

CITY OF CHICO - PROFESSIONAL SERVICES AGREEMENT

FIRSTCARBON SOLUTIONS, INC.
Architect/Consultant/Engineer

WALMART EXPANSION PROJECT: ENVIRONMENTAL IMPACT REPORT
Project Title

863-000-5400/72189-4705
Budget Account Number

TABLE OF CONTENTS

<u>Section/Title</u>	<u>Page No.</u>
SECTION 1 - DESCRIPTION OF PROJECT	2
SECTION 2 - SCOPE OF PROFESSIONAL SERVICES - BASIC; COMPLETION SCHEDULE	2
SECTION 3 - SCOPE OF PROFESSIONAL SERVICES - ADDITIONAL; COMPLETION SCHEDULE	3
SECTION 4 - COMPENSATION	3
SECTION 5 - RESPONSIBILITY OF CONSULTANT	3
SECTION 6 - RESPONSIBILITY OF CITY	3
SECTION 7 - INDEMNIFICATION	4
SECTION 8 - INSURANCE	4
SECTION 9 - GENERAL PROVISIONS	5
9.1 - Access to Records	5
9.2 - Assignment	5
9.3 - Changes to Scope of Services - Basic Professional Services	5
9.4 - Compliance with Laws, Rules, Regulations	5
9.5 - Conflict of Interest Code Applicability	5

9.6 - Exhibits Incorporated	5
9.7 - Independent Contractor	6
9.8 - Integration; Amendment.....	6
9.9 - Jurisdiction.....	6
9.10 - Notice to Proceed; Progress; Completion.....	6
9.11 - Ownership of Documents	6
9.12 - Subcontracts.....	6
9.13 - Term; Termination.....	6
9.14 - Notice.....	7
SECTION 10 - SPECIAL PROVISIONS.....	7

THIS PROFESSIONAL SERVICES AGREEMENT (Agreement) is entered into on October 16, 2015, between the City of Chico, a municipal corporation under the laws of the State of California, (City) and FirstCarbon Solutions, Inc., a California corporation, (Consultant).

SECTION 1 - DESCRIPTION OF PROJECT

City desires to undertake that certain project (Project) described in EXHIBIT A, entitled "DESCRIPTION OF PROJECT," and to engage Consultant to provide the required professional services relating to the Project.

SECTION 2 - SCOPE OF PROFESSIONAL SERVICES - BASIC; COMPLETION SCHEDULE

Consultant shall perform those basic professional services in connection with the Project as are set forth more particularly in EXHIBIT B, entitled "SCOPE OF PROFESSIONAL SERVICES - BASIC; COMPLETION SCHEDULE," and shall complete said professional services in accordance with the completion schedule for professional services as incorporated in EXHIBIT B.

SECTION 3 - SCOPE OF PROFESSIONAL SERVICES - ADDITIONAL; COMPLETION SCHEDULE

City and Consultant agree that it may be necessary, in connection with the Project, for Consultant to perform or secure the performance of professional services other than those set forth in EXHIBIT B. In each such instance, Consultant shall advise City, in advance and in writing, of the need for such additional professional services, their cost and the estimated time, if appropriate, required to perform them. Consultant shall not proceed to perform any such

required additional professional service until City has determined that such professional service is beyond the scope of the basic professional service to be provided, is required, and has given its written authorization to perform or obtain it. Each additional professional service so authorized shall constitute an amendment to this Agreement, shall be identified and sequentially numbered as "Amendment No. 1" and so forth, shall be subject to all of the provisions of this Agreement, and shall be incorporated into EXHIBIT B accordingly.

SECTION 4 - COMPENSATION

Consultant shall be compensated for professional services rendered to City pursuant to this Agreement periodically in the amounts, manner and in accordance with the payment schedule as set forth in EXHIBIT C, entitled "COMPENSATION." Amounts due to Consultant from City for professional service rendered shall be evidenced by the submission to City by Consultant of an invoice, prepared in a form satisfactory to City, setting forth the amount of compensation due for the period covered by it. Each such invoice shall be forwarded to City so as to reach it on or before the 15th day of the month next following the month or months, or other applicable period, for which the professional service invoiced were provided. All such invoices shall be in full accord with any and all applicable provisions of this Agreement. City will make payment on each such invoice within 30 days of receipt of it. However, if Consultant submits an invoice which is incorrect, incomplete, or not in accord with the provisions of this Agreement, then City shall not be obligated to process any payment to Consultant until a correct and complying invoice has been submitted.

SECTION 5 - RESPONSIBILITY OF CONSULTANT

By executing this Agreement, Consultant warrants to City that Consultant possesses, or will arrange to secure from others, all of the necessary professional capabilities, experience, resources and facilities necessary to provide to City the professional services under this Agreement. In procuring the professional services of others to assist Consultant in performing the professional services set forth at EXHIBIT B or additional professional services under SECTION 3 of this Agreement, Consultant shall not employ or otherwise obtain the professional services of any person or entity known to Consultant or City to have, or be likely to develop during the term of this Agreement, an interest that is personally, or professionally, or financially adverse to any interest of City. Consultant will follow the best current, generally accepted professional practices in performing tests and procedures, making findings, rendering opinions, preparing factual presentations and providing professional advice and recommendations regarding professional services rendered under this Agreement.

SECTION 6 - RESPONSIBILITY OF CITY

To the extent appropriate to the Project contemplated by this Agreement, City shall:

6.1 Assist Consultant by placing at Consultant's disposal all available information pertinent to the Project, including previous reports and any other data relative to design and construction of the Project.

6.2 Guarantee access to and make all provisions for Consultant to enter upon public and private property as required for Consultant to perform Consultant's professional services.

6.3 Examine all studies, reports, sketches, drawings, specifications, proposals, and other documents prepared and presented by Consultant, and render verbally or in writing as may be appropriate, decisions pertaining thereto within a reasonable time so as not to delay the progress of the services by Consultant.

6.4 Designate in writing a person to act as City's representative with respect to the services to be performed under this Agreement. Such person shall have complete authority to transmit instructions, receive information, interpret and define City's policies and decisions with respect to materials, equipment, elements and systems pertinent to Consultant's professional services.

6.5 Give prompt written notice to Consultant whenever City observes or otherwise becomes aware of any defect in the Project.

6.6 Furnish approvals and permits from all governmental authorities having jurisdiction over the Project and such approvals and consents from others as may be necessary for completion of the Project.

SECTION 7 - INDEMNIFICATION

Consultant shall hold City, and all of City's officers, employees and agents harmless and free from any and all liabilities arising out of this Agreement and/or the performance by Consultant of the professional services provided for by this Agreement, excluding therefrom any such liability resulting solely from the active negligence of City or an officer, employee or agent of City. Should City or any of City's officers, employees or agents be named in any suit, or should any claim be made against it or any of them by suit or otherwise arising out of this Agreement and/or the performance by Consultant of the professional services provided for by this Agreement other than a suit or claim resulting solely from the active negligence of City or an officer, employee or agent of City, Consultant shall defend City and City's officers, employees and agents, whether the claim or suit be groundless or not, and shall indemnify them for any judgment rendered against them or any sums paid out in settlement or otherwise.

Notwithstanding the above, Consultant's obligation to indemnify, defend and hold harmless the City, its officers, employees and agents for claims involving "Professional Liability" (claims involving acts, errors or omissions in the rendering of professional services) shall be limited to the extent caused by Consultant's negligent acts, errors or omissions.

SECTION 8 - INSURANCE

Any requirements by City that Consultant carry general liability, errors and omissions, or any other type of insurance in connection with the services to be performed and/or professional services to be rendered by Consultant pursuant to this Agreement shall be as set forth in EXHIBIT D, entitled "INSURANCE PROVISIONS."

SECTION 9 - GENERAL PROVISIONS

9.1 Access to Records

Consultant shall maintain all books, records, documents, accounting ledgers, and similar materials relating to services performed for City under this Agreement on file for at least four

years following the date of final payment to Consultant by City. Any duly authorized representative(s) of City shall have access to such records for the purpose of inspection, audit and copying at reasonable times, during Consultant's usual and customary business hours. Consultant shall provide proper facilities to City's representative(s) for access and inspection. Consultant shall be entitled to reasonable compensation for time and expenses related to such access and inspection activities, which shall be considered to be an additional professional service to City, falling under the provisions of SECTION 3 of this Agreement.

9.2 Assignment

This Agreement is binding on the heirs, successors, and assigns of the parties hereto and shall not be assigned by either City or Consultant without the prior written consent of the other.

9.3 Changes to Scope of Services - Basic Professional Services

City may at any time, upon a minimum of 10 days written notice, modify the scope of basic professional services to be provided under this Agreement. Consultant shall, upon receipt of said notice, determine the impact on both time and compensation of such change in scope and notify City in writing. Upon agreement between City and Consultant as to the extent of said impacts to time and compensation, an amendment to this Agreement shall be prepared describing such changes. Execution of the amendment by City and Consultant shall constitute the Consultant's notice to proceed with the changed scope.

9.4 Compliance with Laws, Rules, Regulations

All professional services performed by Consultant pursuant to this Agreement shall be performed in accordance and full compliance with all applicable Federal, State, or City statutes, and any rules or regulations promulgated thereunder.

9.5 Conflict of Interest Code Applicability

If City's City Manager has determined that one or several of Consultant's Principal(s) or Project Manager(s) are subject to the provisions of Section 2R.04.180 of the Chico Municipal Code (the City's Conflict of Interest Code), then each such person will be required to comply with the provisions of said Code in connection with the professional services they render to the City under this Agreement. In such event, City's requirements are set forth in EXHIBIT E, entitled "CONFLICT OF INTEREST PROVISIONS," to this Agreement.

