding what the Council will decide and what the impacts on the community could be. Our activities will include:

- **Collateral Materials:** Once we have approved project messages, we will create a collateral materials kit for use in all stakeholder and media outreach activities. All materials will be available in Spanish, Chinese (Mandarin) and Korean, and graphically enhanced with the City’s seal and other City-specific images. Materials that we recommend creating include:
 - Fact Sheet
 - Frequently Asked Questions Sheet
 - PowerPoint Presentation

We envision the City printing out these materials for distribution (see below).

- **City Message Dissemination:** Throughout the program and at strategically selected times, we will work with the City to disseminate the program’s educational messages through the City’s existing communications channels.

This would include the City placing printed materials at City-owned facilities that the public frequents. The City also should consider uploading the publicly available materials to its website or other online platforms, and push out messages through its email newsletter and social media audiences (more details on this below).

- **Influential Stakeholder Engagement:** Once we begin our public education activities, the first group of people to engage is influential stakeholders that are leaders in the community. These leaders have their finger on the pulse of the community’s sentiment about City government and taxes, and it is critical that they are educated early in the process.

This engagement is vital to ensure they feel like they are part of the process and that the City values their opinion. Working with City leaders, Cerrell will identify civic leaders including the heads of:

- Business Associations
- Homeowner Groups
- Large-scale Businesses
- Education Institutions
- Ecumenical Groups
- Civic/Community Associations

Once these groups have been identified, Cerrell will reach out to each with the approved educational materials and inquire if they would like a presentation from City staff.

- **Online/Social Media:** We will complement our traditional outreach methods with a robust online presence to reach the broadest audience of Encinitas residents. Using a wide variety of tactics will establish a comprehensive set of platforms for residents and stakeholders to continuously engage in discussions about the potential impacts of the revenue-generating measure and provide factual information.
 - Website: We will work with the City to populate its existing website or a microsite with our approved messages and information. We recommend the development of either a simple landing page or a microsite to host our collateral materials in our agreed-upon languages and serve as a clearinghouse of information and messaging.
 - Social Media: Cerrell will work with the City to create a social media calendar and content for the City's existing online channels to further educate the public. The City's primary Facebook page has almost 1,900 likes, and the Twitter feed has more than 1,333 followers – we will want to continuously communicate with these audiences.

Internal Communications and Reporting

The Cerrell team will develop a comprehensive draft report of survey results along with analysis and graphs (including an executive summary, talking points, and guidance on message development) in both print and electronic formats, including:

- Strategic memorandum
- Graphic presentation
- Full report on results (including full methodological description, topline results, executive summary highlighting key findings, conclusions and recommendations, a graphic presentation and cross-tabulations)

Our reporting sets the industry standard. We deliver in-depth analysis on results in the context of the region, project and stakeholders and provide actionable recommendations broken down by key demographics. We provide information that is both concise and easily comprehended by those who are not research industry professionals. It should be an easily referenced roadmap to inform decisions and messaging efforts.

Following delivery of our final written report, we will present our findings and will be available to create customized reports such as media and insider releases and make presentations as requested.

Regular internal communication is vital to ensuring the timely completion of the project. Through regular conference calls, the Cerrell team will provide continuous status updates on the program's components, guaranteeing the timely completion of individual benchmarks and the delivery of the final report. Additionally, we will not move forward with any steps without the explicit approval of the City's project lead(s).

Relevant Project Experience and Qualifications

Cerrell Associates – Lead Firm

As one of the nation's most respected and successful full-service public affairs and public relations firms, Cerrell has been delivering the results our clients need for decades. Celebrating

our 50th anniversary, our team combines the power of our legacy with an elite team of forward-thinking communicators to develop winning strategies for a diverse range of clients.

Cerrell's formation began in late 1966 in Los Angeles, when Joe Cerrell transitioned from being a campaign strategist and head of the California Democratic Party to running his own consulting company. Initially founded as Golden State Consultants by Joe, his wife Lee Cerrell, and two partners, Cerrell quickly became a dominant player in the burgeoning world of public affairs and received national acclamation for the firm's ability to provide such services to corporations.

Fifty years after its founding, Cerrell's three-person ownership team continues the tradition of excellence established with the firm's creation. Chairman & CEO Hal Dash, President Lisa Gritzner and Chief Financial Officer Steve Bullock entered into a partnership with Joe Cerrell in 2006 and have expanded the firm's service offerings since that time. Joined by newly appointed Chief Strategic Officer Brandon Stephenson, Cerrell's leadership team oversees all firm operations and client activities.

Cerrell has five distinct practice areas: Campaigns & Issues Management, Energy & Environment, Land Use, Local Government and Media Relations & Crisis Communications. Each practice area is managed by an industry leader in their respective field, and a team of skilled practitioners reporting up through the ownership team. In total, the firm currently employs 27 public affairs professionals, who reflect California's diversity and excel at providing unmatched public affairs services.

Cerrell and its team are leaders in providing strategic counseling, public affairs, outreach and media relations services to government agencies throughout California. Our team has developed and implemented extensive and multilingual communications and outreach programs for cities facing some of the most challenging and complex policy issues possible.

Cerrell Team Members

Cerrell prides itself on understanding the unique needs of our clients and the diverse audiences they need to reach. Rather than a one-size-fits-all approach to communications and outreach, we believe that a team of experts, who understand and can authentically communicate with key stakeholders, is critical to every project's success.

To that end, we have put together a dynamic team that has decades of experience working with and for municipalities conducting outreach and communications programs. In addition to this core team, our firm has 27 seasoned specialists, including experts in media, outreach, advocacy and cultural messaging, ready to assist in any aspect of our proposed program.

Lisa Gritzner, President/Project Lead

The Cerrell team will be led by the firm's President Lisa Gritzner. Lisa is a recognized leader in Southern California's public affairs arena and brings more than 20 years of government, business, and political experience to Cerrell. In her role as President, Lisa guides the firm's business growth and development and crafts a vision for the future of the company, directly overseeing the company's Campaigns & Issues Management, Energy & Environment, Land Use, Local Government and Media Relations & Crisis Communication practice areas. She leads teams of seasoned experts in all of these disciplines and provides hands-on strategic counsel and client engagement on a wide variety of issues.

Lisa joined Cerrell Associates following a six-year career in Los Angeles city government as chief of staff to Councilmember Cindy Miscikowski. In that role, she was instrumental in representing the City of Los Angeles on issues such as the proposed secession of the San Fernando Valley, Hollywood and the Harbor area; the modernization of Los Angeles International Airport – working with Councilmember Miscikowski to craft and ultimately secure passage of LAX’s first master plan and airport modernization plan in over three decades; and the development of Playa Vista, the largest master-planned community in the City of Los Angeles.

Lisa also served as the primary media liaison for the Councilmember and functioned as the senior advisor on a wide range of issues from local district-focused community relations to issues of citywide importance such as business tax reform, public safety, and the City of Los Angeles’ multi-billion dollar annual budget.

Prior to her work in the city of Los Angeles, Lisa created a nationally recognized HUD-funded outreach program for the Community Development Department in the City of Cambridge, Massachusetts. She was responsible for legislation creating the state’s first Lead Paint Awareness week, and for the establishment of a national HUD advertising campaign. Lisa began her career working in the government relations department of First Interstate Bank of California in Sacramento where she tracked and analyzed state legislation of importance to the banking industry and business interests in California and in twelve other western states.

Lisa graduated cum laude from California State University Sacramento with a degree in Government and was selected to participate in the Senior Executives in State and Local Government program at Harvard University’s Kennedy School of Government in 2004. Lisa currently serves as the Vice Chair of the Valley Industry and Commerce Association. She has served as the President of the Saban Free Clinic Board of Directors and is a member of the Founders’ Board of the Los Angeles Neighborhood Land Trust.

Tori Chica, Public Affairs Director/Day-to-Day Contact

As a Public Affairs Director at Cerrell, Tori specializes in strategic communications, campaign management, community engagement and media relations for private and public sector clients. With a background in legislative and policy analysis on the campaigns for U.S. Senators and the President of the United States, Tori has developed a unique skill set and a keen ability to grasp complex issues and package them in an easily accessible manner.

As the leader of Cerrell’s Campaign & Issues Management team, Tori brings nearly a decade of political campaign and policy experience. She has played a game-changing role on numerous campaigns nationwide and excels in crafting messages that resonate with target audiences. Her efforts in building support for candidates and issues have resulted in news coverage in top tier outlets, editorial placements and campaign victories.

Tori’s expansive municipal experience covers a wide range of Cerrell’s services. She was the day-to-day lead on all of Cerrell’s education activities for the City of Glendale’s April 2015 TOT measure and the City of El Monte’s November 2014 sales tax extension measure. She also led Cerrell’s work with the City of Huntington Beach to conduct a comprehensive media audit and to develop strategic recommendations to enhance the City’s communications with residents, business owners and the media.

Prior to joining Cerrell Tori served as a lead manager of the Strategic Research Department for President Barack Obama's successful reelection campaign in 2012. She was a key player in developing proven opposition communication messages for use in both earned and paid media. Tori served in a similar capacity on the President's initial campaign in 2008.

Tori graduated Phi Beta Kappa from George Washington University in Washington, DC with a B.A. in Political Communications. She is also a board member of the National Women's Political Caucus – Los Angeles-Westside Chapter.

Brandon Stephenson, Chief Strategic Officer/Strategic Counsel

As Cerrell's Chief Strategic Officer, Brandon oversees all of the firm's practice areas. He provides strategic counsel on some of Cerrell's most high-profile clients, while helping the firm's owners chart the company's future direction.

Prior to becoming CSO, Brandon led Cerrell's Campaign & Issues Management practice area, where he specialized in developing winning strategic communications plans and mobilizing client supporters to influence decision-makers and the media at the local, state and federal levels.

For nearly a decade Brandon has successfully managed political and public education campaigns, and launched grassroots advocacy and media relations activities for the firm's diverse clients.

Brandon has directed Cerrell's public education programs for cities and school districts looking to enhance revenue to maintain or expand services. He led a multi-firm team that won the City of Glendale's RFP for a public polling, communications and outreach program, and managed the City's public education for a transient occupancy tax (TOT) measure on the April 2015 municipal ballot. He played a similar role for the Anaheim Union High School District for its November 2014 bond initiative for new school facilities, and the City of El Monte for its November 2013 sales tax extension ballot measure.

He also co-managed Cerrell's program for the City of Anaheim, providing strategic counsel, messaging and crisis communications services after officer-involved shootings created civil unrest in the community.

Brandon's background is centered on managing statewide campaigns on the firm's behalf. This work includes the Yes on Proposition 78/No on Proposition 79 campaign in 2005, the No on Proposition 86 campaign in 2006, and the Yes on Proposition 20/No on Proposition 27 campaign in 2010, all of which were successful. At a previous firm, he managed Southern California activities for the No on Proposition 68 campaign in 2004.

