



## Staff Report

May 12, 2020

---

**TO:** Honorable Mayor and Members of the Town Council  
**FROM:** Sean Rabé, Town Manager  
**DATE:** May 12, 2020  
**RE:** Reimbursement Agreement Amendment with Costco

---

### **Recommendation**

Staff recommends the Town Council adopt the attached resolution and authorize the Town Manager to enter into a fourth agreement amendment with Costco Wholesale Corporation for project processing associated with the Costco Retail Warehouse project. This agreement amendment will bring the deposit amount under the agreement to \$1,448,243.

### **Issue Statement and Discussion**

The Town of Loomis entered into a reimbursement agreement with Costco Wholesale Corporation in March 2017, which initially required a deposit amount of \$2,305,000 for project processing for the Costco Retail Warehouse project. A first agreement amendment was approved by Council in May 2017, that adjusted the deposit amount to \$813,280 (the original erroneously included permit costs, which would normally be paid when permits for the project are issued). During the review period of the initial Draft Environmental Impact Report, the Town and Costco also identified changes to the proposed project. These changes required an increased deposit of funds for the Town to continue processing the project. Because of the recirculation of the DEIR and other project processing costs, a second amendment was approved by Council in March 2019, which brought the deposit amount to \$955,000. A third amendment was approved by Council in November 2019, which brought the deposit amount to \$1,182,078.

Staff has identified the need for additional deposit of funds. The attached fourth agreement amendment will bring the total amount of the deposit to \$1,448,243. The consent agenda includes several contract amendments for various Costco-related consultants.

The Final Environmental Impact Report for the project is currently being revised and will be recirculated when completed.

Staff is prepared to answer any questions you may have.

### **CEQA Requirements**

There are no CEQA implications associated with the recommended action.

### **Financial and/or Policy Implications**

The agreement amendment provides an additional deposit amount of \$266,165.

### **Attachments**

- A. Resolution
- B. Costco Wholesale Corporation Agreement Amendment 4
- C. Costco Funding Summary May 2020

**TOWN OF LOOMIS**

RESOLUTION NO. 20 - \_\_\_

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOOMIS  
AMENDING THE AGREEMENT FOR ADVANCEMENT OF FUNDS, REIMBURSEMENT AND  
INDEMNIFICATION FOR PREPARATION OF PLANNING PERMITS, REPORTS, STUDIES, AND  
ENVIRONMENTAL REVIEW DOCUMENTS AS REQUIRED BY THE LOOMIS MUNICIPAL CODE  
AND THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

**WHEREAS**, the Town and Costco entered into the March 14, 2017 Agreement For Advancement Of Funds, Reimbursement And Indemnification For Preparation Of Planning Permits, Reports, Studies, And Environmental Review Documents As Required By The Loomis Municipal Code And The California Environmental Quality Act ("AGREEMENT"), to provide for a deposit of funds to reimburse the Town for the costs of the Costco project processing; and

**WHEREAS**, on May 9, 2017, the Town Council approved a first amendment to the AGREEMENT to adjust the deposit to \$813,280, which represented the Town's estimate for project processing costs; and

**WHEREAS**, the Town Council approved a second amendment to the AGREEMENT to adjust the deposit to \$955,000 because of increased project processing costs associated with the recirculation of the Draft Environmental Impact Report; and

**WHEREAS**, on November 12, 2019, the Town Council approved a third amendment to the AGREEMENT to adjust the deposit to \$1,182,078 because of increased project processing costs associated with the recirculation of the Draft Environmental Impact Report; and

**WHEREAS**, the Town has identified additional funds required to complete the project processing; and

**WHEREAS**, the Town and Costco Wholesale Corporation now desire to approve a FOURTH Amendment to the AGREEMENT to increase the total deposit amount under the AGREEMENT to \$1,448,243.

**NOW, THEREFORE, IT IS MUTUALLY AGREED** by parties hereto to amend said Contract as follows:

- I. Amendment. Section 4 of the Contract is hereby amended by replacing the figure \$1,182,078 with \$1,448,243.
- II. Remaining Terms Unaffected:  
Except as expressly provided herein, nothing in this Amendment shall be deemed to waive or modify any of the other provisions of the AGREEMENT. In the event of any conflict between this Amendment and the AGREEMENT, the terms of this Amendment shall control.