9.6 Exhibits Incorporated

All Exhibits attached to and referred to in this Agreement are hereby incorporated by this reference.

9.7 Independent Contractor

City and Consultant agree that the relationship between them created by this Agreement is that of an employer-independent contractor. Consultant shall be solely responsible for the conduct and control of the services performed under this Agreement. Consultant shall be free to render professional consulting services to others during the term of this Agreement, so long as such activities do not interfere with or diminish Consultant's ability to fulfill the obligations established herein to City.

9.8 Integration; Amendment

This Agreement represents the entire understanding of City and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered in it. This Agreement may not be modified or altered except by amendment in writing signed by both parties.

9.9 Jurisdiction

This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be in that state. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null, and void insofar as it is in conflict with said laws, but the remainder of the Agreement shall continue to be in full force and effect.

9.10 Notice to Proceed; Progress; Completion

Upon execution of this Agreement by the parties, City shall give Consultant written notice to proceed with the services. Such notice may authorize Consultant to render all of the professional services contemplated herein, or such portions or phases as may be mutually agreed upon. In the latter event, City shall, in its sole discretion, issue subsequent notices from time to time regarding further portions or phases of the services. Upon receipt of such notices, Consultant shall diligently proceed with the services authorized and complete it within the agreed time period.

9.11 Ownership of Documents

Title to all documents, designs, drawings, specifications, and the like with respect to services performed under this Agreement shall vest with City at such time as City has compensated Consultant, as provided herein, for the professional services rendered by Consultant in connection with which they were prepared.

9.12 Subcontracts

Consultant shall be entitled, to the extent determined appropriate by Consultant, to subcontract any portion of the services to be performed under this Agreement. Consultant shall be responsible to City for the actions of persons and firms performing subcontract services. The subcontracting of services by Consultant shall not relieve Consultant, in any manner, of the obligations and requirements imposed upon Consultant by this Agreement.

9.13 Term; Termination

The term of this Agreement shall commence upon City's issuance to Consultant of a notice to proceed for all or a portion of the services, as hereinabove provided, and shall end upon City's acceptance and payment for all or such portion of the services as was authorized by such notice, including any and all retentions. Notwithstanding the foregoing, City may, in its sole discretion, terminate this Agreement at any time and for any reason whatsoever by giving at least 10 days prior written notice of such termination to Consultant. In this latter event, Consultant shall be entitled to compensation for all professional service rendered and services performed for City to the date of such termination.

9.14 Notice

Any notices required to be given pursuant to this Agreement shall be deemed to have been given by their deposit, postage prepaid, in the United States Postal Service or, alternatively, by personal delivery or overnight courier service addressed to the parties as follows:

To City:	City Manager	or	City Manager
	City of Chico		City of Chico
	P. O. Box 3420		411 Main Street
	Chico, CA 95927-3420		Chico, CA 95928

To Consultant: FirstCarbon Solutions, Inc.
180 Promenade Circle, Suite 300
Sacramento, CA 95834

SECTION 10 - SPECIAL PROVISIONS

This Agreement shall include all special provisions, if any, as are set forth on EXHIBIT F, entitled "SPECIAL PROVISIONS."

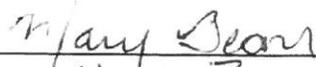
IN WITNESS WHEREOF, the parties hereto have executed this Agreement the date first set forth above.

CITY:

CONSULTANT:



Mark Orme, City Manager*


By: Mary Bean
via President

Title

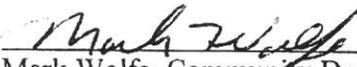
*Authorized pursuant to Section 3.08.060 of the Chico Municipal Code.

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:



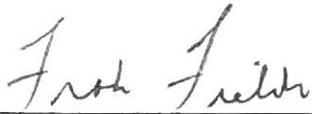
Vincent C. Ewing, City Attorney*



Mark Wolfe, Community Development Director

*Approved pursuant to The Charter of the City of Chico § 906(D)

REVIEWED AS TO CONTENT:



Frank Fields, Administrative Services Director*

*Reviewed by Risk Management, Human Resources, Finance and Information Systems.

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Project Title

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Budget Account No.

EXHIBIT A

DESCRIPTION OF PROJECT

The Consultant shall prepare an Environmental Impact Report (EIR) (EIR Project) for the Walmart Expansion Project (Project).

CITY OF CHICO - PROFESSIONAL SERVICES AGREEMENT

FIRSTCARBON SOLUTIONS, INC.

Architect/Consultant/Engineer

WALMART EXPANSION PROJECT: ENVIRONMENTAL IMPACT REPORT

Project Title

8630-000-5400/72189-4705

Budget Account No.

EXHIBIT B

SCOPE OF PROFESSIONAL SERVICES - BASIC; COMPLETION SCHEDULE

Project Understanding

The 27.08-acre Project site is located at 2044 Forest Avenue in Chico and is bounded by the Business Lane cul-de-sac, an In-N-Out Burger restaurant, a Krispy Kreme doughnut shop, and State Route (SR) 99 (west); Baney Lane, a gas station/sandwich shop, undeveloped land, and an Oxford Suites hotel (north); Forest Avenue, a bank, and a townhouse office complex (east); and the Wittmeier Drive cul-de-sac and Wittmeier Auto Center dealership (south).

The Project site comprises two parcels: A 16.46-acre parcel that contains Walmart Store No. 2044 and associated parking and landscaped areas and a 10.62-acre parcel to the south that contains undeveloped land. The existing Walmart store is 125,889 square feet in size, retails general merchandise and a limited amount of food and beverage items, and operates from 6:00 a.m. to midnight, seven days a week. Vehicular access is available from three driveways on Baney Lane (two of which allow full access and a third which allows only left-in, right-in, and right-out turning movements); a right-in, right-out driveway on Forest Avenue; and a service driveway from the Business Lane cul-de-sac. The undeveloped parcel contains ornamental landscaping, weedy vegetation, and isolated wetlands. The Project site is designated "Regional Commercial" by the City's General Plan and is zoned CR Regional Commercial by the City's Zoning Ordinance.

The Project Applicant proposes to subdivide the Project site to facilitate the following development and use activities: (1) expand the existing Walmart store; (2) develop a fuel station with a convenience market; and (3) create two proposed parcels for future commercial use. Following the subdivision, the Walmart parcel and fuel station would total 21.88 acres, proposed Parcel No. 2 would be 2.63 acres, and proposed Parcel No. 3 would be 2.57 acres.

The Walmart store would be expanded by up to 64,386 square feet to a maximum of 190,275 square feet, providing 55,729 square feet for grocery sales and grocery stockroom area. The remaining square footage would be used for general merchandise sales and storage. The Walmart store expansion will be evaluated in the EIR at 66,500 square feet, which is approximately three percent larger than 64,386 square feet. The expanded store may include a drive-through pharmacy and a grocery or general merchandise pickup service area. This latter area may involve minor exterior physical improvements, such as a drive-through window, designated parking area, parking canopy, or a designated location within the interior of the existing store for distribution of the ordered products. Parking areas and drive aisles would be reconfigured as part of the store expansion.

The fuel station would be located adjacent to the Forest Avenue frontage. The station would provide eight fueling positions under an outdoor canopy and a 1,440 square-foot "kiosk", which is anticipated to be functionally equivalent to a convenience market. The fuel station would operate from 5:00 a.m. to 11:00 p.m., seven days a week, and employ the use of underground storage tanks.

End uses for the two remaining parcels have not been identified at the time of this Agreement; however, based on the allowable uses of the CR (Regional Commercial) zoning district, it is assumed for the purposes of the EIR that they can support retail uses at approximately 10,000 square feet per acre. This would yield a building of 25,700 square feet on 2.57-acre proposed Parcel No. 3 and a building of 26,300 square feet on 2.63-acre proposed Parcel No. 2. Future development proposals for these two proposed parcels may require additional environmental review.

The three Baney Lane driveways would be converted to allow only right-out turning movements via the installation of raised concrete islands. (Right-in and left-in movements would still be permitted from Baney Lane). The intent is to direct outbound traffic towards Forest Avenue in order to reduce traffic on Business Lane. In addition, two new driveway connections would be provided to the Wittmeier Drive cul-de-sac. A traffic signal would be installed at Forest Avenue/Wittmeier Drive.

Discretionary approvals for the proposed Project include a Tentative Parcel Map, two Use Permits, a planned development permit, and Site Design and Architectural Review. The Project Applicant will submit the following technical studies to the City of Chico: Wetlands Survey, Geotechnical Evaluation, and Phase I Environmental Site Assessment (ESA). This scope of services includes a peer review task for each of these studies.

Scope of Professional Services - Basic

The Consultant shall provide professional services as follows:

TASK 1: EIR PROJECT INITIATION

The Consultant shall attend a kick-off meeting with City staff in Chico to clarify and confirm the Project description, identify key contacts, discuss scheduling targets, and obtain copies of the

Project plans and other relevant information. A Project site visit shall be conducted as part of the EIR Project initiation process and is assumed to occur on the same day as the kick-off meeting or the day of the scoping meeting addressed in Task 2.

TASK 2: NOTICE OF PREPARATION

The Consultant shall prepare a Notice of Preparation (NOP) in accordance with requirements of California Environmental Quality Act (CEQA) Guidelines Section 15082. The NOP shall identify the Project location, provide a summary of the Project characteristics, and list probable environmental effects, supported by color graphics. The City will be responsible for distributing the NOP to local agencies and interested parties.

