



City Council Agenda Item

City Council Meeting Date: June 15, 2021

TO: Jim Throop, City Manager

FROM: Craig Dierling, P.E., Assistant Public Works Director/City Engineer
c_dierling@ci.lompoc.ca.us

SUBJECT: Adoption of Resolution No. 6425(21) Authorizing Execution of a Roadway Repair and Permit Agreement with Strauss Wind, LLC and Consideration of the Project's Final and Supplemental Environmental Impact Reports and Adoption of CEQA Findings for the Project Pursuant to CEQA Guidelines 15096(h); and Authorize Execution of a Community Benefit Agreement with Strauss Wind, LLC; for Transport of Wind Turbines and Related Project Equipment on City Streets.

Recommendation:

Staff recommends the City Council:

- 1) Adopt Resolution No. 6425(21), making required CEQA findings and approving a Roadway Repair and Permit Agreement (Roadway Agreement) to ensure that any damage to City roadways attributable to the Strauss Wind Energy Project is mitigated by Strauss Wind, LLC (Attachment 1); and
- 2) Approve the Community Benefit Agreement (Benefit Agreement) to mitigate impacts of the Project on the City not mitigated by the Roadway Agreement (Attachment 2); or
- 3) Provide direction to staff.

Background:

Strauss Wind, LLC (Strauss) is in the process of developing an approximately 100-megawatt wind energy project to be located on private land southwest of the City (the Project).

The Project requires various approvals by multiple federal, state, and local government agencies, including but not limited to approval by the City of encroachment permits, transportation permits (oversize vehicle permits), and an agreement for roadway repair, for the transport of Strauss's large wind turbines and related Project materials and equipment through the City to the Project site.

The County is the lead agency for the Project for CEQA purposes. The County Planning Commission certified the Supplemental Environmental Impact Report (SEIR) and approved the Project on November 20, 2019. The County Board of Supervisors then rejected various appeals, and certified the SEIR and approved the Project on January 28, 2020.

The SEIR approved by the County requires Strauss to enter into an agreement with the City to ensure that any damage by the Project to City streets is mitigated through repair or reconstruction to original conditions according to the current standards or policies of the City.

Strauss proposes to transport its large wind turbines to the Project site through the City from the northern City limit at Santa Lucia Canyon Road, continuing south onto Floradale Road, then east on Ocean Avenue, then south on F Street, then west on Cypress Avenue, and then south on I Street to the southern City limit at Willow Avenue, where they will then continue to the Project site. Transportation of the equipment will involve many periods of temporary closure of portions of those streets while each truck is passing through, over an estimated hauling duration of four months, to allow an estimated 203 extremely oversized truck trips. That transport of equipment will also require removal of street lights, signs, power poles and lines, and other items from City and Caltrans right-of-ways along the entire transportation route, and at City-owned facilities on San Miguelito Canyon Road.

Project trucks with freight are proposed to measure up to 290 feet in overall length, 15 feet in width, 16 feet in height, weigh up to 340,000 pounds, with up to 36,000 pounds on a single axle, and up to 72,000 pounds on a group of axles with less than 8.5 feet between the outer axles of the group. California Vehicle Code Section 35000 et seq. generally limits combinations of trucks and freight to a maximum of 75 feet in overall length, 14 feet in height, 8.5 feet in width, 80,000 pounds, with up to 20,000 pounds on a single axle, and up to 34,000 pounds on a group of axles with less than 8.5 feet between the outer axles of the group. The Project trucks with freight exceeding the State's standard limits are required to obtain transportation permits (oversize vehicle permits) from each jurisdiction they travel through.