For these campaigns, Brandon not only engaged and activated diverse political, business and community groups throughout Southern California to garner support/opposition to these controversial statewide ballot initiatives, he also conducted extensive earned media activities that led to supportive editorials and coverage.

Brandon graduated from Pitzer College in Claremont, California with a Bachelor of Arts in Political Science. He completed the Southern California Leadership Network's 2007 Leadership L.A. program, which is designed to strengthen the community by developing, training and empowering emerging leaders.

Probolsky Research – Opinion Research

For more than two decades, Probolsky Research has specialized in opinion research for government, corporate and non-profit clients.

Probolsky applies expert methodologies and leverages the right research tools for each situation. Our research services include telephone surveys, field studies, on-site surveys, mail surveys, executive level one-on-one interviews, on-line surveys, focus groups, video illustrations of research results and ridership surveys.

We provide a breadth and depth of experience that allows for expert project design, implementation, analysis and presentation. Our clients and their consultants look to Probolsky Research for the thorough expertise that can only be delivered by seasoned professionals.

CEO Adam D. Probolsky and COO Justin Wallin (MBA) have personally designed, conducted, analyzed and presented over 500 public opinion surveys, 250 of which have been for local or regional government agencies.

Probolsky specializes in public policy and the firm's portfolio includes extensive work on issues relating to tax proposals, rate structures, customer satisfaction, issue/project awareness, budget prioritization, development, open space preservation, parks and recreation, energy, water and wastewater infrastructure, annexation and other issues facing local and regional government and their constituencies.

The Probolsky team is recognized elections experts. They have a demonstrated track record of success with ballot measures, guiding public outreach messaging and predicting election outcomes. In addition, they have a long track record of guiding public education efforts relating to housing projects, including within San Diego County (Probolsky is currently providing guidance to several large, ongoing projects in San Diego County on behalf of private developers which requires the maintenance of confidentiality).

Probolsky Research understands public outreach and education. Public communications begin long before web content is drafted, direct mail is sent or a social media message is posted. Effective public communication begins by thoroughly exploring all sides of issues and obtaining independent research to ensure that all public facing communications effectively communicate the facts about whatever is being proposed. We are best utilized when working collaboratively with communications consultants on behalf of their clients.

Probolsky Research only takes on a select group of clients, ensuring that those we work with benefit from our full attention to their projects from inception through completion, and beyond. Company principals Adam Probolsky and Justin Wallin are not only the clients' initial points of contact, but are your key contacts throughout our relationship. We never hand off work to subordinates, preferring to design projects ourselves and to write our own analysis for your benefit.

We never assume that a person or group knows something about an issue; rather, Probolsky Research approaches every project with a thirst for knowing all there is to know about the public's perceptions, attitudes and understanding. Useful information is actionable information. Our goal is to understand the community's needs, wants and opinions, and translate that into an effective messaging strategy for our clients. Assumptions will be tested, and new information

uncovered. Our research will ensure the communications and outreach team can strategically tailor messaging to address the issues that are important to specific demographic groups.

Probolsky's offices are located in Newport Beach, and the firm's two principals are in San Diego County on client business on a regular basis. Probolsky Research is a California Certified Small Business Enterprise (Supplier # 11154461).

Probolsky Team Members

Adam D. Probolsky, CEO and Pollster

Mr. Probolsky has acted as pollster and strategic advisor on hundreds of local, county and statewide ballot measure campaigns as well as public outreach and education campaigns. Additionally, he has been a key advisor to his firm's clients on matters of public policy, legislation and business strategy.

Probolsky was a planning commissioner and finance commissioner in the City of Irvine. He was also a member of the Orange County Waste & Recycling Commission overseeing landfills, recycling programs, waste hauling companies and power generating facilities, and he is a former member of the Orange County Transportation Authority's Environmental Mitigation and Oversight Committee. Probolsky is quoted regularly in publications such as Politico, the New York Times and San Francisco Chronicle.

Justin I. Wallin, MBA, COO/Principal Researcher

Mr. Wallin is a "marketing concept" professional, with a passion for determining market needs, wants and opinions.

Wallin has served as strategic advisor and pollster on hundreds of ballot measures and candidate campaigns. He has provided strategic direction to statewide, city and municipal governments and global Fortune 250 firms as well as political and non-profit organizations, small and medium businesses, and other entities.

Wallin has managed countless complex research programs, teams and campaigns and has successfully brought to market hundreds of products, services and programs on international, national and regional bases.

Wallin's articles, commentary and analyses are often featured in Politico, Roll Call, Campaigns & Elections, The Rothenberg/Gonzales Political Report and Public CEO as well as radio and television programs. He has been a featured speaker at University of Southern California, Pepperdine University, Loyola Marymount University, California State University, Fullerton, Cal Poly, and Hillsdale College and has taught graduate and undergraduate courses in marketing. He is a regular presenter at marketing and political strategy industry events throughout the nation.

With a business background that includes strategy and marketing in the technology industry, Wallin was a founder of the re-launched, historic Columbia Yacht Corporation. The racing boats he built span the globe, and in 2010 one captured a first-in-class win in the Pacific Cup race from San Francisco to Hawaii. He sold his stake in the company in 2008.

He received his MBA with an emphasis in marketing and strategy from the University of Southern California, and his BA (Philosophy) from Whittier College.

Team Qualifications

The Cerrell team possesses unsurpassed expertise and experience in the fields of survey research, messaging and outreach. We have exhibited our skills working for cities on similar endeavors, and always with accurate, timely and cost-efficient results.

The team's combined more than 70 years of successfully achieving the goals of government and corporate clients effectively positions us to immediately conceptualize and implement our outlined program. Our two firms – Cerrell Associates and Probolsky Research – have a history of working successfully together, providing seamless integration and winning results.

We have assembled a more than 90 percent success rate, helping hundreds of California cities and municipalities pass local ballot measures to increase revenue for important services, including those requiring a two-thirds supermajority. We have a demonstrated track record of success with local ballot measures and public education efforts, creating effective messaging and predicting election outcomes.

Our team has a long history of working on behalf of cities, in particular, on issues relating to taxation, customer satisfaction, rate structures, conservation, development, annexation, infrastructure, development, water and wastewater, recycling, economic development, public safety and transportation.

The Cerrell team understands how to successfully integrate with municipal teams and communicate on behalf of a city. We excel at creating clear and effective communication programs to raise awareness in communities about city services and initiatives, and ensuring the public understands the position of a municipality and the reasoning behind its decisions.

Our proven track record of success on similar programs as the one Encinitas desires is evident from the following case studies.

Anaheim Union High School District/Cerrell Project

In 2014, the Anaheim Union High School District (AUHSD) retained Cerrell to create messages and engage the press in advance of a potential Board vote to place a \$249 million bond before the District's voters.

With decaying facilities, outdated classrooms and decreasing state funding for schools, AUHSD found itself with a critical need for an infusion of funds and sought the creation of a new bond measure, Measure H. However, a previous District administration's mishandling of the last AUHSD bond, called Measure Z, made a new bond prospect risky.

The AUHSD turned to Cerrell to successfully develop and implement a multi-faceted communications and community education program designed to reach constituents throughout the District.

Cerrell's activities for AUHSD began prior to the Board voting to place the bond on the ballot, and continued up until Election Day.

Through the use of focused messages communicated across multiple channels, Cerrell enhanced the AUHSD's reputation as an educational and community leader, highlighted the need for campus improvements to continue providing 21st Century learning experiences for students, and educated the public about Measure H's effects on the students of today and tomorrow.

Presentations, email blasts, press statements, fact sheets and a direct mail program led to a re-branding of the District and its leadership within the five cities in the District, as well as district-wide constituent awareness of Measure H's potential impact on students, staff and the community.

The measure was ultimately approved by 59.1% of voters.

City of Glendale/Cerrell Project

Faced with the threat of a looming budget crisis, the City of Glendale turned to Cerrell to develop an outreach and public education strategy, coupled with survey research, to test the viability of a revenue-generating ballot measure with the City's voters. Cerrell designed a full-scale program to educate residents, and gauge their opinions on the City's need for additional funding.

This included educational messages about the City's long-term finances, potential challenges to the City's balanced budget and service impacts if new revenue was not realized. When the survey research revealed that a ballot measure was unlikely to pass at a two-thirds majority at that time, the Cerrell team developed messaging and tactics for communicating the results to both the City Council and the City's residents.

Cerrell's program provided the City with invaluable information about the public's overall satisfaction with City services, as well as areas where the public would like funding prioritized, and created a clear pathway for moving forward.

The following year, Glendale again retained Cerrell to conceptualize a multifaceted and multilingual voter education program around a proposed two percent increase to the City's transient occupancy tax (TOT) on the April 2015 ballot. Cerrell's strategic guidance, messaging, materials development and multilingual communications successfully educated Glendale voters about Measure O in advance of Election Day.

Our work included the creation of a public education brand that ran throughout all Measure O materials. We designed a fact sheet and a frequently asked question sheet, both of which were translated into the four prevalent languages spoken in the City, as well as developed a PowerPoint presentation, utility bill insert, direct mail piece for all residents and social media content.

While voters rejected the other three measures on the municipal ballot by wide margins, Measure O passed with nearly 60% support from Glendale voters. Cerrell's work ensured that all City residents received factual information about Measure O, ultimately helping the City secure vital funding to support essential public safety, recreation and community-improvement services.

City of Culver City/Cerrell Project

Cerrell ran Culver City's sales tax increase measure in 2012, devising the strategy and managing all message and materials development to achieve an overwhelming victory.

Facing voter distaste for higher taxes, the City retained Cerrell to help secure voter approval of a sales tax increase measure. Working closely with the City, we created public education message points for use in all external communications. This included the creation of fact sheets, website content and a PowerPoint presentation for use during public presentations.

The team developed and distributed informational mailings to local business owners and community organizations outlining concrete proposals the City could enact to benefit the community with the additional revenue generated by the sales tax increase. The themes and messages Cerrell developed generated an outpouring of support for the sales tax measure, which ultimately won with more than 76% of the vote.

City of Coachella/Probolsky Research Project

In July of 2014, the City of Coachella contracted Probolsky Research to work with their strategic communications consultant CV Strategies to develop an accurate likely election turnout model for the November 2014 General Election.

Our task included identifying receptivity to a proposed tax measure and issues that would influence support or opposition, testing ballot measure language and strategic message points, profiling support and opposition by various demographic measures critical to targeted communication efforts, and establishing a roadmap for how CV and the City could best design public education and outreach efforts (including targeted messaging recommendations, key messaging vehicles/messengers such as media, social media and online advertising, direct mail, TV, radio, etc.).

Our research revealed that nearly a supermajority would vote in favor of a one-cent local sales tax increase. Our reporting and guidance recommended several effective messages (for example the possibilities that without the revenue measure, the City may lose paramedics and police officers) that drove strategy and tactics of the subsequent public education and outreach effort on behalf of the City.