Following release of the NOP, this scope of services assumes that the City will hold a public scoping meeting in Chico, which the Consultant shall attend. (Meeting attendance at the scoping meeting is accounted for in Task 14.) The Consultant shall present an overview of the NOP and CEQA process. All public comments received at the scoping meeting shall be documented in the Draft EIR.

Deliverables:

- One electronic version of the Administrative Draft NOP.
- Three hard copies and one electronic version of the Final NOP.
- 15 hard copies and the Notice of Completion to the State Clearinghouse.

TASK 3: TECHNICAL STUDY PEER REVIEW

Task 3.A: Wetlands Survey Peer Review

The Consultant shall peer review the Applicant-commissioned Wetland Survey technical study for CEQA adequacy, as well as consistency with professional standards for such studies. The study shall be reviewed to determine whether conclusions are supported by substantial evidence and whether feasible mitigation recommendations are identified for significant impacts. If the peer review identifies areas where revisions or additional analysis is necessary, the Consultant shall prepare written comments outlining those concerns.

Should the City and Consultant determine that additional, independent analysis of this subject is warranted, such analysis may be authorized through an amendment to this Agreement.

Task 3.B: Cultural Resources Technical Study Peer Review

The Consultant shall peer review the Applicant-commissioned Cultural Resources technical study for CEQA adequacy, as well as consistency with professional standards for such studies. The study shall be reviewed to determine whether conclusions are supported by substantial evidence and whether feasible mitigation recommendations are identified for significant impacts.

Task 3.C: Geotechnical Evaluation Technical Study Peer Review

The Consultant shall peer review the Applicant-commissioned Geotechnical Evaluation technical study for CEQA adequacy, as well as consistency with professional standards for such studies. The study shall be reviewed to determine whether conclusions are supported by substantial evidence and whether feasible mitigation recommendations are identified for significant impacts. If the peer review identifies areas where revisions or additional analysis is necessary, the Consultant shall prepare written comments outlining those concerns.

Task 3.D: Phase I ESA Technical Study Peer Review

The Consultant shall peer review the Applicant-commissioned Phase I ESA technical study for CEQA adequacy, as well as consistency with professional standards for such studies. The study shall be reviewed to determine whether conclusions are supported by substantial evidence and whether feasible mitigation recommendations are identified for significant impacts. If the peer review identifies areas where revisions or additional analysis is necessary, the Consultant shall prepare written comments outlining those concerns.

TASK 4: TECHNICAL STUDIES

Task 4.A: Air Quality/Greenhouse Gas Emissions Analysis

The Consultant shall model construction and operational emissions for the Project using the latest approved California Emission Estimator Model® (CalEEMod®).

Data Collection

The Consultant shall review the information provided in the Project Description and by the Applicant for relevant Project and Project site background information, including base graphics showing the Project area and vicinity, the proposed Project and adjacent land uses, and the timing and phasing of construction. Data from the Project Traffic Study shall be used for assessing mobile source emissions.

Background Air Quality and Climate Change Information

The air quality analysis shall contain background information, including a description of air pollutants and the regulatory environment for air quality, and shall describe the health impacts of the various air pollutants. The Project shall be reviewed for consistency with the General Plan and other regional planning documents. The greenhouse gas background information shall include a description of greenhouse gases, the regulatory environment surrounding climate change, and potential impacts of climate change. The Project shall be reviewed for consistency with the General Plan, the City's Climate Action Plan (CAP), and other regional planning documents, as well as for goals and policies that may relate to climate change.

Air Quality and Greenhouse Gas Analysis

The Consultant shall estimate air pollutant emissions associated with Project construction and operation using the CalEEMod® Version 2013.2.2. The pollutants that shall be estimated include the following: Reactive organic gases (ROG), oxides of nitrogen, and particulate matter (PM₁₀ and PM_{2.5}). Construction-related impacts include equipment exhaust emissions, fugitive dust emissions, and ROG emissions. The Consultant shall use thresholds of significance and the screening criteria in the Butte County Air Quality Management District (BCAQMD) Air Quality Handbook for the analysis.

The Consultant shall estimate greenhouse gas emissions associated with Project construction and operation using the CalEEMod®. The BCAQMD has not finalized greenhouse gas thresholds, but has indicated that projects complying with a qualified CAP would have a less-than-significant impact. The Consultant shall evaluate whether the Project is consistent with the City's CAP, which identified a target reduction of 25 percent below 2005 level before 2020. The Consultant shall prepare an analysis based on consistency with the identified reduction target.

This task shall include one round of comprehensive emissions modeling, which includes pre-mitigated and post-mitigated emissions modeling. Based on the Project description, this scope of services includes up to 25 hours for modeling emissions. If the level of effort exceeds the estimated number of hours, an amendment to this Agreement may be authorized. Major changes to the Project features, design, schedule, or other parameters that precipitate revisions to the emissions modeling may also warrant an amendment as will changes to the Project that occur after completing the analysis that require re-modeling.

Carbon Monoxide Hotspot Analysis

The localized impact assessment shall include a carbon monoxide (CO) Hot-Spot Analysis. If preliminary screening indicates that potential exists for a CO hot spot, the Consultant shall evaluate a minimum of three intersections with the highest potential for congestion, using Caltrans' CALINE4 and the EMFAC2014 models. If these intersections are predicted to exceed the CO standard, remaining intersections that meet the criteria for further analysis shall also be modeled for CO hotspot impacts.

Odor Analysis

The Consultant shall assess odor exposure. There are two scenarios that result in odor exposure: When a generator of odor is constructed near a sensitive receptor or when a sensitive receptor is placed near a source of odor or toxic air contaminants (TACs). The assessment shall compare the Project to BCAQMD's Screening Criteria and California Air Resources Board (CARB) land-use guidance, and shall provide a qualitative analysis of the Project's potential to generate an odor impact.

Mitigation Measures

Significance findings shall account for Project design features and other features that reduce air quality impacts and greenhouse gas impacts. In addition, the significance findings shall account for compliance with applicable BCAQMD rules, which are required by law as measures from the applicable Air Quality Attainment Plan. For impacts identified as potentially significant, the Consultant shall propose mitigation measures to reduce, minimize, or avoid the impact. The Consultant shall provide a significance finding before and after mitigation for all potential impacts.

Task 4.B: TAC and Criteria Pollutant Analysis

The Consultant shall conduct a comprehensive analysis of TACs generated by the Project, including a health risk assessment to determine if the Project would exceed Project and cumulative thresholds for increased cancer risk and non-cancer hazards as well as PM_{2.5}. Pursuant to directions from BCAQMD, this assessment does not include ambient air quality modeling, but if the Project exceeds any significance thresholds, ambient air quality modeling may be required and, if necessary, will be authorized through an amendment to this Agreement based on a proposal from the Consultant for preparation of ambient criteria pollutant dispersion modeling.

Collection of Available Information

The Consultant shall identify assumptions on the calculation of health risk based on criteria accepted by BCAQMD.

- The Consultant shall gather the relevant information on sources of TAC emissions and receptor locations as well as the proposed Project site plan that are identified in the EIR.
- Sources of TAC emissions within the boundary of proposed Project, parking lot emissions, emissions from Project-related travel on adjacent roadways, and sources within 1,000 feet of the Project shall also be included in the health risk assessment, including emissions from the existing Walmart building. This study shall include parking lot emissions, emissions offsite from the Project, and cumulative impacts for completeness.
- The Consultant shall contact the BCAQMD to provide emission estimates for those emission sources contained within its permit database that are within the 1,000-foot zone of influence for assessing cumulative impacts.
- The Consultant shall also identify the appropriate Project and cumulative significance thresholds defined by the BCAQMD.

Generation of TAC Emissions

The Consultant shall generate the emissions estimate of TACs from the following sources:

- The principal TAC emissions would consist of diesel particulate matter (DPM as PM_{2.5} exhaust) from diesel vehicles and total organic gas emissions from both diesel- and gasoline-fueled vehicles.
- As delivery truck emissions will be the primary source of TAC emissions, the TAC emissions shall be estimated based on the identification of onsite truck travel routes based in the Project site plan, location of truck entrances to the proposed Project site, and vehicle speed while traveling within the proposed Project boundary. Emissions shall also be estimated for onsite parking lot activities, offsite road travel, and from the operation of the Project.
- Emissions from the vehicular traffic shall be estimated for the build-out year in accordance with the most recent traffic impact study or Project description.
- To provide a worst-case estimate of truck-idling emissions, an idling time of 15-minutes per day per truck shall be assumed for non-Walmart trucks. Walmart trucks have automatic shutoff mechanisms that turn trucks off after three minutes, which is what shall be used for the analysis.
- The analysis shall provide estimates of truck-exhaust emissions for heavy-duty trucks for Walmart and non-Walmart trucks. The emission factors (EMFAC) shall be averaged per BCAQMD guidance. Also included shall be any emissions from the use of transport refrigeration units that are attached to heavy-duty trucks to transport perishable products.
- TAC emissions shall be estimated for a peak-hour time period to derive health impacts for acute non-cancer hazards and for an annual-average time period which shall be used to assess cancer risks and chronic non-cancer hazards.

Air Dispersion Model Application

The Consultant shall prepare an air dispersion model for the Project.

- In accordance with the BCAQMD's air dispersion modeling guidance, the Consultant shall apply the U.S. Environmental Protection Agency (EPA) AERMOD air dispersion model to estimate concentrations of the various TACs, including diesel particulate matter (DPM) and components of total organic gases.
- The Consultant shall use line emission sources to estimate emission impacts from vehicle travel and emissions from transportation refrigeration units both onsite and along adjacent roadways.