Strauss coordinated with the City and Caltrans until October 2020 seeking approval from the City for an encroachment permit to support its then proposed hauling strategy including the 100 block of South I Street. During 2020, Strauss received the necessary permits from Santa Barbara County and from Caltrans District 5 for related removals and interim modifications to roadways within those jurisdictions for its previously proposed hauling strategy. In March 2021, Strauss resumed coordination with the City, and proposed changing its hauling strategy to route its truck trips east on Ocean Avenue, then south on F Street, then west on Cypress Avenue, then south on I Street to the southern City limit at Willow Avenue, omitting the 100 block of South I Street. In its revised hauling strategy, Strauss also proposed using different trucks to transport its longest loads of approximately 67-meter-long turbine blades. The proposed 67-meter-blade trucks will rotate the blades up to 50 degrees above horizontal in order to avoid impacts as the trucks

navigate turns. As of May 28, 2021, Strauss was still in the process of preparing its complete submittals for City and Caltrans permits for its revised hauling strategy.

Strauss has not yet submitted to the City encroachment permit applications for the permanent replacements, repairs, and reconstruction of affected infrastructure to be performed after it is finished making its truck trips that will damage City infrastructure. The Roadway Agreement requires Strauss to provide those submittals and perform that work, among other requirements.

Three transportation companies submitted transportation permit applications to the City during the months of May and June 2020 proposing to haul large turbine components and related equipment for the Project. Those applications will need to be revised consistent with Strauss' revised hauling strategy, once Strauss, the City, and Caltrans have worked out the logistical details. Additionally, because the encroachment permit work discussed above is necessary to facilitate the truck trips proposed in some of the transportation permits, and because a roadway repair agreement is required, those transportation permits will be processed along with the first encroachment permit after the Roadway Agreement is executed by both parties.

Strauss submitted its comments on the draft Roadway Agreement and draft Benefit Agreement in March 2021; however, after those transmittals Strauss proposed its revised hauling strategy. As of May 28, 2021, Strauss had not yet completed its submittals to the City defining the details and measures necessary to obtain permits for its revised hauling strategy.

Discussion:

As the City Council has previously expressed, the Project will generate impacts to City infrastructure, to City resources including, but not limited to, emergency response resources, to local businesses along the transportation route, and to the quality of life within the City. The Roadway Agreement is focused on mitigating, to the extent possible, the impacts to City roadway infrastructure; and also seeks to maintain traffic safety and minimize inconvenience to public traffic. The Benefit Agreement is focused on mitigating the impacts to City emergency services, and to the disruption and delay of other City activities and projects affected by the Project. The Roadway Agreement also attempts to minimize Project impacts to local businesses, residents, to the quality of life within the City, and includes provisions in Article 9 requiring Strauss perform the following:

1. Provide a Community Contact representative available by phone and email Monday through Friday during normal business hours to address community concerns;
2. Notice and hold a public meeting prior to beginning its extremely oversized Project trips;
3. Confer in good faith regarding mitigating Project impacts with owners or representatives of any property with frontage along the Project trip route segments subject to repeated road closures due to Project hauling, and take all such mitigation actions that are commercially reasonable; and

4. Provide hauling schedules, and updates of those schedules, to all properties with frontage along the Project road closure areas.

The Roadway Agreement also requires Strauss to indemnify and defend the City from any claims or lawsuits against the City by third parties related to impacts of the equipment transport, including claims or litigation against the City by businesses adjacent to the transportation route.

On September 15, 2020, staff presented the draft Benefit Agreement to the City Council, and since that time Strauss has agreed to increase its payments to the City pursuant to that agreement from a total of \$250,000 up to a total of \$500,000.

While the Roadway Agreement includes many provisions, staff would like to ensure the City Council's concurrence, or receive alternate direction from the City Council on at least the Article 9 provisions discussed above, and the following:

1. Project transportation routes;
2. Hours, numbers, and dates allowed for oversized trips; and
3. Strauss' responsibility for permits, repairs, payments, and securities.

Project Transportation Routes

The Roadway Agreement defines the following routes for the Project to make trips with oversized vehicles, as well as with trucks conforming to California standard size and weight regulations:

1. Existing City Truck Route to the south, and route proposed by Strauss:
 - a. Santa Lucia Canyon Road (City);
 - b. Floradale Road (County);
 - c. Ocean Avenue west of City (County);
 - d. Ocean Avenue within City (Caltrans);
 - e. South F Street (City);
 - f. Cypress Avenue from F Street to I Street (City); and
 - g. South I Street from Cypress Avenue to the south (City);
2. Route to Switchyard Site (not for turbine components):
 - a. Ocean Avenue within City (Caltrans); and
 - b. South Seventh Street (City).