Measure U ultimately prevailed at the ballot box on Election Day in November 2014 with 50.68% of the vote.

City of American Canyon/Probolsky Research Project

The City of American Canyon in Napa County faced a structural budget deficit driven by the economic recession. In 2010, the City contracted Probolsky Research to perform a voter study within the community to determine voter receptivity to three potential new revenue generating alternatives, including an increased transient occupancy tax (TOT), an increased tax on the City's only gambling establishment (a card room) and the creation of a new lighting landscape district.

Our research showed the City that it enjoyed supermajority support from likely voters for two alternatives, provided effective messaging recommendations and helped the City to develop an effective action plan oriented towards the November 2010 ballot.

On November 8, Measure E/TOT measure passed with 78% voter support and Measure F/gambling tax passed with 74% voter support.

City of Garden Grove/Probolsky Research Project

Ever in search of providing excellent customer service, the City of Garden Grove regularly engages Probolsky Research to conduct polling. Surveys we have performed for the City have covered varied topics, including general resident satisfaction on issues such as park usage, police services, fire and lifesaving services and refuse services. On several occasions, we have evaluated increasing revenues in the City through a variety of new revenue measure proposals.

Most recently, the City wanted to move forward with plans to build a new police station to replace their outdated, cramped and ineffective headquarters structure. However, like many California cities, the nationwide economic crisis hit Garden Grove hard.

Revenues from property taxes, sales taxes, and permits and fees had plummeted, and the City was faced with a shortage of funds. Probolsky Research was contracted to assess voter receptivity to a proposed parcel tax designed to both fund the new police station and the replacement of two fire stations that were housed in converted 1950's single-family homes.

Because the City has large populations of Spanish-speaking and ethnic Vietnamese voters, Probolsky Research performed these surveys in Vietnamese, Spanish and English. We delivered a recommendation to postpone the parcel tax effort given that the proposal was met with majority opposition, even when positive potential features and benefits were presented to respondents. This saved the City both sorely needed funds and credibility within the voting community by not going forward with a revenue measure that had little chance of success.

Client References

Project Client: City of Glendale, Measure O

Contact Information: Scott Ochoa, City Manager, (818) 548-4844 or sochoa@glendaleca.gov

Project Client: Anaheim Union High School District

Contact Information: Michael Matsuda, Superintendent, (714) 999-5662 or matsuda_m@auhsd.us; Patricia Karlak, Public Information Officer, (714) 999-5662 or karlak_p@auhsd.us

Project Client: City of Culver City

Contact Information: John Nachbar, City Manager, (310) 253-6000 or john.nachbar@culvercity.org; Shelly Wolfberg, Assistant to the City Manager, (310) 253-6000 or shelly.wolfberg@culvercity.org

Project Client: City of Coachella

Contact Information: David Garcia, City Manager, (760) 398-3502 or dgarcia@coachella.org

Project Client: City of American Canyon

Contact Information: Deanne Parness, Management Analyst, (707) 647-5305 or dparness@cityofamericancanyon.org

Project Client: City of Garden Grove

Contact Information: Matt Fertal, Immediate Past City Manager, (714) 357-2644 or matthewfertal@gmail.com

Budget

Based on the information we have received and the independent analysis we have conducted on elections within the City of Encinitas, we have outlined the following pricing options for research on behalf of the City.

Our proposed all-inclusive, fixed and not-to-exceed cost is \$70,000. We do not charge incrementally nor do we charge for travel-related expenses, meals, materials, etc.

Our fees include:

- Two Focus Groups - \$17,800 (\$8,900 each)
- 35-Question Telephone Survey (300 respondents, +/-5.6% margin of error) - \$26,500
- Ongoing Strategic Counsel, Message and Material Development, External Engagement and Education, Ballot Language and Materials Creation - \$25,700

Conclusion

The Cerrell team appreciates the opportunity to share our vision for this program to assess the opinions of Encinitas residents, and determine the best path forward for placing a housing element measure on the November 2016 ballot.

From our experience conducting similar programs and our work with municipalities throughout California, it is clear that the Cerrell team is the ideal choice to work with the City on this effort.

We welcome the opportunity to meet with the City's team to discuss this proposal, and we are happy to provide any additional information or answer any questions.

**ATTACHMENT 2
NOSSAMAN LLP RETAINER AGREEMENT**

VIA EMAIL

March 16, 2016

Honorable Mayor and City Council
City of Encinitas
505 South Vulcan Avenue
Encinitas, CA 92024
Attention: Glenn Sabine, City Attorney

Re: Retainer Agreement for Legal Services

Dear Mayor and Council Members:

We are very pleased to have the opportunity to provide legal services to the City of Encinitas ("Client"). (The terms "you" and "yours" as used in this letter shall refer to the Client.) We believe a clear understanding of the terms of representation is fundamental to a good relationship between attorney and client. Likewise, Section 6148 of the California Business and Professions Code requires California lawyers to have written engagement agreements with their clients principally for the purpose of informing a client about the firm's billing practices and methods of handling client matters. Accordingly, this "Retainer Agreement" sets forth the terms and conditions of our representation of Client in this matter. If these terms and conditions are acceptable, please indicate your agreement by signing this Retainer Agreement where indicated below and returning the original to me.

We expect that our legal services will be provided principally by attorneys resident in our San Francisco office, although we may call upon attorneys in our other offices to provide advice or assistance on your matter if appropriate.

1. Client has asked us and we agree to represent Client with respect to assisting the City with its proposed ballot measure. Please appoint a person as your designee to receive our billings and other information with respect to this Agreement and to give us instructions as to how we are to provide service to the Client under this Agreement.

2. We understand that we are being retained only by the Client and any additional related entities specifically identified by the Client. We have performed our conflict check based upon the information you the Client provided to us. You agree that we are not bound to avoid conflicts with any other entities that you have not identified to us.

3. On matters covered by this Agreement, we agree to provide such legal services as we determine are reasonably required to represent Client; to take reasonable steps to keep you informed of facts and developments concerning the subject matter of this engagement as they come to our attention; and to respond to your reasonable inquiries. The Firm's lawyers have no obligation to share

information, even information material to the representation, if that information was learned while representing other clients and is confidential to those other clients. You agree to cooperate with us, to keep us informed of developments, to abide by this Agreement and to pay our statements for services in accordance with the provisions below.

4. Our fees for services provided to you pursuant to this Agreement will be calculated and billed based upon hourly rates established for each attorney, paralegal and clerk rendering services on your matters. Our statements for services will provide you with a description of the services performed, the date they were performed, the time devoted to your matters and the specific hourly rate of the attorney, paralegal or clerk that performed the services on your behalf.

5. I will be the attorney at Nossaman LLP primarily responsible for this matter. Work assignments to other firm personnel including associate attorneys, paralegals and law clerks, will be made, whenever possible, to maximize our effectiveness and time efficiency and to minimize your expenses. Our goal is to provide high-quality legal services in a cost effective manner. The hourly rates of individuals who are currently expected to perform services with respect to your matters are set forth on Attachment A hereto and will generally be recorded and billed in one tenth hour increments. If other personnel are asked to perform services, you will be informed of their billing rates on the first statement following their initial service. We expect that the attorneys listed on Attachment A will render the bulk of the services. From time to time, our rate structure in general, or the rates of particular attorneys, paralegals or clerks, may be increased. If so, you will be advised of the new rates. The new rates shall apply to all work performed after you have been advised of the new rates.

6. Our hourly rates apply to all time spent on your behalf, including but not limited to court appearances; motion practice; preparing, analyzing, reviewing and revising correspondence and documents; factual and legal research; consultation and advice; conducting negotiations; engaging in depositions and other discovery; conferences; preparing for and conducting trials and appeals; travel time (when appropriate); conferring with other attorneys in our Firm, or with witnesses or attorneys also involved in the matter; and such other services of a professional nature as this engagement may require.

7. We employ what is commonly known as "block billing." Block billing means that we identify the specific daily tasks performed by each attorney, their hourly rate, and the total hours and fees spent performing those tasks, but that we do not identify the time spent by the respective attorney on each individual task listed for that day.

8. We will ordinarily incur various costs and expenses or will provide certain in-house services while performing legal services. You agree to pay for these items in addition to our fees for legal services. The costs and expenses and in-house services may include, but will not necessarily be limited to, filing fees fixed by law or assessed by courts or other agencies; court reporters' fees; witness fees; experts' fees; consultants' fees; process server fees; investigation expenses; out of town travel expenses; messenger and private courier delivery charges; photocopying and other reproduction services; computerized research charges; and similar items.

In accordance with our Firm policies we currently charge 20 cents per page for reprographic and printing services. External costs and expenses are charged at our cost, including computerized research. Where the Firm maintains a fixed subscription contract with a vendor for computerized research, you will be charged for the actual cost incurred by the Firm during the given month which often results in substantial discounts of the vendor's regular rates. We will not charge you for word processing, overtime expenses associated with administrative or secretarial personnel, telephone calls within the United States and similar items unless these items are unusually large in amount and we obtain your agreement in advance. We will not add a "handling" charge for costs and expenses incurred on your behalf.

9. We are not required to advance payment for any external expenses. If for any reason we advance a payment for external expenses, you agree to promptly pay our invoices with those charges. In addition, we may submit those charges directly to you and ask that you pay such charges directly to the vendors, in a timely manner. If you do not make timely payments to vendors, we reserve the right to pay those vendors on your behalf and include such charges in our statements and require reimbursement from you. It is important that vendors be promptly reimbursed so that we can retain good professional relationships with those vendors.

10. Our files for work prepared pursuant to this Agreement are your property. We will release our files for work performed pursuant to this Agreement to you or to anyone else you designate upon your written request delivered to the attorney in charge of this matter. However, you agree that we may, in our sole discretion, copy all or any portion of the file and charge the copying costs to you, and that we may have a reasonable period of time before releasing the documents to you or anyone else you designate in order to copy all or any portion of the files you have directed us to surrender. We will, from time to time, send portions of your files that are not currently needed to an off-site storage facility. The cost of this facility will be our sole expense. However, we are not the guarantor of the security of any off-site storage facility. Accordingly, you agree that the Firm will not be responsible for any damages which may occur as a result of the loss of any of your files which we store at an off-site storage facility. You also agree that we may, after the passage of two years without our having performed any work for you pursuant to this engagement for services, destroy your files unless you provide us with written instruction to forward the files to you or to another person you designate.

11. You agree to keep us informed of any change in your address, telephone numbers, or electronic mail address so that we may effectively communicate with you. We will also advise you promptly of any change in the Firm's business address, electronic mail address or telephone or facsimile numbers. You agree that we may communicate with you via electronic mail or wireless telephone even though these media may be less secure than alternative means of communication.