- A point source representation of idling trucks and transport refrigeration units, if any are proposed, shall be applied in the air dispersion modeling as per BCAQMD guidance.
- Project-level incremental health risk impacts shall be assessed for cancer risk and non-cancer hazards in accordance with the methodology recommended by the BCAQMD.
- The Consultant shall compare the resulting health risk impacts to the applicable significance thresholds defined in the BCAQMD CEQA Guidelines for both Project-specific impacts and cumulative impacts, considering the emissions from all sources within 1,000 feet.
- Mitigation measures, if any, shall be identified to reduce emissions for those pollutants that exceed any significance thresholds.

Task 4.C: Noise Analysis

The Consultant shall prepare a Noise Analysis to evaluate Project-related construction and operational noise impacts on surrounding land uses. The analysis shall be wholly contained in the EIR, and the supporting technical data shall be appended to the document. To perform this analysis, the following tasks are required:

Background and Regulatory Information

The Consultant shall describe the general characteristics of sound and the categories of audible noise and shall identify the applicable regulatory framework and thresholds of significance related to noise, including applicable Federal, State, and City plans, policies, and standards.

Document Existing Conditions

The Consultant shall identify existing noise sources in the Project vicinity, such as major arterial roadways, railroads, and aircraft noise sources, if any, and stationary (non-transportation related) noise sources associated with adjacent land use operations. Noise sensitive land uses in the Project vicinity shall also be identified. The Consultant shall evaluate the existing noise environment and obtain up to eight short-term noise measurements and up to three 24-hour noise measurements in the vicinity of the Project site in order to determine the ambient noise conditions and to obtain reference measurements of the noise generated by the existing Walmart store's onsite operational (i.e. stationary) noise sources.

Construction Noise and Vibration Impact Analysis

Construction of the Project would require the short-term operation of heavy equipment in the vicinity of nearby residential land uses. The Consultant shall

use the Federal Highway Administration's (FHWA) Roadway Construction Noise Model (RCNM) Version 1.1 to analyze potential noise impacts associated with demolition and construction activities. Construction noise analysis requirements shall be based on the sensitivity of the Project area and the City's noise ordinance specifications. If modeled construction noise is found to be at significant levels, the Consultant shall develop and quantify feasible noise-reducing mitigation.

The Consultant shall also analyze potential vibration impacts associated with construction activities through application of the methodology used in the Transportation- and Construction-Induced Vibration Guidance Manual (Vibration Guidance Manual), prepared for Caltrans.

Operational Noise and Vibration Impact Analysis

Project operational noise sources are anticipated to include new mechanical equipment, new loading dock areas, truck routes, expanded parking lot activities, new trash compactors, and additional traffic on local roadways.

Transportation noise in the Project area shall be modeled to evaluate traffic noise along the local and regional roadway network. The Consultant shall use the SoundPlan Version 7.4 with the FHWA Traffic Noise Model (TNM) algorithm to analyze potential noise impacts associated with Project operations and to identify measures to minimize the noise impacts. This shall include the following subtasks:

- Use a version of the FHWA prediction model to calculate the existing and future (without Project and with Project) offsite traffic noise contours at up to 20 roadway segments. The Consultant shall use the roadway traffic data provided in the Traffic Study prepared for the proposed Project.
- Calculate the Project's own contributions to future exterior traffic noise by comparing the pre-Project and post-Project noise contours on the Project area roadways and evaluating the results against the City's exterior noise standards.
- Calculate the future interior noise levels at nearby residences based on the FHWA prediction model for the long term with Project traffic scenario, and compare the results with the City's interior noise standards.
- Use SoundPlan Version 7.4 to calculate the onsite stationary noise impacts onto the nearby residential uses from the following onsite uses: Roof-mounted mechanical equipment, loading dock areas, truck routes, parking lot activities, forklifts, trash compactors, and from any other stationary noise sources identified. Provide noise contours of the stationary noise impacts.
- Analyze the combined operations-related traffic and stationary noise impacts, provide noise contours documenting the forecast near-term and long-term noise levels for the Project site, and compare the results with the City's noise standards.

The Consultant shall also analyze potential vibration impacts associated with the on-going operations activities, including potential impacts from mechanical equipment and from on-site truck routes through application of the methodology used in the Transit Noise and Vibration Impact Assessment, prepared by the Federal Transit Administration (FTA).

Noise Reductions and Significance Findings

The Consultant shall identify, where appropriate, mitigation measures designed to reduce short- and long-term noise impacts and shall provide both an evaluation of the potential mitigation measures and a discussion of their effectiveness.

The Consultant shall directly incorporate this initial technical noise impact analysis assessment into the EIR, placing noise-monitoring readouts and modeling data in the Appendices. This task does not include the preparation of a separate, stand-alone technical noise study.

Task 4.D: Traffic Impact Analysis

Subconsultant Fehr & Peers (F&P) shall prepare a Traffic Impact Analysis (Traffic Study) to evaluate various transportation-related issues. The Traffic Study shall consist of the following tasks:

Subtask 4.D.1: Data Collection

INTERSECTIONS

Subconsultant F&P shall collect new AM (7:00-9:00), PM (4:00-6:00), and Saturday mid-day (11:30-1:30) peak-hour turning-movement counts at the following intersections:

1. East 20th Street/Dr. Martin Luther King, Jr. (MLK) Parkway
2. East 20th Street/SR 99 southbound ramps
3. East 20th Street/SR 99 northbound ramps
4. East 20th Street/Business Lane
5. East 20th Street/Chico Mall entrance
6. East 20th Street/Forest Avenue
7. Forest Avenue/Baney Lane
8. Forest Avenue/Whitmeier Drive-Talbot Drive
9. Forest Avenue/Notre Dame Boulevard
10. East Park Avenue/MLK Parkway
11. Skyway/SR 99 southbound ramps
12. Skyway/SR 99 northbound ramps
13. Skyway/Notre Dame Boulevard

Additionally, Subconsultant F&P shall collect signal-timing information from the City and Caltrans and shall conduct field observations during the count periods' peak-hour traffic at the Traffic Study intersections.

ROADWAY SEGMENTS

Average Daily Traffic (ADT) counts shall be conducted on the following roadway segments:

- East 20th Street between SR 99 and Forest Avenue
- Baney Lane between Business Lane and Forest Avenue
- Business Lane between East 20th Street and Baney Lane

The roadways shall not be analyzed for Level of Service (LOS), but for the specific issues discussed below.

Business Lane

As Business Lane is a private street with access constraints at the intersection with East 20th Street, the Traffic Study shall evaluate the Project impacts on the corridor in light of these issues and shall make appropriate recommendations.

Baney Lane

The 2009 Traffic Study included recommendations for widening on Baney Lane given the westbound left-turn lane requirements and eastbound storage needs approaching Forest Avenue. Subconsultant F&P shall revisit these issues in this Traffic Study, including the appropriateness of driveway restrictions to the proposed Project. A geometric concept plan, including widening detail if needed, shall be provided for this segment intended to serve *Cumulative Plus Project* conditions.

DRIVEWAYS

AM and PM peak-hour turning-movement counts shall also be collected at the following driveways, in order to analyze queuing, lane storage impacts, and driveway interaction with adjacent arterial intersections.

Walmart Driveways with:

- Baney Lane
- Whitmeier Drive
- Forest Avenue
- Business Lane

FREEWAYS

Subconsultant F&P shall review Caltrans' count data along the freeway mainline with City staff to consider a growth factor for ramp merge/diverge/weave assessment. Ramp volumes shall be taken from the peak-hour counts collected at the ramp terminal intersections. Mainline freeway facilities shall be analyzed for LOS, while ramp junctions shall be analyzed for ramp merge/diverge LOS.

SR 99 Mainline

- From north of East 20th Street to south of Skyway

SR 99 Ramp Junctions

- SR 99/East 20th Street
- SR 99/Skyway

Subtask 4.D.2: Existing Conditions

Subconsultant F&P shall complete standard LOS, queuing, and warrant analysis for the Traffic Study area noted above as well as the technical issues noted under each Traffic Study area component. Subconsultant F&P shall use Highway Capacity Manual (HCM) 2010 methodologies, but all LOS shall be determined by Synchro (assuming coordination where appropriate). The queuing analysis shall be done using SimTraffic (average of ten runs), and the existing conditions analysis shall be based upon existing count information and signal timings collected in Subtask 4.D.1.

Subtask 4.D.3: Project Travel Characteristics

Subconsultant F&P shall obtain future traffic projections from the City's Travel Demand Forecasting Model which was completed by F&P for use on the General Plan Update. Subconsultant F&P shall make appropriate adjustments to the Year 2030 projections based on new turning-movement counts. Short-term conditions shall be estimated using the existing counts and 2030 projections.

PROJECT TRIP GENERATION

The 2009 Traffic Study surveyed the trip generation rate of the existing store and used that data in developing the trip generation for the expansion. Subconsultant F&P shall review the trip generation and pass-by and diverted trip assumptions from the 2009 Traffic Study for applicability and provide modifications if needed. Subconsultant F&P shall draft a new narrative describing the 2030 projected trip generation based on the results of the analysis.

All trip generation rates shall be reviewed and approved by the City before the traffic analysis calculations proceed.

PROJECT TRIP DISTRIBUTION

Subconsultant F&P shall review the trip distribution from the 2009 Traffic Study for applicability, providing modifications if needed, and then draft a new narrative describing the 2030 projected trip distribution based on the results of the analysis.

All trip distribution rates shall be reviewed and approved by the City before the traffic analysis calculations proceed.