Hours, Numbers, and Dates for Project Trips

The Roadway Agreement limits the hours allowed for the extremely oversized Project trips and associated road closures and detours to between 9:00 AM and 4:00 PM Monday through Friday, excluding official holidays observed by the City, and excluding the times of other City-approved events, such as parades, for which the City will provide at least two weeks advance notice to Strauss. The 9:00 AM to 4:00 PM limitation is proposed, consistent with the Project EIR, in order to avoid peak traffic times within the City, and

because the Project EIR also limits all Project trips south of the City on Miguelito Canyon Road, by vehicles having more than two axles, to between 8:00 AM and 5:00 PM Monday through Friday.

The Roadway Agreement limits the duration of road closures and detours of public traffic to one hour per day, occurring between 9:00 AM and 4:00 PM, and requires all oversized vehicles which stop public traffic longer than three minutes to travel through the City within that one-hour closure period. A map of the proposed one-hour road closure areas and detours is included in Exhibit B of the Roadway Agreement.

The Roadway Agreement limits all oversized Project trips, even those that are not extremely higher than the State's standard limits, to occur only between the hours of 7:00 AM and 5:00 PM Monday through Friday, consistent with the City's typical Public Works construction contract hours.

In order to bound the impacts during individual days, the Roadway Agreement limits the number of extremely oversized trips to no more than eight (8) during a single day. That allows for one complete turbine; or two sets of towers (three per set), or blades (three per set), plus two machine heads, during a single day.

In order to confine the overall duration of hauling impacts, the Roadway Agreement limits the duration allowed for hauling extremely oversized loads to within a continuous six-month period, and also limits the number of other oversized trips beginning one month after the six-month period ends.

Strauss' Responsibility for Permits, Repairs, Payments, and Securities

The Roadway Agreement clarifies Strauss' requirement to obtain from the City encroachment permits prior to making any modifications to the City's street right of way and prior to performing the traffic control measures necessary for Strauss' proposed work and extremely oversized trips. The Roadway Agreement outlines anticipated encroachment permit needs of the Project, and related concerns.

The Roadway Agreement also clarifies Strauss' requirement to obtain from the City oversized vehicle permits for its truck and freight combinations, which exceed the State's standard limits, and it outlines terms and conditions for those permits.

The Roadway Agreement allows Strauss, after obtaining the required permits, to perform the removals and interim modifications of infrastructure, as well as the traffic control, necessary to transport its turbine blades and other extremely oversized Project loads along its proposed route, and to detour public traffic. The Roadway Agreement also allows Strauss to utilize the other Project routes as necessary, but does not specifically allow for removals or interim modifications along those other Project routes.

The Roadway Agreement requires Strauss to perform the necessary traffic control in compliance with current City and State standards when its activities will affect public traffic. It also requires Strauss to daily inspect its trip routes and detour routes, and weekly

submit to the City reports of those inspections. The Roadway Agreement requires Strauss to daily clean up and maintain its trip routes and detour routes as acceptable to the City.

Within six months after receiving a Notice to Proceed from the City, following the completion of the oversized vehicle trips, the Roadway Agreement requires Strauss to complete "Ultimate Repairs," meaning those permanent repairs which will restore the City's street infrastructure to equal or better condition than was present prior to the Project trips. The Ultimate Repairs are anticipated to include street pavement, street light replacement, and other related items. The Ultimate Repairs are required to be made according to City standards and policies, and to the satisfaction of the City. If the City determines certain Project damages to street pavement are quantifiable, but it is in the City's best interest to perform those certain repairs at a later time, then the Roadway Agreement requires Strauss pay to the City amounts the City determines applicable to those certain damages caused by Strauss, as supported by the pavement evaluation report which will be prepared by the City's consultant.