12. To aid in your matters, it may become necessary to hire experts, consultants or investigators. Such persons will be employed by us on your behalf, not by you, so as to protect any privileged work; but we will not hire such persons unless you approve and also agree to pay their fees and charges. The responsibility to pay for their services is solely yours.

13. We will send you monthly statements for fees and costs incurred. Payment is due within 30 days of the date of invoice. If not paid within the 30 days, interest shall accrue at the rate of 12% per annum from said due date. **You agree to read your statements carefully and promptly notify the Firm of any error.**

14. You may discharge us as your attorneys at any time. We may withdraw as your attorneys with or without your consent, as long as permitted by law. Some of the reasons that may cause us to withdraw include but are not limited to the following: your breach of this Agreement; your failure to pay our bills on time; your refusal to cooperate with us; your refusal to follow our advice on a material matter; the development of irreconcilable disagreement between you and us as to the conduct of the engagement; or any other fact or circumstance that would render our continuing representation contrary to your interests, or to law, or to the rules of professional conduct. Failure to withdraw as your attorneys on any one occasion shall not be a waiver of our right to do so if such other occasions arise.

If you discharge us, or if we elect to withdraw, you agree to secure forthwith other counsel of your own selection to represent you and, if we are your attorneys of record in any litigation, to cooperate fully with us and the court in substituting your new counsel as your attorneys of record in the litigation.

15. Nothing in this Agreement and nothing in our statements to you should be construed as a guarantee or promise about the outcome of your matter or any phase thereof. Comments about the course or outcome of your matter or any phase thereof which we may make from time to time are expressions of opinion only. You acknowledge that the amount of legal fees and costs which may be incurred on your behalf pursuant to this Agreement is not capable of precise prediction; and you acknowledge that we have made no guarantees or promises and that you have set no limits with regard to the cost of services we provide you.

16. Except for a claim for Client's failure to pay fees for professional services and/or expenses, if any dispute arises out of, or relates to, a claimed breach of this Agreement, the professional services rendered by attorneys, or any other disagreement of any nature, type or description regardless of the facts or legal theories which may be involved, such dispute shall be resolved by binding arbitration before the San Francisco office of JAMS (or similar alternative dispute resolution firm should JAMS cease to operate), by a panel of three arbitrators. Discovery shall be permitted pursuant to the provisions of Code of Civil Procedure section 1283.05. Each side shall bear his/her own costs and attorneys' fees.

17. Any dispute as to the Client's failure to pay fees for professional services and/or expenses shall, subject to the provisions of Business and Professions Code sections 6200, et seq., be resolved in the appropriate Superior Court of the State of California. The party prevailing in an action regarding a dispute as to the client's failure to pay fees for professional services and/or expenses shall be entitled to recover from the other party the prevailing party's actual attorneys' fees and costs incurred, including expert witness fees, witness fees, and associated expenses, whether or not the action proceeds to judgment. For the purposes of enforcing this Agreement, and as otherwise required by law, you agree that this Agreement may be disclosed to a court or arbitrator.

18. This Agreement is made under and shall be construed in accordance with the substantive laws of the State of California without reference to its choice of law rules.

19. We carry professional liability insurance which would cover the services we will be providing to you under the terms of this Agreement. That insurance is subject to a significant self-insured retention.

20. This Agreement will take effect upon execution by you, but its effect will be retroactive to the date we first performed services on your behalf.

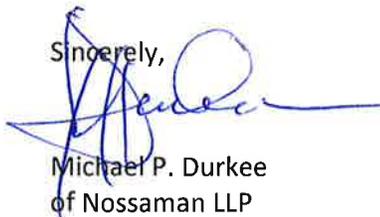
21. This Agreement constitutes a single, integrated written contract expressing the entire agreement of the Client and our Firm. There is no other agreement, written or oral, express or implied, between the parties with respect to the subject matter of this Agreement. This Agreement may be modified only in a writing signed by all the parties. This Agreement shall be construed by giving effect to the plain meaning of its terms.

22. We are very proud of our client relationships, and occasionally identify clients to others who ask about our client base, or in institutional materials. Unless you object in writing, we assume that you agree that we may state that we represent you in relationship to the Project, although of course we would not publish or disseminate any confidential information.

If these terms are acceptable to you, please sign in the space provided below and return a fully-executed copy to me, together with any retainers required by this Agreement, and retain a copy for your files.

We appreciate your confidence in our Firm and look forward to working with you.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael P. Durkee", with a long horizontal flourish extending to the right.

Michael P. Durkee
of Nossaman LLP

MPD:os

cc: Karen P. Brust, City Manager
Manjeet Ranu, AICP, Acting Director of Planning and Building

ACCEPTANCE

I hereby affirm that this Retainer Agreement was approved by the City Council of the City of Encinitas and that I am an authorized agent with the authority to execute this Retainer Agreement on behalf of the City of Encinitas.

APPROVED AS TO FORM:

Dated: _____

By: _____

Printed Name: _____

Title: _____

Dated: _____

By: _____

Printed Name: _____

Title: _____

FOR ACCOUNTING USE ONLY

Client Name: _____

Matter Name: _____

Client Number: _____

ATTACHMENT A

SCHEDULE/EXPLANATION OF FEES

Billing Rates charged in one-tenth hour increments:

TIMEKEEPER

HOURLY RATE

Attorneys

Partners:

Michael P. Durkee

\$495.00

Associates:

Paralegals/Clerks

If needed, hourly rates will be billed between \$95 & \$250 per hour.

DISBURSEMENTS

Fax per page \$ 1.00

Copy per page \$ 0.20

SPECIAL DISBURSEMENT RATES OR ARRANGEMENTS

**SPECIAL
ARRANGEMENT/RATE**

EXCLUDED

Fax	\$ _____	_____
Copy	\$ _____	_____
Travel	\$ _____	_____
Meals	\$ _____	_____
Online Research	\$ _____	_____

Additional Disbursement Information: _____

Interest charged on payment past due 12%

Retainer amount \$ _____



Nossaman Partner
Initials

Client's Initials



Michael Patrick Durkee

Partner

mdurkee@nossaman.com

T 415.438.7203

50 California Street, 34th Floor

F 415.398.2438

San Francisco, CA 94111

Practices

- Environment and Land Use
- Real Estate
- Litigation

Education

J.D., University of the Pacific,
McGeorge School of Law, 1984,
with distinction, moot court honors

B.S., University of California,
Davis, 1981

Admissions

California

Professional Affiliations

Real Property Law Section, Contra
Costa County Bar Association,
President

The California Land Use Law and
Policy Reporter, Advisory Board
and former Board Member
State Assembly Local Government
Committee's "Subdivision Map Act
Advisory Group," Advisory Board
and former Board Member

Mike Durkee practices land use, elections, and local government law in both administrative and judicial proceedings. He represents developers, builders, property owners, cities, counties, special districts, and interest groups in all aspects of California local government, elections, and land use entitlement, review, approval processes and litigation in both state and federal courts. Mr. Durkee has expertise in the laws and processes regarding the California Environmental Quality Act (CEQA), local governance, general plans, specific plans, planning, zoning and development, vested rights (common law, development agreements, vesting maps), exactions (fees/dedications), the Subdivision Map Act, Williamson Act, and local elections (initiative, referendum, recall). He also serves as an expert witness on these topics in litigation.

Mr. Durkee has been instrumental in the creation, coordination, and implementation of overall entitlement strategy, including defense tactics, for some of California's most controversial development projects, including the North Livermore Initiative, the San Jose Giants Ballpark Proposal, the Buck Center for Aging and Research, Black Point and Buck Mountain Ranch. He is widely recognized for his expertise in effective negotiation and resolution. He has extensive expertise regarding "value-enhancing" entitlements and is considered one of California's top creative land-use minds. Mr. Durkee regularly handles the coordination with city/county staff regarding the planning of the project, the negotiation and drafting of all agency documents for legal compliance and tactical advantage, the coordination of all environmental, planning, and engineering consultants and their reports, and the transition into litigation when necessary.

Mr. Durkee is a frequent participant in land use seminars conducted for builders' groups, cities and counties, the University of California Extension, the State Bar of California and Land Use Navigators (www.landusenavigators.com).

AWARDS & HONORS

Named a Northern California "Super Lawyer" by *Los Angeles* magazine in 2004-2006, 2009-2015

Individually recognized in the "Best Lawyers in America," guide for Land Use and Zoning Law, 2013-2016

Received "Outstanding Instructor" award from the U.C. Davis Extension Land Use Program, 1992

**ATTACHMENT 3
RECON ENVIRONMENTAL AGREEMENT AMENDMENT**

**AMENDMENT #1 TO THE
AGREEMENT FOR PROFESSIONAL PLANNING SERVICES BETWEEN
THE CITY OF ENCINITAS AND RECON ENVIRONMENTAL**

This AMENDMENT is made and entered into as of the date of execution by the **City of Encinitas**, a municipal corporation, hereinafter referred to as "CITY" and **RECON Environmental**, hereinafter referred to as "CONSULTANT."

WHEREAS, the CITY and CONSULTANT entered into an agreement effective March 23, 2015 to prepare a Housing Element Update Program Environmental Impact Report (EIR) and analyze a preferred plan or plans that will identify the locations and types of development that could accommodate the additional housing units needed in order to be in compliance with State Housing Element Law, hereinafter referred to as the "AGREEMENT"; and

WHEREAS, the CITY and CONSULTANT desire to modify the sections titled "Attachment B, Payment for Services" of the AGREEMENT.

WHEREAS, this amendment will increase the contract budget of \$299,860.00 in an amount not to exceed \$55,000.00, for a total authorized contract budget of \$354,860.00.

NOW THEREFORE, IT IS MUTUALLY AGREED:

The following shall supersede and replace Attachment "B" of the "AGREEMENT":

The CITY shall pay CONSULTANT for the DESCRIBED SERVICES as follows:

The CITY hereby agrees to pay the CONSULTANT, as full compensation for the CONSULTANT'S services upon this project, a basic fee not to exceed \$354,860.00. This includes the original contract amount of \$299,860.00 for the DESCRIBED SERVICES and an additional \$55,000.00 for EXTRA WORK. Additional fees for Extra Work, if any, are to be computed and paid as provided in Section 6.0 of this AGREEMENT.

[Estimated Project Fee and Budget Schedule attached]

Reimbursable expenses for tasks will be paid on a monthly basis as the expenses are incurred by the CONSULTANT. Payment shall be made by the CITY to the CONSULTANT upon the receipt of an invoice itemizing the number of hours worked by task and work elements performed for the period covered by the invoice and/or incurred expenses. Direct costs associated with this project are included in the basis of compensation.

The total amount for each task as specified in the Estimated Project Fee and Budget Schedule (attached) shall not be exceeded except as provided in Section 6.0 of this AGREEMENT. Monthly progress payments will be made as follows: After commencement of work under this AGREEMENT and at expiration of each month of work thereafter, CONSULTANT will verify all work performed on a form acceptable to the City Manager. CITY and CONSULTANT will work together to ensure monthly invoicing is accompanied by satisfactory documentation of expenses.