Subtask 4.D.4: Existing Plus Project Conditions

Using the forecasts from Subtask 4.D.3, Project-generated trips shall be assigned to the existing counts from the Traffic Study facilities named in Subtask 4.D.1 and analyzed accordingly for LOS and queuing analysis.

Subtask 4.D.5: Short-Term Conditions

At the direction of the City, short-term conditions shall be analyzed regarding transportation improvements and traffic volumes expected in the horizon year of the Project's initiation. Using the City's Travel Demand Forecasting Model, traffic volumes shall be forecast for this horizon year and used as the *Short Term No Project* conditions. *Short Term Plus Project* conditions is the analysis scenario in which projected Project trips from Subtask 4.D.3 shall be added to the *Short Term No Project* turning movements.

Subtask 4.D.6: Cumulative Conditions

Cumulative No Project traffic volumes shall be forecast using the City's Travel Demand Forecasting Model for the year 2030, which assumes build-out of the General Plan. The travel demand model shall assume all future roadway connections within the City and the surrounding region. The *Cumulative Plus Project* conditions shall take projected Project trips from Subtask 4.D.3 and add them to *Cumulative No Project* conditions turning movements.

This scope of services assumes that the City's upcoming Nexus Fee Update will include the installation of roundabouts at East 20th Street/Business Lane, East 20th Street/Chico Mall entrance (relocated), and East 20th Street/Forest Avenue. These recommendations are part of a preliminary East 20th Street Corridor Study. Therefore, the Consultant's evaluation of *Cumulative No Project* 2030 and *Cumulative Plus Project* 2030 conditions on the East 20th Street corridor between SR 99 and Forest Avenue shall be conducted both with the existing lane configurations/traffic controls as well as the roundabout corridor improvements.

Subtask 4.D.7: Project Access

Subconsultant F&P shall use turning-movement projections at the Walmart driveways to analyze Project access and shall conduct turn-lane warrants and analyze queuing impacts within the Project site. Recommendations regarding Project access shall also consider bicycle, pedestrian, and transit facilities surrounding the Project site. Subconsultant F&P shall prepare a short qualitative discussion of pedestrian and transit issues, including an assessment of potential pedestrian-crossing facilities around the perimeter of the Project site. This scope of services assumes that the existing Class I bicycle path located on the western and southern boundaries of the Walmart store and parking lot is a small segment of a planned Class I bicycle/pedestrian path that will run on the east side of SR 99 from Big Chico Creek to Skyway/Notre Dame Boulevard. This facility and any related impacts of the Project shall be included in this discussion.

Subtask 4.D.8: Documentation

Subconsultant F&P shall prepare an administrative draft for City review and then produce a second draft incorporating City comments.

Subtask 4.D.9: Response to Comments on Draft EIR

Subconsultant F&P shall assist with drafting responses to transportation-related comments received on the Draft EIR during the public comment period. This scope of services includes 30 hours for this task. Depending on the number of comments, an Amendment to this Agreement may be authorized in order to increase the number of hours and budget for this task.

Subtask 4.D.10: Meetings

Subconsultant F&P shall attend up to four meetings during the course of the Traffic Study, including meetings with the EIR Project team, neighborhood meetings, and public hearings.

Subtask 4.D.11: Alternatives Analysis

If the Consultant proposes Project alternatives, Subconsultant F&P shall conduct the associated trip generation analysis. Since the alternative(s) may presumably be less intense than the Project, Subconsultant F&P shall prepare a short qualitative discussion of the potential impacts of the alternatives.

Subtask 4.D.12: Vehicle Miles Traveled (VMT)

Subconsultant F&P shall quantify Project VMT as part of the Traffic Study and document the results in the transportation and circulation chapter of the EIR.

Task 4.E: Urban Decay Analysis

Subtask 4.E.1: Project Initiation and EIR Coordination

Subconsultant ALH Economics (ALH) shall initiate the Urban Decay Analysis through reviewing existing Project materials and coordinating with the Consultant and other relevant parties regarding key data points. This initiation shall include a kick-off conference call to review the Project scope and to ensure complete and comprehensive transmittal of relevant Project information. The key data points required shall include Project square footage, assumed Project opening date, trip distribution assumptions, Chico and other relevant city population and household estimates and projections, cumulative projects detail, and other salient factors. The purpose of this shall be to achieve consistency between other Project documents and the Urban Decay Analysis. Data required to support the analysis not included in existing materials shall be specifically requested from the Consultant.

Subtask 4.E.2: Project Definition

Subconsultant ALH shall formulate a working definition of the Project, to include anticipated square footage by type of commercial retail component, sales upon stabilization, and assumed Project opening date. Subconsultant ALH shall develop retail sales categories and sales estimates relevant to the Project for comparative analysis. If specific information regarding prospective tenants for Proposed Parcel Nos. 2 and 3 is not available, Subconsultant ALH shall develop assumptions based upon consideration of typical retail center composition, especially Walmart-anchored shopping centers. Subconsultant ALH shall formulate sales projections for the retail components based on this information, using Form 10-K reports on file with the Securities and Exchange Commission for Walmart and any other identified retailers and industry resources for other, more generalized retailers.

Subtask 4.E.3: Definition of Market Area

Subconsultant ALH shall define a market area appropriate for analysis of the Project, that is, the area from which the majority of retail demand for the Project is anticipated to originate. This shall be defined through several approaches, including visual observation and data analysis, as well as analysis of the distribution pattern of existing Walmart stores. Examination of the Project area's geography and regional highway system shall also contribute to the definition of the market area. Subconsultant ALH Economics shall additionally estimate the level of Project demand likely to be generated from within the market area versus other sources of demand.

Subtask 4.E.4: Demographic Estimates and Projections Compilation

Subconsultant ALH shall compile population and household estimates and projections for the market area and shall prepare them using generally accepted

government resources to the extent possible, in addition to being relative to demographic data included in other Project materials. Other resources shall be used as necessary. This subtask provides an opportunity to ensure that any future households generated by planned residential projects in the market area are included in the household projections.

Subtask 4.E.5: Retail Demand and Sales Leakage Analysis

Subconsultant ALH maintains a retail demand and sales leakage model that estimates market-area retail-spending potential based upon population/households, income, and consumer spending patterns, and determines the extent to which a market area is or is not capturing this spending potential. Retail categories in which spending is not fully captured are called “leakage” categories, while retail categories in which more sales are captured than are generated by residents are called “attraction categories”.

Subconsultant ALH shall conduct this analysis for the geographies most closely approximating the Project’s market area. The retail demand and sales leakage analysis shall be operated for the data (four quarters) most recently available as of the analysis initiation date. The findings shall then be used as a basis for projecting the retail supply-and-demand conditions during the Project’s projected first year of operations. This latter analysis shall take into consideration the extent to which relevant retail demand is expected to grow based on household growth by the time of the Project’s opening.

The results shall indicate the extent to which the market area is currently capturing existing regional demand in categories relevant to the Project, the extent of this attraction, and the extent to which there may be other potential to capture relevant sales. Moreover, the results shall indicate the extent to which future area household and income growth may impact the demand for new market area sales, coincident with the stabilization of the Project.

Subtask 4.E.6: Conduct Site Reconnaissance

Subconsultant ALH shall visit the Project location and nearby shopping districts in order to understand the location of the Project site vis-à-vis competitive retailers (existing and planned) and to assess prospective impacts on existing retailers and nearby fuel stations. This task shall be conducted coincident with the subtask below—Existing Comparable Impacts activities.

Subtask 4.E.7: Existing Comparable Impacts

In this subtask, Subconsultant ALH shall use the quantitative approach it has developed to estimate the extent of existing comparable market area sales that might be diverted by new or expanded retailers. This approach takes into consideration the extent to which existing market area retailers share in regional demand, the extent to which market area retailers experience net regional attraction or leakage in key retail

categories, and the anticipated distribution of the prospective retailer's sales. The data points most critical to this analysis include estimated market area sales data (or a proxy thereof), the Retail Demand and Sales Leakage Analysis, and the projected retailer sales.

This quantitative analysis shall be paired with tours of the relevant market area stores, to be determined following the earlier Project definition. This shall most likely focus on stores selling groceries, general merchandise, pharmacy, and fuel stations, as these are the products anticipated to be sold in the expanded Walmart store space. The purpose of the tours shall be to identify relative retail niches, to generally assess the nature and strength of their operations, and to qualitatively assess the degree to which the Project may compete with existing stores and the associated level of sales losses that may be experienced by these types of stores. Subconsultant ALH shall identify competitive facilities through personal knowledge of the market area, review of existing documents, Internet research, and field research.

Subtask 4.E.8: Cumulative Impacts Analysis

In addition to examining the impact of the Project, Subconsultant ALH's analysis shall also consider the cumulative impacts of developments in association with other new development projects under construction or planned in the market area. This analysis shall include projects known to the City as well as other relevant market area or neighboring jurisdictions for which entitlement applications have been submitted. Thus, projects with a reasonable expectation of being developed during or shortly after the timeframe of the Project shall be incorporated into the analysis. The preceding store impact findings shall be augmented through sensitivity analysis to include these projects.

Subtask 4.E.9: Urban Decay Determination

Based upon the preceding task findings, Subconsultant ALH shall develop an estimate of the extent to which development of the Project may or may not contribute to urban decay. In order to establish baseline conditions for this analysis, a visual assessment of existing retail occupancies/vacancies and building conditions shall be conducted, and representative areas of existing or potential physical deterioration shall be noted. To the extent available, information on prevailing retail vacancy and occupancy rates and general retail market trends shall be researched and discussed, as well as information about past retail vacancies and their subsequent backfilling, if relevant. In addition, Subconsultant ALH shall review experience surrounding the City's code enforcement efforts.

