



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 11/19/2019

ITEM NO: 6

DATE: November 14, 2019
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Agreement for Consultant Services to Provide Senate Bill 743 Implementation Technical Assistance:
a. Authorize the Town Manager to Negotiate and Execute an Agreement for Consultant Services with Fehr & Peers in an Amount Not to Exceed \$122,820
b. Authorize Revenue and Expenditure Budget Adjustment in the amount \$122,820 from the General Plan Update Deposit Account

RECOMMENDATION:

Agreement for consultant services to provide Senate Bill 743 implementation technical assistance:

- a. Authorize the Town Manager to negotiate and execute an Agreement for Consultant Services with Fehr & Peers in an amount not to exceed \$122,820.
- b. Authorize Revenue and Expenditure Budget Adjustment in the amount \$122,820 from the General Plan Update Deposit Account.

BACKGROUND:

The California Environmental Quality Act (CEQA) was enacted in 1970, requiring identification of any significant environmental impacts of state or local actions including approval of new developments or infrastructure projects. The process of identifying these impacts is typically referred to as the environmental review process. Historically, most cities and towns, including Los Gatos, evaluate transportation impacts based on intersection Level of Service (LOS).

On September 27, 2013, Governor Jerry Brown signed Senate Bill 743 into law and started a process intended to fundamentally change transportation impact analysis as part of the CEQA compliance. These changes include elimination of auto delay, level of service (LOS), and other similar measures of vehicular capacity or traffic congestion as a basis for determining significant impacts. The law directed the Governor's Office of Planning and Research (OPR) to update the

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Transportation and Mobility Manager

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Community Development Director, and Parks and Public Works Director

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BACKGROUND (continued):

CEQA Guidelines to include new criteria (e.g., metrics) for determining the significance of transportation impacts. OPR identified vehicle miles traveled (VMT) as the most appropriate transportation impact metric.

The Town of Los Gatos is the lead agency for environmental clearance under CEQA for projects within the Town's jurisdiction. As such, the Town is required to implement the new CEQA guidelines immediately, but no later than July 1, 2020. Jurisdictions may retain a LOS standard in their local transportation policies. This way, the LOS analysis could still be used as additional information to aid in the decision-making process that would be outside of the CEQA review process.

On October 8, 2019 the Town Council and Planning Commission held a Joint Study Session to review background information on the updated CEQA Transportation Analysis Guidelines and the requirements to transition to the new VMT metric in transportation impact analysis.

DISCUSSION:

There are several decisions that the Town will need to make regarding SB 743 implementation and CEQA guidelines. The questions that need to be answered can be complex and technically detailed, including establishing thresholds of significance for VMT impacts, defining feasible mitigation measures to address VMT impacts, and developing a set of procedures for staff and project applicants to follow when conducting VMT analysis. It is essential that the new Transportation Analysis Guidelines provide a legally defensible process for conducting CEQA analysis. In addition, these decisions are closely related to the General Plan update currently underway. Staff is recommending retaining consultant services to advise and assist the Town through the complex process of transitioning from LOS to VMT.

Fehr & Peers was selected from the Town's engineering on call list to assist the Town in preparing the CEQA Transportation Analysis Guidelines using VMT and any updates to the Town's local transportation policies. Fehr & Peers is the transportation consultant on the General Plan update team and has extensive experience assisting jurisdictions in the transition to using VMT. Fehr & Peers, in coordination with Town staff, has developed a scope of work and schedule that will facilitate future tasks leading to the Council decisions in 2020. The Consultant Service Agreement includes several critical tasks to advise and assist the Town in making decisions:

White Paper: Provides background on the legal framework and technical details. This white paper will take into consideration the size, location and development environment of Los Gatos.

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DISCUSSION (continued):

Stakeholder Outreach, Education and Discussions: The consultant will prepare initial outreach and education materials on SB 743 for various media including website, social media, and printed materials.

Case Study Project Evaluations: The consultant will prepare case studies of three different land use projects previously completed within the Town, to evaluate applicability of the VMT thresholds, estimation methodologies, and proposed mitigation measures.

Local Transportation Analysis Policy: The consultant will develop proposed updates to the Town's local transportation analysis policies, including policies referenced in the 2020 General Plan and the Traffic Impact Policy.

New Transportation Analysis Guidelines: The guidelines will include defining the VMT analysis method, impact thresholds that are supported by quantitative evidence, and mitigation programs for use in projects.

CONCLUSION:

Staff recommends the Town Council to authorize the Town Manager to execute the Agreement for Consultant Services and approve the necessary budget adjustments.

COORDINATION:

This report was coordinated with the Community Development and Finance Departments.

FISCAL IMPACT:

Funding for this agreement comes from the General Plan Update Deposit Account. Projects processed through the Community Development Department pay a fee that is set aside in a deposit account to advance General Plan updates and related efforts. The new Transportation Analysis Guidelines will be codified in the General Plan as well as Town polices, making the use of these funds appropriate for this proposed use. The recommended budget action will reduce revenue in the General Plan Update Deposit Account by \$122,820 and appropriate the funds to the Department of Parks and Public Works.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachment

1. Consultant Agreement with Scope.