The CITY will retain ten percent (10%) from the amounts invoiced until satisfactory completion of work and the final invoice has been processed. A partial payment computed by multiplying the basic fee by this percentage shall then become due and payable, provided however, that no more than ninety percent (90%) of the total fee will be paid during the performance of this AGREEMENT. The balance of said fee shall become due and payable upon completion of all duties under this agreement, final approval of the project by the City Manager, and delivery to the City Manager of all material and documents defined as property of the CITY by Section 10.0 of this AGREEMENT. All services shall be performed to the satisfaction of the City Manager and CITY shall not be liable for any payment under this AGREEMENT for services which are unsatisfactory and which have not been approved by the City Manager.

EXTRA WORK:

Now that the public review period for the Draft EIR has concluded, additional work or EXTRA WORK is required, which exceeds the DESCRIBED SERVICES and is outside of the scope of the original contract AGREEMENT. CITY hereby approves a change order with a fixed fee not to exceed amount of \$55,000 for professional services to address and complete the following tasks.

- Responding to CLG letter on greenhouse gas analysis;
- Additional modeling of both existing housing site emissions and 2035 horizon year – for the three project scenarios;
- Adding analysis for the SMUP Alternative (existing, 2020 and 2035);
- Additional/detailed traffic analysis for the SMUP and determining mitigation; and
- Additional coordination time to reflect the above efforts.

Contract provisions require notice of EXTRA WORK. Services for EXTRA WORK shall be completed by CONSULTANT and delivered to CITY by July 1, 2016. Additional fees for Extra Work, if any, are to be computed and paid as provided in Section 6.0 of this AGREEMENT. The City may also determine that work line

items can be traded under the existing budget by trading tasks covered under the DESCRIBED SERVICES.

All remaining terms and conditions of the AGREEMENT shall remain in full force and effect.

CONSULTANT

CITY

RECON Environmental

City of Encinitas

By _____ Date _____
President
Robert MacAller

By _____ Date _____
City Manager
Karen Brust

APPROVED AS TO FORM:

_____ Date _____
Glenn Sabine, City Attorney

**ATTACHMENT 4
CODE STUDIO AGREEMENT AMENDMENT**



City of
Encinitas

October 5, 2015

Lee D. Einsweiler
Principal
1200 East 11th Street #107
Austin, Texas 78702
(512) 478-2200

SUBJECT: Housing Element Update – Work Project # WC14B, Contract Amendment No. 1

Dear Mr. Einsweiler,

Upon signature and return, this correspondence will serve as an amendment to the original contract, executed on February 6, 2015, between the City of Encinitas and Code Studio, Inc., regarding professional services to assist in the development of a Housing Plan update.

This amendment provides for additional services, as itemized in Attachment A, dated September 28, 2015, to include the creation of workshop posters and informational graphics to be utilized at the Community Dialogue Session events. These services are estimated to cost approximately \$15,400. This amendment also covers travel-related expenses for one work session for the consultant team in the City of Encinitas. Travel-related expenses will be reimbursed in accordance with Section 3.2 of the original, February 6, 2015 contract, in a not to exceed amount of \$3,700.

This amendment will increase the contract budget of \$49,990 in an amount not to exceed \$19,100 for a total authorized contract budget of \$69,090.00. The amended scope of services and fee detail is included as Attachment A.

Please indicate your acceptance of this amendment by signing where indicated below, and returning the original to my attention. This amendment does not change the terms and conditions of the original agreement. If you have any questions, please feel free to contact me at (760) 943-2101.

Sincerely,

Mike Strong
Senior Planner

~~MJE Marketing Services~~
CODE STUDIO

By
Lee D. Einsweiler
Principal

City of Encinitas
By
Karen P. Brust
City Manager

ADDITIONAL TASKS FOR PUBLIC OUTREACH POSTERS

Scope Submitted by Winter & Company

September 28, 2015

General Information:

- Posters to be produced in Adobe InDesign CC2015
- Some imagery/graphics may be requested of staff
- Posters to be printed by staff
- Draft posters to be complete by **October 19, 2015**
- City comments to be complete by **October 23, 2015**
- Final posters to be complete by **October 30, 2015**

TASK 1: CREATE POSTER BASE

- Create poster base for this outreach process.
- Amend existing outreach posters, with similar styles/color/etc. but differentiate as new public outreach process.
 - Flip colors (orange and teal);
 - “Community Dialogue Sessions – PART 2” – to reinforce that this is a continued process, not starting over...
- Produce “base” posters for all stations – different titles, etc.

TASK 2: DEVELOP DRAFT POSTERS

Station 1 Posters – “PROCESS”

- Poster 1A – WHY WE NEED TO PLAN FOR FUTURE HOUSING
 - This poster will amend old Poster 1A to reiterate WHY we have to plan for future housing:
 - Population is changing
 - It protects our quality of life
 - Tax dollars are saved
 - It’s the law
- Poster 1B – HOW WE PREPARE FOR ACCOMMODATING FUTURE HOUSING
 - #1 – select land based on best community design and planning principles.
 - Reiterate the “factors for considering housing location” and the Framework Map (old poster 1C and 1D)
 - #2 – Identify potential future housing sites.
 - Show the map with ALL possible sites; highlight that this land only represents 2% of all city land, etc.
 - #3 – Allow these sites to accommodate appropriate uses and density.
 - In order for these sites to be “buildable” and for the city to get appropriate housing credits from RHNA, we have to allow these sites to accommodate the appropriate uses and density via new zoning.
 - This is why you are here today – to learn about the city’s implementation process and commitment to high design quality for new projects.

- The bottom of this poster will include a timeline from the Restart effort beginning to where we are now. Approximately August 2014 (?) to November 2015.

Station 2 Posters – “STRATEGY”

- Poster 2A – THE CONTENT THAT INFORMED THE PROCESS
 - This poster will reiterate the content developed for the prior public outreach process. It will summarize:
 - Community Character (reuse station 2 city-wide map and matrix information)
 - Housing Prototypes (reuse station 3 overview poster – just thumbnail images and titles, not programs or example imagery)
 - Neighborhood Prototypes (similar presentation as housing prototypes with thumbnail of aerial and title, reusing graphics from station 4)
- Poster 2A – HOW THE COMMUNITY GUIDED THE FINAL STRATEGY
 - This poster will elaborate on the importance community engagement has played in the Housing Element Update process. It will explain the e-Town Hall website, prior workshop process, how long the process lasted, how it was advertised, etc. Visuals will include:
 - Snapshots from the online tool process
 - Pictures from public workshops
 - Pictures of advertising the process (highway sign, etc.)
 - Display # of participants/people engaged, etc.
 - It will also summarize “key themes” that emerged from the prior outreach process
 - Word clouds of individual community context descriptors
 - Key themes summarization as developed by staff
- Poster 2C – THREE DRAFT STRATEGIES
 - This poster will show the three draft map strategies being considered.
 - This poster will visually link back to Poster 2B (and 2A) to show the important link between final strategies and the outreach process...i.e. the community helped develop these!!!

Station 3 Posters – “IMPLEMENTATION”

- Poster 3A – WHAT IS ZONING?
 - What does zoning do? (to my property, to my city) – use text write-up from Mike.
 - What is a floating zone? This includes a new diagram to describe the floating zone and how it works and how it is administered.
 - Why is this necessary?
 - To meet RHNA numbers
 - To allow mix of uses
 - Etc.
- Poster 3B –WHAT DOES IT REGULATE?
 - This poster will include the Neighborhood Center aerial highlighting WHAT in a new development such as this the zoning would regulate:
 - Density
 - Open Space
 - Build-To Range/Setbacks
 - Parking

- Building Height and Articulation
 - Transparency, Access, etc.
 - Uses
 - Etc. etc.
- This poster will weave in “key terms” and use imagery from the new zoning code in “measurements and exceptions” chapter.
- This will also include a “process” flow chart to quickly describe the process and using the floating zone overlay.
- Poster 3C – HOW IS IT DIFFERENT THAN CURRENT REGULATIONS?
 - This poster will highlight the “big ideas” from the new floating zones:
 - Transitions
 - Context-sensitive standards
 - Use matrix
 - Terminology break-down:
 - R or X (purely residential or mixed use)
 - 30 (maximum density allowed)
 - M, N, or V (context)

Station 4 Posters – “QUALITY CONTROL”

- Poster 4A – LEVELS OF DESIGN QUALITY
 - This poster is the exploded axon showing the 5 different levels of design quality that the Design Guidelines help regulate:
 - City-wide – Design Principles
 - Community-wide – Community Character
 - Context-based – Design Context
 - Site-specific – Site Design
 - Building-specific – Building Design
- Poster 4B – WHAT IT REGULATES?
 - This poster will include the aerial of the Neighborhood Center prototype and explain with “call-outs” what the Design Guidelines would regulate in a development such as this, and how they differ from the code.
 - Like the zoning “what it regulates?” poster, this will also include more detailed information where appropriate. In some cases, we might blow up a specific design guideline.
 - This will also include a “process” flow chart to quickly describe the process and how DGs are administered.
- Poster 4C – TABLE OF CONTENTS
 - This poster will include an enlarged Table of Contents of the document with a two-page spread from each chapter to show what the document will look like, as well as how it functions.

Station 5 Posters “NEXT STEPS”

- Poster 5A – TOWARD A NEW HOUSING ELEMENT
 - This poster will take off from the previous (station 1) timeline and project until November 2016.
 - It will also tell people how to get involved and stay updated on the process, etc.

TASK 3: REFINE POSTERS AND FINAL DELIVERY

- This task will include making refinements to the draft posters once receive staff comments.
- Deliver final posters by October 30, 2015

ADDITIONAL TASKS FOR CODE GRAPHICS
Scope Submitted by Winter & Company
September 28, 2015

TASK 1: CREATE GRAPHICS TO EXPLAIN TRANSITION AREA OPTIONS

- #1 – Narrow Lot Condition
 - Section showing “main street” type development at street edge, and transition options for this context, when it abuts SF zone, such as:
 - Wall/fence + landscaping
 - Landscaped buffer
 - Landscaped driveway/parking area
 - Maximum building height within X feet of SF zone property line.
- #2 – Large Lot Condition
 - Section showing “neighborhood center” type development with various building types on one site, and transition options for this context, when it abuts SF zone, such as:
 - Maximum building height within X feet of SF zone property line.
 - Landscaped buffer
 - Appropriate lower-scaled land uses/housing types
- #3 – Topography Condition
 - Section showing appropriate transitions when site has significant slope, such as:
 - Maximum two-story building, or no more than one-story above adjacent SF residential building (as measured from ground floor of SF residential building)
 - Show down-slope and up-slope condition to explain appropriately.