A determination that the Project could result in potential urban decay would need to be predicated upon a finding of negative economic impact so severe that stores might close as a result and that it would be expected that, rather than being reused within a reasonable time, those buildings and/or property would remain vacant, deteriorate, and lead to the decline of the associated or nearby real estate. If Subconsultant ALH

finds no or minimal negative impact, then urban decay would not be a logical result. However, simple store closures are not sufficient to cause urban decay, as such closures could provide an opportunity for new retailers or other tenants to occupy the vacated space or for property owners to engage in economic development efforts to improve properties. Therefore, Subconsultant ALH shall additionally contact commercial brokers active in and around the market area to obtain their perception of the potential for commercial leasing activity as well as their perception of the future and strength of retailing in and around the market area, or the potential reuse of vacant commercial space for other uses, such as institutional or industrial. Retail market vacancy statistics shall be obtained for the market area to the extent possible, as well as examples of recent retail leasing activity.

Subtask 4.E.10: Report Preparation

Subconsultant ALH shall prepare a succinct report documenting the Urban Decay Analysis tasks, approach, and findings. Quantitative findings relevant to the report shall be fully documented and attached as exhibits. A draft of the report shall be submitted to the Consultant for review. Following Consultant review and comment, Subconsultant ALH shall revise the report for purposes of the Administrative Draft EIR review. Pending City comments, the report shall then be finalized for inclusion in the Draft EIR.

Subtask 4.E.11: Response to Public Comments

Subconsultant ALH shall review any relevant public comments submitted following distribution of the urban decay report and shall provide written responses, if warranted, for public distribution. This scope of services includes up to 20 hours of staff time required for this subtask.

Subtask 4.E.12: Public Hearing Attendance

Subconsultant ALH shall attend up to four public hearings relevant to the Project and shall participate as warranted, assuming no prior conflicts associated with the meeting dates. Other provisions may need to be made if such conflicts occur, such as the submission of additional written documents for the public record.

TASK 5: ADMINISTRATIVE DRAFT EIR

The Consultant shall prepare an Administrative Draft EIR in accordance with the applicable requirements contained in CEQA Guidelines Sections 15120 through 15132. The Administrative Draft EIR shall contain analysis supported by graphics and tables and shall identify potentially significant impacts, feasible mitigation measures, and the residual significance after mitigation has been implemented. The contents of the Administrative Draft EIR shall be as follows:

Executive Summary

In accordance with CEQA Guidelines Section 15123, the Executive Summary shall contain a summary of the Project, list the Project alternatives, identify areas of controversy, and provide a matrix listing environmental impacts and mitigation measures, and the residual significance of all impacts.

Introduction

The Consultant shall prepare the introduction including the purpose and background of the Project, the determination of the lead agency, scope of the EIR, and the document's organization. The introduction shall establish the scope of review of the EIR and identify environmental topics that had been previously evaluated at a sufficient level in the prior rounds of environmental review and thus would not need to be re-evaluated.

Project Description

Pursuant to CEQA Guidelines Section 15124, the Project description shall identify the Project location, describe the Project characteristics, list the Project objectives, identify necessary approvals, and list other agencies that may use the document. The Project description shall describe the relationship of the Project to the City's General Plan and Zoning Ordinance and use color graphics and tables to clearly convey relevant information to the reviewer.

Environmental Setting, Impacts, and Mitigation Measures

The following specific sections shall be prepared and provide a discussion of environmental setting, impacts, and mitigation measures, if applicable.

Aesthetics, Light, and Glare

The proposed Project contemplates the expansion of the existing retail uses on a site that currently contains an existing Walmart store, parking areas, landscaping, and undeveloped land. The Consultant shall evaluate the change in visual character and the effects of new lighting sources through review of elevations, Project plans, and site reconnaissance. Mitigation measures shall be proposed if necessary.

This scope of services assumes that the visual effects of the Project can be adequately assessed and disclosed through Project site photographs, Applicant-provided elevations and images, and review of the applicable development standards. Therefore, computer-generated visual simulations are not included. If the City determines that simulations should be prepared, such additional services shall be authorized in writing.

Air Quality/Greenhouse Gas Emissions

The proposed Project contemplates construction and operational activities that would emit criteria air pollutants and greenhouse gas emissions. Additionally, the Project would emit

TACs and has the potential to create objectionable odors. The Consultant shall prepare the EIR Air Quality/Greenhouse Gas Emissions section and identify impacts and mitigation, as appropriate, using the Air Quality/Greenhouse Gas Emissions technical study.

Biological Resources

The Project site contains undeveloped land that supports ornamental landscaping, weedy vegetation, and isolated wetlands. The Consultant shall prepare the EIR Biological Resources section and identify impacts and mitigation, as appropriate, using the Applicant-commissioned Wetlands Survey technical study.

Cultural Resources

The Project site contains undeveloped land that may contain undiscovered cultural resources, such as artifacts and fossils. The Consultant shall prepare the EIR Cultural Resources section and identify impacts and mitigation, as appropriate, using the Applicant-commissioned Cultural Resources Assessment technical study.

Geology, Soils, and Seismicity

The proposed Project contemplates the development of an expanded Walmart store and new commercial buildings in a seismically active region of California. The Consultant shall prepare the EIR Geology, Soils, and Seismicity section and shall identify impacts and mitigation, as appropriate, using the Applicant-commissioned Geotechnical Evaluation technical study.

Hazards and Hazardous Materials

The proposed Project's end uses include a fuel station that would store and retail petroleum products and provide other commercial uses that involve routine handling and use of hazardous materials. The Consultant shall evaluate hazardous materials using the Applicant-commissioned Phase I ESA technical study, as well as readily available sources of information about hazardous materials usage in the Project vicinity (e.g., the Geotracker database). The Consultant shall identify impacts and mitigation, as appropriate.

Hydrology and Water Quality

The proposed Project contemplates future development activities that would involve construction and operation activities that have the potential to create polluted runoff, increase impervious surface coverage, and create downstream drainage problems. The Consultant shall use information provided by the Applicant about proposed storm drainage facilities and water quality treatment measures and shall also review readily available sources of information about surface water features, groundwater resources, municipal storm drainage facilities, and flood hazard areas.

Land Use

The proposed Project would involve the expansion of commercial uses on a site designated for regional commercial use. Therefore, the Project shall be assessed for consistency with the City's General Plan and Zoning Ordinance. Consistency with all applicable General Plan goals and policies shall be shown in a matrix format. Additionally, the proposed uses and associated infrastructure improvements shall be assessed in accordance with the development standards set forth in the General Plan and Zoning Ordinance.

Noise

The proposed Project contemplates construction and operational activities that could potentially expose surrounding land uses to excessive noise and vibration levels. Of particular concern are temporary increases in ambient noise levels during construction and permanent increases in ambient noise levels for operational activities (e.g., vehicle trips, truck deliveries, mobile and stationary equipment). The Consultant shall prepare the EIR noise section and shall identify impacts and mitigation, as appropriate, using the noise technical study.

Public Services and Utilities

The Consultant shall evaluate impacts on public service and utility providers and evaluate the proposed Project's impacts in terms of the need to construct new or expanded existing facilities, acquire additional supplies, generate effluent that exceeds the permitted capacity, etc. The Consultant shall use information provided by the Applicant about proposed utility demands and facilities. For other areas, the City and service/utility providers will provide the Consultant with information about service levels, the adequacy of existing infra-structure, and similar topics. The following topics shall be analyzed:

- Fire Protection/Emergency Medical Services
- Police Protection
- Water Supply
- Wastewater
- Storm Drainage
- Solid Waste
- Energy

Transportation

The proposed Project contemplates the expansion of the existing retail uses on a site that currently contains an existing Walmart store, parking areas, landscaping, and undeveloped land. These characteristics have the potential to generate new trips, alter traffic circulation patterns, create a need for roadway improvements, and increase the use of public transit, bicycle, and pedestrian modes of transportation. The Consultant shall use Subconsultant F&P's Traffic Study as the basis for assessing transportation impacts. The Traffic Study shall be provided as an appendix to the EIR.

Urban Decay

The proposed Project contemplates the expansion of the existing retail uses on the Project site, including expanding the existing Walmart store to add a grocery component and introducing new fuel station and retail/restaurant uses. These characteristics have the potential to divert sales from other competing retail outlets, which in turn, has the potential to result in store closure and long-term vacancies. The Consultant shall use Subconsultant ALH's Urban Decay Analysis as the basis for assessing urban decay impacts. The Urban Decay Analysis shall be provided as an appendix to the EIR.

Cumulative Effects

In accordance with CEQA Guidelines Section 15130, the EIR shall address the cumulative effects of the proposed Project in combination with other projects. As set forth in the CEQA Guidelines, the cumulative analysis shall focus on impacts to which the Project has made a significant incremental contribution. The analysis shall reflect the severity of the impacts and their likelihood of occurrence and shall be guided by standards of practicality and reasonableness.

Alternatives

Pursuant to CEQA Guidelines Section 15126.6, the EIR shall evaluate a range of feasible alternatives to the proposed Project. One of the alternatives shall be the CEQA-mandated *No Project Alternative*, which is the circumstance under which the Project does not proceed. The Consultant shall evaluate up to two additional alternatives, likely consisting of a reduction in Project size. In addition, the Alternatives section shall address the feasibility of an alternative location, as well as any alternatives that were initially considered but rejected from further consideration.