**PASSED AND ADOPTED** by the Town Council of the Town of Loomis this 12th day of May, 2020, by the following vote:

**AYES:**  
**NOES:**  
**ABSTAINED:**  
**ABSENT:**

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Town Clerk

AMENDMENT NO. 4

**TO THE AGREEMENT FOR ADVANCEMENT OF FUNDS, REIMBURSEMENT AND INDEMNIFICATION FOR PREPARATION OF PLANNING PERMITS, REPORTS, STUDIES, AND ENVIRONMENTAL REVIEW DOCUMENTS AS REQUIRED BY THE LOOMIS MUNICIPAL CODE AND THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

This Amendment No. 4 to the Agreement between the **Town of Loomis** ("Town") and Costco Wholesale Corporation, which was entered into on March 14, 2017, is made and entered into this 12 day of May, 2020 (the "Effective Date").

**RECITALS**

**WHEREAS**, the Town and Costco entered into the March 14, 2017 Agreement For Advancement Of Funds, Reimbursement And Indemnification For Preparation Of Planning Permits, Reports, Studies, And Environmental Review Documents As Required By The Loomis Municipal Code And The California Environmental Quality Act ("AGREEMENT"), to provide for a deposit of funds to reimburse the Town for the costs of the Costco project processing; and

**WHEREAS**, on May 9, 2017, the Town Council approved a first amendment to the AGREEMENT to adjust the deposit to \$813,280, which represented the Town's estimate for project processing costs; and

**WHEREAS**, the Town Council approved a second amendment to the AGREEMENT to adjust the deposit to \$955,000 because of increased project processing costs associated with the recirculation of the Draft Environmental Impact Report; and

**WHEREAS**, on November 12, 2019, the Town Council approved a third amendment to the AGREEMENT to adjust the deposit to \$1,182,078 because of increased project processing costs associated with the recirculation of the Draft Environmental Impact Report; and

**WHEREAS**, the Town has identified additional funds required to complete the project processing; and

**WHEREAS**, the Town and Costco Wholesale Corporation now desire to approve a FOURTH Amendment to the AGREEMENT to increase the total deposit amount under the AGREEMENT to \$1,448,243.

**NOW, THEREFORE, IT IS MUTUALLY AGREED** by parties hereto to amend said Contract as follows:

- I. Amendment. Section 4 of the Contract is hereby amended by replacing the figure \$1,182,078 with \$1,448,243.
- II. Remaining Terms Unaffected:

Except as expressly provided herein, nothing in this Amendment shall be deemed to waive or modify any of the other provisions of the Contract. In the event of any conflict between this Amendment and the Contract, the terms of this Amendment shall control.

**IN WITNESS WHEREOF** the parties hereto have executed this Amendment as of the Effective Date.

**Town of Loomis**

**Costco Wholesale Corporation**

By: \_\_\_\_\_  
Sean Rabe, Town Manager

By: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Jeffrey Mitchell, Town Attorney

Attest:

By: \_\_\_\_\_  
Charleen Strock, Town Clerk

**Attachment C**

| Firm                    | Contracted Fee    | Billed through March 2020 | Remaining Available Fee | Estimate to Complete | Additional Fee Contract Amendment |
|-------------------------|-------------------|---------------------------|-------------------------|----------------------|-----------------------------------|
| Kronick                 |                   |                           |                         | \$ 60,000            | \$ 60,000                         |
| Ramey/Moose/Manley      | \$ 51,500         | \$ 28,420                 | \$ 23,080               | \$ 60,000            | \$ 8,500                          |
| Hauge Brueck Associates | \$ 140,000        | \$ 155,673                | \$ (15,673)             | \$ 230,000           | \$ 90,000                         |
| AECOM                   | \$ 351,513        | \$ 347,800                | \$ 3,713                | \$ 413,594           | \$ 62,081                         |
| Wood Rogers             | \$ 31,256         | \$ 29,584                 | \$ 1,672                | \$ 16,000            | \$ 45,584                         |
| <b>TOTAL</b>            | <b>\$ 574,269</b> | <b>\$ 561,477</b>         |                         | <b>\$ 779,594</b>    | <b>\$ 266,165</b>                 |