HOUSING ELEMENT UPDATE - COMMUNITY DIALOGUE SESSIONS PART 2

Fee for Poster Development

Winter & Company - September 28, 2015

Task #1 Create Poster Base

Personnel Fees	Rate	Hours	Amount
N. Winter	\$175	0	\$0
C. Bostic	\$130	4	\$520
C. Ball	\$70	2	\$140
Total Fees Task #1			\$660

Task #2 Develop Draft Posters

Personnel Fees	Rate	Hours	Amount
N. Winter	\$175	4	\$700
C. Bostic	\$130	36	\$4,680
C. Ball	\$70	24	\$1,680
Total Fees Task #2			\$7,060

Task #3 Refine Posters and Final Delivery

Personnel Fees	Rate	Hours	Amount
N. Winter	\$175	4	\$700
C. Bostic	\$130	14	\$1,820
C. Ball	\$70	18	\$1,260
Total Fees Task #3			\$3,780

TOTALS

Personnel Fees	Rate	Hours	Amount
N. Winter	\$175	8	\$1,400
C. Bostic	\$130	54	\$7,020
C. Ball	\$70	44	\$3,080
Total Fees			\$11,500

HOUSING ELEMENT UPDATE - CODE GRAPHICS ADDITIONAL SERVICE

Code Graphics Assistance

Winter & Company - September 28, 2015

Task #1 Create Graphics to Explain Transition Area Options

Personnel Fees	Rate	Hours	Amount
N. Winter	\$175	4	\$700
C. Bostic	\$130	16	\$2,080
C. Ball	\$70	16	\$1,120
Total Fees Task #1			<u>\$3,900</u>

Michael Strong

From: Michael Strong
Sent: Wednesday, September 30, 2015 10:15 AM
To: Michael Strong
Subject: FW: September Trip: Expenses

From: Colin Scarff [<mailto:colin@code-studio.com>]
Sent: Tuesday, September 08, 2015 8:27 AM
To: Manjeet Ranu; Michael Strong
Cc: Lee D. Einsweiler; "Noré V. Winter"; Cheney Bostic
Subject: September Trip: Expensés

Manjeet/Michael

In order to save on costs, we budgeted trips to Encinitas to coincide with work we are doing in LA. Due to time constraints with this project, we need to schedule our final on-site working session in Sept. This does not coincide with a LA trip. Our next LA trip is in October. We therefore need to request **\$3,700** to cover expenses for the Sept trip for both Winter and Company and Code Studio. A breakdown of the additional costs are listed below.

In looking back at the budget, we only budgeted 16 hours for each firm for this second trip with assumption that the trip was an added day onto an LA trip. Since this is a specific trip we are also short hours, there is no real way for Code Studio to make it to Encinitas and back in one day. Having said that, we said on the phone that all we need for the Sept trip was expense money so we are going to make it work with the hours budgeted, all we need is additional funding for expenses.

thanks,
Colin

Winter

Cheney ticket =		\$300	
Nore's ticket =		\$150	
Hotel rooms for 2 nights/2 people	\$800		
Meals (\$65/pp/pd)		\$390	
Parking, mileage, etc.	\$150		
Rental car		\$100	
TOTAL			\$1,890

Code Studio

Airfare (\$500 x2)		\$1,000	
Hotel 2 nights 1 room	\$400		
Meals (\$65/pp/pd) 2 days	\$260		
Parking, mileage, etc.	\$50		

Rental car
TOTAL

\$100

\$1,810

**AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES
HOUSING ELEMENT UPDATE
WORK PROJECT # WC14B**

THIS AGREEMENT is made and entered into as of the date of execution by the City of Encinitas, a municipal corporation, hereinafter referred to as "CITY", and Code Studio, inc. hereinafter referred to as "CONSULTANT."

RECITALS

The CITY requires outside assistance to provide the following services:

Prepare new design guidelines, zoning text and standards to define the context for infill development in support and implementation of the Housing Element Update process. In response to public concerns about development compatibility and community character, different design guideline solutions are needed to address compatibility in different contexts. New zoning text will implement standalone residential and mixed use zones that permit a maximum density of 30 units per acre.

CONSULTANT represents itself as possessing the necessary skills and qualifications to provide the services required by the CITY; and as being fully qualified to perform those services in accordance with the standard of quality ordinarily expected of competent professionals of CONSULTANT's field of expertise; and

Manjeet Ranu shall serve as the CITY's "CONTRACTOR OFFICER" for this CONTRACT.

NOW THEREFORE, in consideration of these recitals and the mutual covenants contained herein, the CITY and CONSULTANT agree as follows:

1.0 TERM OF AGREEMENT

1.1 This AGREEMENT shall be effective on and from the day, month and year of the execution of this document by the CITY.

1.2 CONSULTANT shall commence the performance of the services in accordance with the Scope of Work section provided in Attachment "A" to this AGREEMENT and at the level of effort identified in Attachment "B" of this AGREEMENT. CONSULTANT shall continue such services until all tasks to be performed are completed, or this AGREEMENT is otherwise terminated. CONSULTANT shall complete the services and provide final data and reports no later than November 1, 2016, unless an extension of time is mutually agreed to by both parties.

2.0 CONSULTANT'S OBLIGATIONS (ATTACHMENT A)

2.1 CONSULTANT shall provide the CITY with the following services:

The specific manner in which the services are to be performed is described in Attachment "A" which is attached hereto, and incorporated herein as though fully set forth at length, collectively hereinafter referred to as "DESCRIBED SERVICES".

2.2 CONSULTANT shall perform all work required to accomplish the DESCRIBED SERVICES in conformity with applicable requirements of law: Federal, State and local.

2.3 CONSULTANT is hired to render the DESCRIBED SERVICES and any payments made to CONSULTANT are compensation fully for such services.

2.4 CONSULTANT shall maintain professional certifications as required in order to properly comply with all City, State, and Federal law.

2.5 Senior personnel identified as having key roles in the performance of this AGREEMENT may not be removed from the project without prior written consent of the CITY.

2.6 All deliverables are to be completed and delivered to the CITY by the termination date, or by the milestone or completion date or dates provided in the performance schedule mutually agreed to by the CONSULTANT and the CITY, unless an extension of time, based on good reasons and sound justification presented by CONSULTANT, is approved by the CITY.

2.7 The CONSULTANT shall perform its service under this AGREEMENT in accordance with the usual and customary professional care and with generally accepted practice in effect at the time the services are rendered. In the course of the performance of services and management of this AGREEMENT, if any work performed by the CONSULTANT does not conform to the usual and customary professional care, CITY may require CONSULTANT to re-perform the work until it conforms to said specifications and requirements, at no additional cost to the CITY.

3.0 PAYMENT FOR SERVICES (ATTACHMENT B)

3.1 Payment to CONSULTANT to render the DESCRIBED SERVICES hereunder shall be as set forth in Attachment "B" which is attached hereto and incorporated herein as though fully set forth at length.

3.2 The level of effort for the DESCRIBED SERVICES is also identified in Attachment "B."

3.3 Most travel-related expenses, such as airfare, lodging, car rental and other ground transportation will be reimbursed on a case-by-case basis for expenses incurred during travel to conduct official City-related business. Meals, excluding alcohol, are reimbursed at a rate of \$15 for breakfast, \$20 for lunch, \$30 for dinner, and \$5 for incidental expenses. A line item receipt is the preferred method; however, in event that a line item receipt can't be provided satisfactory documentation or written acknowledgement by a receiver of money for goods or services shall be provided. Any unused balance from a previous meal may be carried over to the next meal, provided that it is within the same business day. The traveler shall be responsible for excess costs and additional travel expenses.

3.4 The CITY reserves the right to trade tasks or shift around tasks to meet unanticipated project needs. The level of effort for the DESCRIBED SERVICES may be reallocated provided that the change in services is authorized in writing by the CITY, and the compensation or method of determining such compensation is stated in such written authority.

4.0 SUBCONTRACTING (ATTACHMENT C)

4.1 If CONSULTANT subcontracts for any of the work to be performed under this AGREEMENT, CONSULTANT shall be as fully responsible to the CITY for the acts and omissions of consultant's subcontractors and for the persons either directly or indirectly employed by the subcontractors, as CONSULTANT is for the acts and omissions of persons directly employed by CONSULTANT. Nothing contained in the AGREEMENT shall create any contractual relationship between any subcontractor of CONSULTANT and the CITY. CONSULTANT shall bind every subcontractor to the terms of the AGREEMENT applicable to consultant's work unless specifically noted to the contrary in the subcontract in question and approved in writing by the CITY.

4.2 The name and location of the place of business of each subcontractor who will perform work or labor or render service to the CONSULTANT in performing this AGREEMENT are contained in Attachment "C" which is attached hereto and incorporated herein as though fully set forth at length.

4.3 In addition to the quality and performance of subcontractors, the CONSULTANT shall also be responsible for the timely deliverance of all resulting work products submitted to the CITY or presented at meetings or work sessions. CONSULTANT and CITY review of subcontractor work or services shall be factored into work program scheduling.

5.0 EQUIVALENT ITEMS (ATTACHMENT D)

This section is not applicable.

6.0 EXTRA WORK

6.1 In connection with the work covered by this AGREEMENT the CITY may, at any time during the process of the work, order other work or materials incidental thereto. If any such work and materials is not listed as a pay item with a contract unit price or if compensation is not included under the terms of the AGREEMENT, such work will be designated as Extra Work, and shall be performed by the CONSULTANT as directed. In the event the completion of specific tasks identified in the Scope of Work significantly exceeds the hours originally budgeted for under the Scope of Work, CONSULTANT, subject to prior written approval by the CITY, may bill for such additional time at the rate corresponding to the task(s) in question under the Rate Schedule.

6.2 CONSULTANT shall not perform work in excess of the DESCRIBED SERVICES without the prior, written approval of the CITY. Before any Extra Work is initiated, the CONSULTANT shall identify the kind and estimated quantities of the Extra Work to be done. Approval from funding partners may also be required. The CITY and CONSULTANT shall negotiate a change order price. If a price cannot be negotiated, then the work shall be accomplished in accordance with the unit prices established in the awarded contract. All requests for extra work shall be in a written Change Order submitted to the CITY prior to the commencement of such work.

6.3 The CITY may reject the request for Extra Work based on the role of the request relative to completing the overall work program. The City may also reject the request if work line items can be traded under the existing budget or if the request can be handled in-house with existing staff resources.

6.4 If other conditions necessitate additional services or a change in services, any increase in compensation or contract amendment must be authorized and funded in advance in accordance with the City's Purchase Order Procedure Manual. No compensation for Extra Work or any other change in the contract will be allowed unless the Extra Work or change has been authorized in writing by the CITY, and the compensation or method of determining such compensation is stated in such written authority.