Effects Found Not to be Significant

CEQA Guidelines Section 15143 establishes that EIRs shall focus on significant impacts on the environment and need not discuss in detail effects that are clearly insignificant or unlikely to occur (e.g., tsunami inundation). Topics that shall be addressed include agriculture and forestry resources, mineral resources, population and housing, and recreation.

Other CEQA-Required Sections

This section shall address the CEQA-required issues of significant environmental effects that cannot be avoided (CEQA Guidelines Section 15126(b)), significant irreversible environmental changes (CEQA Guidelines Section 15126(c)), growth inducement (CEQA Guidelines Section 15126(d)), and energy conservation (CEQA Guidelines Appendix F).

Persons and Organizations Consulted/List of Preparers

In accordance with CEQA Guidelines Section 15129, the EIR shall identify all agencies, organizations, and individuals consulted during the preparation of the document, as well as the agency representatives and firms that were involved with EIR preparation.

References

This section shall list all resources used in the preparation of the EIR.

Technical Appendices

Pursuant to CEQA Guidelines Section 15147, supporting technical information shall be appended to the EIR as technical appendices. This includes, but is not limited to, technical studies, modeling data, and correspondence.

Deliverables:

- Five hard copies and one electronic version of the Administrative Draft EIR.

TASK 6: SCREENCHECK DRAFT EIR

Upon receipt of final City comments on the Administrative Draft EIR, the Consultant shall prepare a Screencheck Draft EIR that tracks the changes made.

Deliverables:

- One electronic version of the Screencheck Draft EIR.

TASK 7: DRAFT EIR

Upon receipt of the final City comments on the Screencheck Draft EIR, the Consultant shall proceed with finalizing and producing the Draft EIR for public review. This task includes technical staff time to complete revisions to the Draft EIR, plus editing and administrative staff time to prepare the document for publication. If additional hours are required, they will be authorized in writing by the City.

The Consultant shall provide copies of the Draft EIR to the City, which will be responsible for local distribution, noticing, and posting, and to the State Clearinghouse, which will distribute the document to State agencies. The Consultant shall also prepare the Notice of Completion that shall be provided to the State Clearinghouse as part of this task. City staff will prepare and mail the Draft EIR Notice of Availability to local agencies and interested parties.

Deliverables:

- 20 hard copies (appendices on CD), five copies on CD (PDF format), two copies on CD (Microsoft Word format, except technical studies), one copy on CD of all modeling input data in native format used to generate technical studies, and one unbound master copy of the Draft EIR (including appendices).

- 15 Executive Summary hard copies and 15 CDs of the Draft EIR and the signed Notice of Completion form to the State Clearinghouse.

TASK 8: ADMINISTRATIVE FINAL EIR

The Consultant shall prepare an Administrative Final EIR in accordance with the applicable requirements contained in CEQA Guidelines Sections 15088 and 15089. The Administrative Final EIR shall list all agencies, organizations, and individuals who submitted written comments on the Draft EIR during the public review period, and shall provide written responses to those comments. To enhance readability and avoid redundancy, the Consultant shall use Master

Responses to address frequent and recurring comments on the Draft EIR's analysis. Additionally, the Administrative Final EIR shall contain an Errata, which shall document minor changes to the Draft EIR text in strikeout-underline format.

This scope of services includes 100 hours of Consultant staff time (including technical, editing, and administrative personnel) for this task. Together with the City, the Consultant shall evaluate the volume and complexity of comments received on the Draft EIR. If additional time is required beyond what is included in this Agreement, the City will authorize it in writing.

Deliverables:

- Five hard copies and one electronic version of the Administrative Final EIR.

TASK 9: SCREENCHECK FINAL EIR

Once City staff provides comments on the Administrative Final EIR, the Consultant shall prepare a Screencheck Final EIR that tracks the changes made.

Deliverables:

- One electronic version of the Screencheck Final EIR.

TASK 10: FINAL EIR

Once City staff provides final comments on the Screencheck Final EIR, the Consultant shall proceed with finalizing and producing the Final EIR for public review. The Consultant shall provide copies of the Final EIR to the City, which will be responsible for local distribution, noticing, and posting. The Consultant shall send copies of the Final EIR directly to State agencies that commented on the Draft EIR. City staff will prepare and mail all notices associated with the Final EIR to local agencies and interested parties.

Deliverables:

- 20 hard copies, five copies on CD (PDF format), two copies on CD (Microsoft Word format, except non-Consultant materials), one unbound master copy of the Final EIR (including appendices, as applicable).
- One CD of the Final EIR to each public agency that commented on the Draft EIR.

TASK 11: MITIGATION MONITORING AND REPORTING PROGRAM

The Consultant shall prepare a comprehensive Mitigation Monitoring and Reporting Program (MMRP), pursuant to CEQA Guidelines Section 15097. The MMRP shall contain all mitigation measures identified in the EIR and shall provide the Applicant and City staff with a single source of reference to the full range of mitigation measures to be implemented. For each measure or group of similar measures, the agency responsible for ensuring proper implementation shall be identified, along with the timing and method of verification. Copies of the MMRP shall be included in the Final EIR submittal.

Deliverables:

- Five hard copies and one electronic version (Microsoft Word format) of the MMRP.

TASK 12: NOTICE OF DETERMINATION

The Consultant shall prepare the Notice of Determination and provide it to City staff for filing with the Butte County Clerk's Office within five business days of EIR certification. The City or the Applicant will be responsible for filing the Notice of Determination and paying the associated filing fees.

TASK 13: FINDINGS OF FACT/STATEMENT OF OVERRIDING CONSIDERATION

The Consultant shall be available to either prepare a draft version of or peer review the City-prepared draft version of the Findings of Fact/Statement of Overriding Consideration. In accordance with CEQA Guidelines 15091, the Findings of Fact shall provide a brief rationale for each significant effect that can be mitigated to a level of less than significant. Additionally, in accordance with CEQA Guidelines Section 15093, the Statement of Overriding Consideration shall outline the economic, legal, social, technological, or other benefits of the Project that outweigh its environmental consequences if the decision makers elect to proceed with approval. This task assumes one round of peer review or edits/changes to the Findings of Fact/Statement of Overriding Consideration.

Deliverables:

- One electronic version (Microsoft Word format) of the Findings of Fact/Statement of Overriding Consideration.

TASK 14: MEETINGS/HEARINGS

The Consultant shall meet by phone with City staff during the EIR preparation process to discuss and resolve problems, develop strategies, and participate in communications. This scope of services includes attendance by the Consultant at six meeting/hearings in Chico. These meetings shall include a scoping meeting, board or commission meetings, and City Council meetings. Furthermore, this task also include four EIR Project team meetings via teleconference and/or in person. Should additional meeting attendance by the Consultant be required, it will be authorized by the City in writing.

TASK 15: EIR PROJECT MANAGEMENT

In addition to the research, analysis, communications, and report-writing tasks described above, the Consultant shall perform a variety of EIR Project management duties to ensure that the EIR meets the City's standards of quality and that it is delivered on time and within budget. These duties shall include EIR Project team supervision and coordination, oral and written communications with City staff, EIR Project accounting, and quality assurance review of all deliverable products. These services shall also include ongoing support to City staff, such as providing input to staff reports, regular schedule updates, and discussions of technical issues. This scope of services includes 100 hours of Consultant time for this task.

Services to be Provided by City

Newspaper Noticing

City staff will prepare and coordinate publication of any newspaper notices associated with the EIR.

Notice of Determination Filing/Payment of Fees

City staff or the Applicant will file the Notice of Determination with the Butte County Clerk's Office within five business days of Project approval in order to limit the legal challenge period to 30 days. (If a Notice of Determination is not filed within five business days of Project approval, the legal challenge period defaults to 180 days.)

The Notice of Determination filing requires payment of the California Department of Fish and Wildlife CEQA filing fee (currently \$3,069.75) and a County handling fee (currently \$50.00). This scope of services assumes that the Project Applicant will be responsible for paying these fees.

Completion Schedule

The Consultant shall complete all services outlined herein in compliance with the following schedule:

Task	Week
Receive Notice to Proceed	1
Submit Administrative Draft NOP	2
City staff provides comments on Administrative Draft NOP	3
Release NOP for public review	4
Scoping meeting	6
Close of public review period	8
Submit Administrative Draft EIR to City	11
Receive City comments on Administrative Draft EIR	13
Submit Screencheck Draft EIR to City	15

Receive City comments on Screencheck Draft EIR	16
Release Draft EIR for public review	17
Close of public review period	23
Submit Administrative Final EIR and MMRP to City	26
Receive City comments on Administrative Final EIR and MMRP	28
Submit Screencheck Final EIR and MMRP to City	30
Receive City comments on Screencheck Final EIR and MMRP	31
Release Final EIR and MMRP; Submit draft version of Findings of Fact/Statement of Overriding Consideration	32
Submit final version of Findings of Fact/Statement of Overriding Consideration	33
Public meetings	To be determined

CITY OF CHICO - PROFESSIONAL SERVICES AGREEMENT

FIRSTCARBON SOLUTIONS, INC.
Architect/Consultant/Engineer

WALMART EXPANSION PROJECT: ENVIRONMENTAL IMPACT REPORT
Project Title

863-000-5400/72189-4705
Budget Account No.

EXHIBIT C

COMPENSATION

Compensation for the services shall be in accordance with the following schedule of hourly rates. Total maximum compensation for the services outlined herein shall not exceed \$378,300.00.