The Roadway Agreement also requires Strauss, concurrently with the execution of the Roadway Agreement, and prior to the issuance of an encroachment permit or a permit for an extremely oversized load, deposit with the City \$450,000, and agree to pay additional amounts as necessary, to cover the City's costs for permit management, inspection, pre and post hauling pavement evaluation by a consulting firm, material testing for ultimate repairs of pavement and other infrastructure, costs to remove and replace a street light and other electrical infrastructure, attorney's fees, and other City costs that become necessary.

In addition to the \$450,000 security deposit for the City's staff and consulting costs, the Roadway Agreement also requires insurance, letter of credit, warranties, indemnification, and includes provisions for liquidated damages should Strauss fail to timely perform necessary items of work, or continue to haul oversized trips beyond the terms of the Roadway Agreement.

Fiscal Impact:

The Roadway Agreement requires Strauss deposit \$450,000, and agree to pay additional amounts as necessary, to cover the City's costs for work City staff or its consultants will perform. The Roadway Agreement also requires Strauss, at its own cost, repair or fund the repair of, to a like or better state as determined by the City, all City property damaged or modified as a result of actions taken or requested by Strauss.

The Benefit Agreement requires Strauss pay to the City a total of \$500,000 as a Community Benefit Payment to be used by the City in its discretion to support City public services such as fire, police, parks and recreation. That amount is required to be paid in three payments, with the first \$200,000 due within five (5) business days of the full execution of the Benefit Agreement, the second \$200,000 due within five (5) business days of the first transportation of wind turbine components over a City street, and the final

\$100,000 due prior to commencement of the final ten (10) vehicle trips transporting Turbine Blades over City streets.

Environmental Review:

In 2009, the County approved a prior version of the Project. As part of its approval, the County certified a Final Environmental Impact Report (County EIR No. 06EIR-00000-00004) ("FEIR"). The prior version of the Project was never constructed and the Project was then revised to its current form. As part of its approval of the current Project, the County approved a Supplemental Environmental Impact Report based on the FEIR (County EIR Number 18EIR-00000-0001, State Clearinghouse Number 2018071002) ("SEIR").

The County is the Lead Agency for the Project for CEQA purposes. The City is a Responsible Agency for the Project because it has discretionary approval power over the Project.

As a Responsible Agency, the City must independently consider the environmental effects of the Project, as shown in the FEIR and SEIR, prior to approving any discretionary permits or agreements related to the Project.

Links to the full FEIR and SEIR are provided at the end of this report. The City Council must consider the environmental effects of the Project, as described in the FEIR and SEIR, and make certain findings as required by CEQA Guideline Section 15096(h). Recommended findings have been prepared by City staff and are included in proposed Resolution No. 6425(21).

If those findings are adopted by the City Council, the City Clerk will file a Notice of Determination as required by CEQA Guideline Section 15096(i).

Conclusion:

Strauss needs the City to approve a Roadway Agreement and to approve and issue encroachment permits and transportation permits in order to construct its wind energy project as proposed. The Benefit Agreement provides mitigation benefits to the City for some impacts of the Project which are not mitigated by the Roadway Agreement.

Respectfully submitted,

Craig Dierling, P.E., Assistant Public Works Director/City Engineer

APPROVED FOR SUBMITTAL TO THE CITY MANAGER:

Michael W. Luther, P.E., Public Works Director

APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

Jim Throop, City Manager

- Attachments: 1) Resolution No. 6425(21) with Roadway Repair Agreement and CEQA Findings attached
2) Community Benefit Agreement

Links:

- 1) Final Environmental Impact Report (County EIR No. 06EIR-00000-00004) ("FEIR"):
<https://cosantabarbara.box.com/s/w2g404315q3sk40afxkf6srdnpq46u45>
- 2) Supplemental Environmental Impact Report (County EIR Number 18EIR-00000-0001, State Clearinghouse Number 2018071002) ("SEIR"):
<https://cosantabarbara.box.com/s/flqzilaqdx59r3ma0hykvuescl4ys6b>