7.0 VERBAL AGREEMENT OR CONVERSATION; AND DELIVERABLE CONSIDERATIONS

7.1 No verbal agreement or conversation with any officer, agent or employee of the CITY, either before, during or after the execution of this AGREEMENT, shall effect or modify any of the terms or obligations herein contained nor shall such verbal agreement or conversation entitle CONSULTANT to any additional payment whatsoever.

8.0 TERMINATION OF AGREEMENT

8.1 In the event of CONSULTANT'S failure to prosecute, deliver, or perform the DESCRIBED SERVICES, the CITY may terminate this AGREEMENT by notifying CONSULTANT by certified mail of said termination. Thereupon, CONSULTANT shall cease work and within five (5) working days: (1) assemble all documents owned by the CITY and in consultant's possession and deliver said documents to the CITY and (2) place all work in progress in a safe and protected condition. The City Manager of the CITY shall make a determination of the percentage of work which CONSULTANT has performed which is usable and of worth to the CITY. Based upon that finding, the CITY shall determine any final payment due to CONSULTANT.

8.2 This AGREEMENT may be terminated by either party, without cause, upon the giving of thirty (30) days written notice to the other party. Prior to the 30th day following the giving of the notice, the CONSULTANT shall: (1) assemble the completed work product to date, and put same in order for proper filing and closing, and deliver said product to the CITY and (2) place all work in progress in a safe and protected condition. The City Manager of the CITY shall make a determination of the percentage of work which CONSULTANT has performed which is usable and of worth to the CITY. Based upon that finding, the CITY shall determine any final payment due to CONSULTANT.

9.0 COVENANTS AGAINST CONTINGENT FEES

CONSULTANT warrants that it has not employed or retained any company or person, other than a bona fide employee working for CONSULTANT, to solicit or secure this AGREEMENT, and that CONSULTANT has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon, or resulting from, the award or making of this AGREEMENT. For breach or violation of this warranty, the CITY shall have the right to terminate this AGREEMENT without liability or, at the CITY'S discretion to deduct from the AGREEMENT price or consideration, or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

10.0 OWNERSHIP OF DOCUMENTS

10.1 All work products including listed deliverables, plans, studies, sketches, drawings, reports and specifications as herein required and prepared and paid for by CITY under this AGREEMENT are the property of the CITY, whether or not the CITY proceeds with the project for which such documents are prepared.

10.2 If the CITY reuses such documents for any reason other than for the project for which they are prepared, without CONSULTANT'S prior written authorization which shall not be unreasonably withheld, the CITY waives any claim against CONSULTANT for such unauthorized use and will indemnify and hold CONSULTANT harmless from any claim or liability for injury or loss allegedly arising from the CITY'S unauthorized use of such documents.

11.0 STATUS OF CONSULTANT

CONSULTANT shall perform the services provided for herein in a manner of CONSULTANT'S own choice, as an independent contractor and in pursuit of CONSULTANT'S independent calling, and not as an employee of the CITY. CONSULTANT shall be under control of the CITY only as to the result to be accomplished and the personnel assigned to the project. However, CONSULTANT shall confer with the CITY.

12.0 HOLD HARMLESS

12.1 CONSULTANT agrees to indemnify and hold the CITY and CITY'S officers, officials, employees and agents harmless from, and against any and all liabilities, claims, demands, causes of action, losses, damages and costs, including all costs of defense thereof, arising out of, or in any manner connected directly or indirectly with, any negligent acts or omissions of CONSULTANT or CONSULTANT'S agents, employees, subcontractors, officials, officers or representatives. Except as otherwise provided in this Section, upon demand, CONSULTANT shall, at its own expense, defend CITY and CITY'S officers, officials, employees and agents, from and against any and all such liabilities, claims, demands, causes of action, losses, damages and costs.

12.2 CONSULTANT'S obligation herein does not extend to liabilities, claims, demands, and causes of action, losses, damages or costs that arise out of the CITY'S intentional wrongful acts, CITY'S violations of law, or the CITY'S sole active negligence.

13.0 ASSIGNMENT OF CONTRACT

CONSULTANT is without right to and shall not assign this AGREEMENT or any part thereof or any monies due hereunder without the prior written consent of the CITY which shall not be unreasonably withheld.

14.0 INSURANCE

14.1 PROVIDER shall obtain, and during the term of this CONTRACT shall maintain, policies of automobile liability, general liability and property damage insurance from an insurance company authorized to be in business in the State of California. Each such policy shall be in an amount of not less than one million dollars (\$1,000,000) for each occurrence, and shall be endorsed with the following language:

A. The CITY and CITY's officers, officials, employees, agents and volunteers are to be covered as additional insured with respect to liability arising out of the acts and omissions by or on behalf of PROVIDER.

B. The policy shall be considered primary insurance as respects the CITY and CITY's officers, officials, employees, agents, and volunteers. Any insurance maintained by the CITY, including any self-insured retention the CITY may have, shall be considered excess insurance only and shall not contribute with it.

C. The insurer shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.

D. The insured waives all rights of subrogation against the CITY and CITY's officers, officials, employees, agents and volunteers.

E. Provide that the policy shall remain in full force during the full term of this CONTRACT and shall not be canceled, voided, terminated, reduced, or allowed to expire without thirty (30) days prior written notice from the issuance company.

14.2 PROVIDER shall obtain, and during the term of this CONTACT shall maintain, a policy of professional liability insurance that shall:

A. Be from an insurance company authorized to be in business in the State of California;

B. Be in an insurable amount of not less than \$1,000,000 for each occurrence; and

C. Provide that the policy shall remain in full force during the full term of this CONTRACT and shall not be canceled, terminated, or allowed to expire without thirty (30) days prior written notice to the CITY from the insurance company.

14.3 Before PROVIDER shall employ any person or persons in the performance of the CONTRACT, PROVIDER shall procure a policy of Worker's Compensation Insurance as required by the Labor Code of the State of California.

14.4 Prior to commencement of work under this CONTRACT, PROVIDER shall furnish to the CONTRACT OFFICER proof of the insurance required in this Section.

14.5 Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the CITY's option, PROVIDER shall demonstrate financial capability for payment of such deductibles or self-insured retentions.

14.6 PROVIDER shall provide certificates of insurance with original endorsements to CITY as evidence of the insurance coverage required herein. Certificates of such insurance shall be filed with the CITY on or before commencement of performance of this CONTRACT. Current certification of insurance shall be kept on file with the CITY at all times during the term of this CONTRACT.

15.0 DISPUTES

15.1 If a dispute should arise regarding the performance of this AGREEMENT, the following procedures shall be used to address any question of fact or interpretation not otherwise settled by agreement between the parties. Such questions, if they become identified as part of a dispute between persons operating under the provisions of the AGREEMENT, shall be reduced to writing by the complaining party. A copy of such documented dispute shall be forwarded to the other party involved along with recommended methods of resolution. The party receiving the letter shall reply to the letter along with a recommended method of resolution within ten (10) days of receipt of the letter.

15.2 If the dispute is not resolved, the aggrieved party shall send to the CITY'S Manager a letter outlining the dispute for Manager's resolution.

15.3 If the dispute remains unresolved and the parties have exhausted the procedures of this section, the parties may then seek remedies available to them at law.

16.0 NOTICES

16.1 Any notices to be given under this AGREEMENT, or otherwise, shall be served by certified mail.

16.2 For the purposes hereof, unless otherwise provided in writing by the parties hereto, the address of the CITY and the proper person to receive any notice on the CITY'S behalf is:

Manjeet Ranu, AICP
Deputy Director of Planning and Building
City of Encinitas
505 S. Vulcan Avenue
Encinitas, CA 92024
(760) 633-2712

16.3 For the purposes hereof, unless otherwise provided in writing by the parties hereto, the address of CONSULTANT and the proper person to receive any notice on the CONSULTANT'S behalf is:

Lee D. Einsweiler
Principal
1200 East 11th Street #107
Austin, Texas 78702
(512) 478-2200

17.0 ATTORNEYS' FEES

In the event that one party incurs expenses, including attorneys' fees and costs, in enforcing the provisions of this AGREEMENT, such prevailing party shall be entitled to recover from the other party reimbursement for those costs including reasonable attorneys' fees.

18.0 CONSULTANT'S CERTIFICATION OF AWARENESS OF IMMIGRATION REFORM AND CONTROL ACT OF 1986

CONSULTANT certifies that CONSULTANT is aware of the requirements of the Immigration Reform and Control Act of 1986 (8 USC §§ 1101-1525) and has complied and will comply with these requirements, including but not limited to verifying the eligibility for employment of all agents, employees, subcontractors and consultants that are included in this AGREEMENT.

19.0 CONSULTANT'S AWARENESS AND COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT OF 1990

CONSULTANT certifies that CONSULTANT is aware of the requirements of the Americans with Disabilities Act of 1990 (42 USC §§ 12101) and has complied with and will comply with these requirements, included but not limited to verifying compliance of their contractors, consultants, agents, and employees.

CONSULTANT

Code Studio, inc.

by Lee D. Einsweiler 11/19/14
Lee D. Einsweiler Date
President

CITY

City of Encinitas

by L.A. Watt 2/6/15
~~Bus Vira~~ L.A. Watt Date
City Manager

ATTACHMENT "A"
HOUSING ELEMENT UPDATE
WORK PROJECT # WC14B
(Manner of Performing the Services)

CONSULTANT shall perform the services in the following manner. All deliverables/documents may be submitted in electronic format unless specified below.

[Scope of Work attached]

Assumptions

We have made the following assumptions in preparing this scope of work. These assumptions are based on Winter's previous work for the City, along with the materials available for review on the web.

- » Code Studio will be responsible for preparation of the new zone text and illustrations, based on prior work by Winter and discussions with City staff.
 - » Winter & Company will be responsible for the preparation of new design guidelines, also based on their prior work.
 - » There will be two new basic zones -- one for more dense residential development (presumed to be something like a new R-30 zone), plus one for mixed use development with more dense housing option included.
 - » The new zones will allow development that may exceed the City's current height limit of 2 stories. This will require adoption of the new zones by referendum.
 - » Concise design guidelines will be developed based on the results of the community feedback process. They will expand on the design principles set forth in the previous work effort. The guidelines will illustrate principles for compatible new construction.
 - » The new zones will be relatively simple, focusing on the form and building and parking placement, while the design guidelines will provide the nuances that help ensure projects are acceptable to the community, in spite of their additional height and intensity.
- » The prior work effort by Winter resulted in descriptions and analysis of special community characteristics that exist in the five communities. This work may provide a basis for varying the zone standards and design guidelines across the City.
 - » The new zones and guidelines are intended to be highly illustrated, user-friendly, clear and understandable.
 - » The new material (zones and guidelines) will be developed as a standalone document using InDesign software for ease of illustration and document management.
 - » The zones and guidelines must be developed in a very short period of time, relying on the prior work by Winter and the City as a basis for the new zones and guidelines. Therefore, the City will be responsible for any outreach to the community, as well as for taking the new zones and guidelines through the formal adoption process.