Compensation shall be based upon actual invoices received monthly and shall be paid in accordance with the completion of each task as follows:

Task	Fee
EIR Project Initiation	\$4,500.00
Notice of Preparation	\$5,000.00
Technical Study Peer Review: Wetland Survey	\$3,500.00
Technical Study Peer Review: Cultural Resources Assessment	\$3,000.00
Technical Study Peer Review: Geotechnical Evaluation	\$2,000.00
Technical Study Peer Review: Phase I ESA	\$2,000.00
Technical Study: Air Quality/Greenhouse Gas Emissions Analysis	\$14,500.00
Technical Study: Toxic Air Contaminant and Criteria Pollutant Analysis	\$8,500.00
Technical Study: Noise	\$13,000.00
Technical Study: Traffic Impact Study (<i>Subconsultant F&P</i>)	\$103,000.00
Technical Study: Urban Decay Analysis (<i>Subconsultant ALH</i>)	\$50,300.00
Administrative Draft EIR	\$63,000.00
Screencheck Draft EIR	\$18,000.00
Draft EIR	\$9,000.00
Administrative Final EIR	\$16,000.00
Screencheck Final EIR	\$7,500.00
Final EIR	\$5,000.00
Mitigation Monitoring and Reporting Program	\$3,000.00
Notice of Determination	\$1,000.00
Findings of Fact/Statement of Overriding Consideration	\$6,000.00

Meetings/Hearings	\$14,000.00
EIR Project Management	\$16,000.00
Direct Costs	\$10,500.00
TOTAL	\$378,300.00

The Consultant may, on its sole authority, re-allocate costs among tasks and/direct costs, as circumstances warrant, as long as the adjustments maintain the total price within its authorized amount.

FirstCarbon Solutions, Inc.
Hourly Rate Schedule

Personnel

President/Vice President.....	\$250.00 to \$290.00/Hour
Director.....	\$160.00 to \$260.00/Hour
Senior Project Manager/Senior Scientist/ Senior Regulatory Scientist.....	\$110.00 to \$175.00/Hour
Project Manager/Regulatory Scientist.....	\$100.00 to \$150.00/Hour
Assistant Project Manager/Assistant Regulatory Scientist	\$80.00 to \$125.00/Hour
Environmental Planner.....	\$70.00 to \$90.00/Hour
Environmental Analyst/Regulatory Analyst	\$60.00 to \$75.00/Hour
Research Analyst.....	\$50.00 to \$60.00/Hour
Publications Coordinator/Technical Editor.....	\$90.00 to \$180.00/Hour
GIS Analyst.....	\$70.00 to \$125.00/Hour
Graphics Designer/GIS Technician.....	\$65.00 to \$90.00/Hour
Word Processor	\$65.00 to \$70.00/Hour
Administrative Assistant/Accounting/Clerical.....	\$55.00 to \$60.00/Hour
Reprographics Assistant/Intern	\$55.00/Hour
Passenger cars.....	\$0.565/Mile
Four-wheel-drive vehicles.....	\$75.00/Day + Mileage
Per Diem.....	\$71.00/Day
Direct Expenses.....	Cost + 15%
Out-of-pocket expenses (<i>including, but not limited to, travel, messenger service, reprographics, lodging, meals, blueprint, reproduction, and photographic services</i>).....	Cost as charged

Other Labor Rates

Labor rates for expert testimony, litigation support, and depositions/court appearances shall be billed at a minimum of two times the above rates. If additional services are authorized in writing during the performance of this Agreement, compensation shall be based on the hourly rates in effect at the time the services are authorized.

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Architect/Consultant/Engineer

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EXHIBIT D

INSURANCE PROVISIONS

General Liability Insurance

Consultant/Contractor shall obtain commercial general liability insurance (occurrence policy form) from one or more U.S. domiciled insurance companies licensed to do business in the State of California with an A.M. Best Company rating of "B" or better or, in the alternative, an unlicensed U.S. domiciled company or companies with an "A" rating, which provides coverage for bodily injury, personal injury and property damage liability in the amount of at least \$1,000,000 per occurrence, and \$2,000,000 in the aggregate, with a maximum policy deductible of \$5,000, or as approved by the City's Human Resources and Risk Management Office.

It shall be a requirement under this agreement that any available insurance proceeds broader than or in excess of the specific minimum Insurance coverage requirements and/or limits shall be available to the Additional Insured. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this Agreement; or (2) the broader coverage and maximum limits of coverage of any Insurance policy or proceeds available to the named Insured, whichever is greater.

The insurance coverage required herein shall be evidenced by a certificate of insurance with policy endorsements and shall be executed by an authorized official of the insurer(s). In addition to the limits of coverage described above, the certificate of insurance shall provide that the insurer shall provide to City at least 30 days prior notice of cancellation or material change in coverage, or 10 days prior notice of cancellation for non-payment.

Consultant/Contractor acknowledges and agrees that City of Chico, its officers, boards and commissions, and members thereof, its employees and agents, are covered as additional insureds with respect to any liability arising out of the activities of Consultant/Contractor as the named insured. Such additional insured status shall be evidenced by a policy endorsement executed by

an authorized official of the insurer(s). A blanket endorsement which provides additional insured status to any person or organization with whom Consultant/Contractor, as named insured, has entered into a written contract, such as this Agreement, shall satisfy this requirement.

The insurance coverage required herein shall be primary and non-contributory insurance with respect to the City of Chico, its officers, officials and employees. Any insurance or self-insurance maintained by the City of Chico, its officers, officials or employees shall be in excess of the insurance afforded to the named insured by the insurance coverage required herein and shall not contribute to any loss. Such primary insurance status shall be evidenced by a policy endorsement issued by an authorized official of the insurer(s), and shall be at least as broad as CG 20 01 04 13. In the alternative, a letter issued by an authorized official of the insurer(s) and copies of the pertinent page(s) of the policy shall satisfy this requirement.

The limits of Insurance required in this agreement may be satisfied by a combination of primary and umbrella or excess Insurance. Any umbrella or excess Insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City of Chico (if agreed to in a written contract or agreement) before City of Chico's self-insurance shall be called upon to protect it as a named insured.

All self-insured retentions (SIR) must be disclosed to the City's Human Resources and Risk Management Office for approval and shall not reduce the limits of liability. Policies containing any (SIR) provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named Insured or City of Chico. City of Chico reserves the right to obtain a full certified copy of any Insurance policy or endorsements. Failure to exercise this right shall not constitute a waiver of right to exercise later.

Automobile Liability Insurance

Consultant/Contractor shall obtain automobile liability insurance from one or more U.S. domiciled insurance companies licensed to do business in the State of California with an A.M. Best Company rating of "B" or better which provides coverage for bodily injury, personal injury, and property damage liability in the amount of at least \$500,000 combined single limit for each occurrence. Evidence of such coverage shall be maintained by Consultant/Contractor and provided to City upon request.

Subconsultant/Subcontractor Insurance

Consultant/Contractor agrees to include with all subconsultants/subcontractors in their subcontract the same requirements and provisions of this agreement including the indemnity and Insurance requirements to the extent they apply to the scope of the subconsultant/subcontractor's work. Subconsultant/Subcontractor agrees to be bound to Consultant/Contractor and City of Chico in the same manner and to the same extent as Consultant/Contractor is bound to City of Chico under the agreement. Subconsultant/Subcontractor further agrees to include the same requirements and provisions of this agreement, including the indemnity and Insurance

requirements, with any Sub-subconsultant/Sub-subcontractor to the extent they apply to the scope of the Sub-subconsultant/Sub-subcontractor's work.

A copy of the City of Chico Insurance Provisions will be furnished to the subconsultant/subcontractor upon request. Evidence of such coverage shall be maintained by Consultant/Contractor and provided to City upon request.

Workers' Compensation Insurance

Consultant/Contractor shall, at Consultant/Contractor's expense, purchase and maintain in full force and effect workers' compensation insurance as required by Federal and State of California law. Consultant/Contractor shall also require all of Consultant's subconsultants/subcontractors to maintain this insurance coverage. Proof of workers' compensation insurance or other documentation acceptable to City evidencing such insurance coverage shall be provided by Consultant/Contractor or Consultant/Contractor's subconsultants/subcontractors to City upon request.

Subrogation

Consultant/Contractor shall agree to waive all rights of subrogation against City for losses arising from Services performed by the Consultant/Contractor or Consultant/Contractor's subconsultants/subcontractors for City under this Agreement.

Indemnity

Consultant/Contractor/Subconsultant/Subcontractor's responsibility for such defense and indemnity obligations shall survive the termination or completion of this agreement for the full period of time allowed by law.

The defense and indemnification obligations of this agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this agreement.

Professional Liability Insurance

Consultant/Contractor shall obtain professional liability (errors and omissions) insurance, with a minimum \$1,000,000 limit, from one or more U.S. domiciled insurance companies licensed to do business in the State of California with an A.M. Best Company rating of "B" or better providing coverage for services rendered to City under this Agreement.

Said insurance coverage shall be evidenced by a certificate of insurance which shall be executed by an authorized official of the insurer(s). In addition to the limits of coverage described above, the certificate of insurance shall provide that the insurer shall provide to City at least 30 days prior notice of cancellation or material change in coverage, or 10 days prior notice of cancellation for non-payment.

CITY OF CHICO - PROFESSIONAL SERVICES AGREEMENT

FIRSTCARBON SOLUTIONS, INC.
Architect/Consultant/Engineer

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EXHIBIT E

CONFLICT OF INTEREST PROVISIONS

None.

CITY OF CHICO - PROFESSIONAL SERVICES AGREEMENT

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EXHIBIT F

SPECIAL PROVISIONS

None.