Scope of Work

TASK 1. PROJECT UNDERSTANDING

1.1: Document Review

- » Review existing relevant documents to provide a basis for understanding of the project requirements.

1.2: Web Conference with Staff

- » Discuss project schedule and unresolved questions about the new zones and design guidelines.
- » Anticipated issues include content questions about zones, allowed uses and development standards, and format issues about new material.

TASK 2. ZONES/GUIDELINES APPROACH

2.1. Preliminary Zone Metrics

- » Prepare preliminary approach (initial organization and standards) for new zones. Extract initial metrics from prior Encinitas modeling by Winter.

2.2. Preliminary Guidelines

- » Prepare preliminary table of contents and organization for new guidelines based on prior work by Winter.

2.3: Web Conference with Staff

- » Discuss and confirm approach with staff prior to drafting more complete zones and guidelines.

TASK 3. ZONES/GUIDELINES DRAFTING

3.1: Zones Drafting

- » Draft new zones, to include allowed uses, dimensional and form standards, parking standards and any design standards required for appropriate transitions to existing adjacent development.

3.2: Guidelines Preparation

- » Draft concise set of companion design guidelines to extend new zone concepts, with a focus on compatibility with existing adjacent development and quality urban design, not to exceed 30 pages. Guidelines to address neighborhood transitions, street edge, architectural character and site design.

3.3: Staff Working Session

- » Half-day staff work session covering both zones and guidelines, coordinated with a scheduled trip to Los Angeles, in order to reduce cost.

3.4: Final Zones/Guidelines

- » Revised zones and design guidelines, modified to incorporate changes agreed upon during staff working session.

Optional Components

The following components are not anticipated as part of the base project due to the anticipated budget and timeline. These elements would enhance the project, and the consultant team welcomes the opportunity to complete this work following completion of the final zones and guidelines.

Design Review Process

- » New design review procedure with a focus on appropriately handling the discussion of these more intense new projects with the community.

Specific Plan Amendments

- » New zones may be appropriate for use in an existing Specific Plan area, and revisions to the Specific Plan may be required to implement the new zones.

Training

- » Training for review staff and any boards or commissions anticipated to be involved in application of the new zones and guidelines.

ATTACHMENT "B"
HOUSING ELEMENT UPDATE
WORK PROJECT # WC14B
(Payment For Services)

The CITY shall pay CONSULTANT for the DESCRIBED SERVICES as follows:

The CITY hereby agrees to pay the CONSULTANT, as full compensation for the CONSULTANT'S services upon this project, a basic fee not to exceed \$49,990. Additional fees for Extra Work, if any, are to be computed and paid as provided in Section 6.0 of this AGREEMENT.

[Estimated Project Fee and Budget Schedule attached]

Reimbursable expenses for tasks will be paid on a monthly basis as the expenses are incurred by the CONSULTANT. Payment shall be made by the CITY to the CONSULTANT upon the receipt of an invoice itemizing the number of hours worked by task and work elements performed for the period covered by the invoice and/or incurred expenses. Direct costs associated with this project are included in the basis of compensation.

The total amount for each task as specified in the Estimated Project Fee and Budget Schedule (attached) shall not be exceeded except as provided in Section 6.0 of this AGREEMENT. Monthly progress payments will be made as follows: After commencement of work under this AGREEMENT and at expiration of each month of work thereafter, CONSULTANT will verify all work performed on a form acceptable to the City Manager. CITY and CONSULTANT will work together to ensure monthly invoicing is accompanied by satisfactory documentation of expenses.

The CITY will retain ten percent (10%) from the amounts invoiced until satisfactory completion of work and the final invoice has been processed. A partial payment computed by multiplying the basic fee by this percentage shall then become due and payable, provided however, that no more than ninety percent (90%) of the total fee will be paid during the performance of this AGREEMENT. The balance of said fee shall become due and payable upon completion of all duties under this agreement, final approval of the project by the City Manager, and delivery to the City Manager of all material and documents defined as property of the CITY by Section 10.0 of this AGREEMENT. All services shall be performed to the satisfaction of the City Manager and CITY shall not be liable for any payment under this AGREEMENT for services which are unsatisfactory and which have not been approved by the City Manager.

Budget Estimate

	Code Studio		Winter & Company			TOTAL
	Hours	Cost	Hours	Cost	Expenses	
Task 1. Project Understanding						
1.1 Document Review	8	\$1,440	4	\$570	--	\$2,010
1.2 Web Conference with Staff	4	\$720	4	\$570	--	\$1,290
	12	\$2,160	8	\$1,140	--	\$3,300
Task 2. Zones/Guidelines Approach						
2.1. Preliminary Zone Metrics	12	\$2,160	10	\$1,230	--	\$3,390
2.2 Preliminary Guidelines	--	--	10	\$1,230	--	\$1,230
2.3. Web Conference with Staff	4	\$720	4	\$570	--	\$1,290
	16	\$2,880	24	\$3,030		\$5,910
Task 3. Zones/Guidelines Drafting						
3.1. Zones Drafting	132	\$14,880	--	--	--	\$14,880
3.2 Guidelines Preparation	--	--	128	\$12,040	--	\$12,040
3.3. Staff Working Session	16	\$2,880	16	\$2,280	\$320	\$5,280
3.4. Final Zones/Guidelines	40	\$4,780	40	\$3,600	--	\$8,580
	188	\$22,540	184	\$17,920	\$320	\$40,780
	216	\$27,580	216	\$22,090	\$320	\$49,990

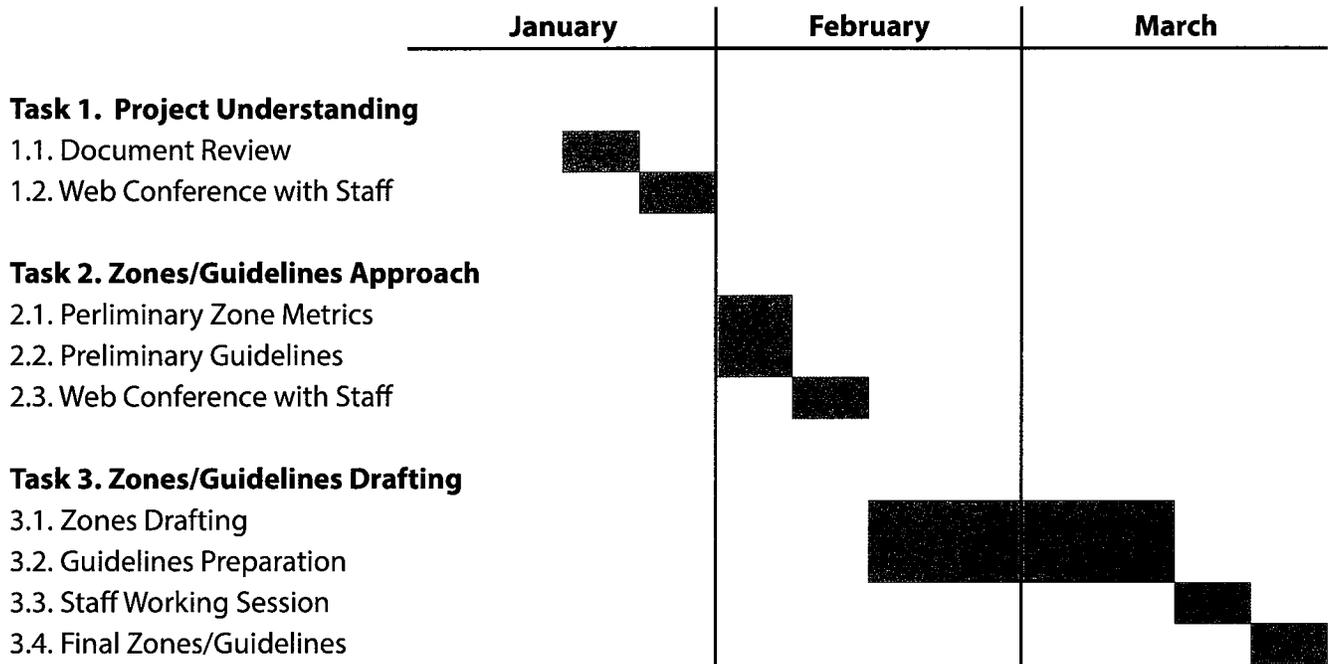
Billing rates for the team are as follows:

Code Studio	Hourly Rate
Principal	\$195
Project Manager	\$165
Associate	\$110
Graphics	\$75
Winter & Company	
Principal	\$175
Senior Urban Designer	\$110
Graphics	\$70

Optional Components

	Code Studio		Winter & Company			TOTAL
	Hours	Cost	Hours	Cost	Expenses	
Task A. Design Review Process	24	\$4,440	24	\$3,160	--	\$7,600
Task B. Specific Plan Amendments	24	\$4,200	40	\$6,320	--	\$10,520
Task C. Training	20	\$3,900	48	\$6,580	\$3,500	\$13,980
<hr/>						
	68	\$12,540	120	\$16,060	\$3,500	\$32,100
<hr/>						

Estimated Schedule



ATTACHMENT "C"
HOUSING ELEMENT UPDATE
WORK PROJECT # WC14B
(Subconsultants)

Winter & Company
1265 Yellow Pine Avenue
Boulder, CO 80304
(303) 440-8445

**ATTACHMENT 5
RESOLUTION NO. 2016-36**

RESOLUTION NO. 2016-36

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ENCINITAS
AMENDING THE FISCAL YEAR 2015-16 BUDGET**

WHEREAS, on June 10, 2015 the City of Encinitas City Council adopted Resolution No. 2015-32 appropriating the budget for fiscal year 2015-16; and

WHEREAS, changes in anticipated revenues and/or expenditures of the City of Encinitas necessitates a revision of the appropriations for Fiscal Year 2015-16; and

WHEREAS, the City Council has reviewed the proposed Fiscal Year 2015-16 budget amendments; and

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED that the City Council of the City of Encinitas does, hereby, adopt the amendments for Fiscal Year 2015-16 as summarized herein:

(1) Funding Source	(2) Organization Code and Object Code or Project No.	(3) Current Budget	(4) Amendment	(5) Revised Budget	(6) Revenue Exp.
General	10150405-411.1	\$414,777	(\$60,000)	\$354,777	Exp.
General	10190999-498.2 (WC14B)	\$850,732	\$85,000	\$935,732	Exp.
Capital	40100000-398.2 (WC14B)	\$850,732	\$85,000	\$935,732	Rev.
Capital	40101101-431.1 (WC14B)	\$850,732	\$85,000	\$935,732	Exp.

PASSED AND ADOPTED this 30th day of March, 2016, by the following vote, to wit:

AYES:

NAYS:

ABSENT:

ABSTAIN:

Kristin Gaspar, Mayor
City of Encinitas

ATTEST:

Kathy Hollywood, City Clerk