



EAST CONTRA  
COSTA COUNTY  
HABITAT  
CONSERVANCY

City of Brentwood

City of Clayton

City of Oakley

City of Pittsburg

Contra Costa County

# GOVERNING BOARD

## REGULAR MEETING

Friday, July 22, 2011  
12:00 p.m.

City of Oakley  
City Council Chambers (in the room behind the dais)  
3231 Main Street, Oakley, CA 94561

## AGENDA

- 1) **Introductions.**
- 2) **Public Comment** on items that are not on the agenda. Public comment on items on the agenda will be taken with each agenda item (please complete a speaker card if you would like to comment on any of the agenda items).
- 3) **Consider APPROVING the Meeting Record from the East Contra Costa County Habitat Conservancy (“Conservancy”) Governing Board Meeting on March 21, 2011 and Special Meeting on May 12, 2011.**
- 4) **Consider ACCEPTING the audited financial statements and related documents for the Year Ending December 31, 2010.**
- 5) **Consider the following actions related to Conservancy finances:**
  - a) **ACCEPT a mid-year status report on the 2011 Conservancy Budget.**
  - b) **AUTHORIZE staff to execute contracts amendments for on-going consulting services with:**
    - i. **HT Harvey and Associates: Increase the payment limit by \$70,000 from \$315,000 to \$385,000; and**
    - ii. **Resources Law Group: Increase the payment limit by \$40,000 from \$70,000 to \$110,000.**
- 6) **Consider the following actions to implement the Upper Hess Creek Watershed Restoration Project (“Project”):**
  - a. **CONSIDER and APPROVE “CEQA Addendum, Upper Hess Creek Watershed Restoration Project, Greenhouse Gas Emissions” (Addendum), prepared pursuant to CEQA guidelines for Greenhouse Gas Emissions adopted in March 2010,**

- subsequent to adoption of the EIR/EIS for the HCP/NCCP. FIND that impacts of Project are fully disclosed and analyzed in the EIR/EIS for the HCP/NCCP and the Addendum.
- b. AUTHORIZE Conservancy staff to execute an agreement with the East Bay Regional Park District (“District”) for construction of the Project.
  - c. AUTHORIZE the payment of \$591,225 to the District for construction of the Project.
  - d. DIRECT Conservancy staff to file a Notice of Determination with the County Clerk disclosing Board approval of the Project.
  - e. DIRECT Conservancy staff to monitor construction of the Project and inspect final improvements to confirm completion of the Project in accordance with the plans and specifications.
- 7) Consider ACCEPTING update from Staff on the U.S. Army Corps of Engineer’s proposed Regional General Permit related to the HCP/NCCP.
- 8) Consider APPROVING the East Contra Costa County Mitigation Fee Update Report (“Report”), consistent with requirements in the HCP/NCCP for periodic review of HCP/NCCP development fees; PROVIDING the Report to participating cities and the County and recommend that they consider revising wetland mitigation fees as recommended in the Report; and DIRECTING staff to apply the revised wetland mitigation fees in future agreements between the Conservancy and Participating Special Entities. [ITEM CONTINUED FROM MARCH 21, 2011]
- 9) Consider AUTHORIZING the Conservancy to Sponsor the 4<sup>th</sup> Quadrennial Contra Costa County Creek and Watershed Symposium. Consider AUTHORIZING the Chair or the Executive Director to sign on to a letter inviting organizations to Sponsor or Co-Sponsor the 2011 Symposium.
- 10) Adjourn (next regular meeting on September 21, 2011 at the City of Clayton).

If you have questions about this agenda or desire additional meeting materials, you may contact John Kopchik of the Contra Costa County Department of Conservation and Development at 925-335-1227.

*The Conservancy will provide reasonable accommodation for persons with disabilities planning to participate in this meeting who contact staff at least 24 hours before the meeting.*

**EAST CONTRA COSTA COUNTY  
HABITAT CONSERVANCY**

**DATE:** July 22, 2011  
**TO:** Governing Board  
**FROM:** Conservancy Staff  
**SUBJECT:** **Governing Board Meeting Record for March 21, 2011 and Special Meeting on May 12, 2011**

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**RECOMMENDATION**

**APPROVE the Meeting Records from the East Contra Costa County Habitat Conservancy (“Conservancy”) Governing Board Meeting on March 21, 2011 and Special Meeting on May 12, 2011.**

**DISCUSSION**

Please find the draft meeting records attached.

CONTINUED ON ATTACHMENT: Yes  
ACTION OF BOARD ON: July 22, 2011 APPROVED AS RECOMMENDED: \_\_\_\_\_  
OTHER \_\_\_\_\_

**VOTE OF BOARD MEMBERS**

   UNANIMOUS

AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSENT: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_

I HEARBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MEETING RECORD OF THE CONSERVANCY GOVERNING BOARD ON THE DATE SHOWN.

ATTESTED \_\_\_\_\_  
*Catherine Kutsuris, SECRETARY OF THE EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY*

BY: \_\_\_\_\_, DEPUTY

## **Draft Meeting Record**

East Contra Costa County Habitat Conservancy  
Governing Board Meeting  
March 21, 2011  
City of Pittsburg

### **1) Introductions. Welcome our new members of the Governing Board.**

#### ***Governing Board members in attendance were:***

Joel Bryant	City of Brentwood
Hank Stratford	City of Clayton
Federal Glover	Contra Costa County
Randy Pope	City of Brentwood
Salvatore Evola	City of Pittsburg

#### ***Other Attendees:***

Liam Davis	California Department of Fish and Game
Randi Adair	California Department of Fish and Game
Jeanne Chinn	California Department of Fish and Game
Stephanie Jentsch	California Department of Fish and Game
Mary Pakenham-Walsh	United States Army Corps of Engineers
Teifion Rice-Evans	Economic and Planning Systems, Inc
Chris Barton	East Bay Regional Park District
Kristi Vahl	City of Pittsburg
Jodi Bailey	Save Mount Diablo
Greg Lamberg	Contra Costa Generating Station, LLC
Joe Ciolek	Agricultural and Natural Resources Trust of Contra Costa County

#### ***Conservancy Staff members in attendance were:***

John Kopchik	Conservancy Staff
Abby Fateman	Conservancy Staff
Krystal Hinojosa	Conservancy Staff
Chris Beale	Conservancy Legal Counsel

### **2) Public Comment. None**

**3) Consider APPROVING the Meeting Record from the East Contra Costa County Habitat Conservancy (“Conservancy”) Governing Board Special Meeting of December 15, 2010.** The meeting record was approved. (5-0: Bryant, Stratford, Glover, Pope, Evola)

**4) Consider APPROVING the East Contra Costa County Habitat Conservation Plan/Natural Community Conservation Plan Annual Report 2010.** Mr. Kopchik provided an overview of the item. Item was approved pending the following modifications: 1) clean up any typographical errors, 2) add to Section X (Program Administration) of the Annual Report a description of the Implementation Policy Regarding Use of Conservancy Restoration Sites for Mitigation of Non-Covered Activities. (5-0: Bryant, Stratford, Glover, Pope, Evola)

- 5) **Consider ACCEPTING update from the U.S. Army Corps of Engineer's regarding proposed In-Lieu Fee Program and Regional General Permit related to the HCP/NCCP.** Mr. Kopchik provided an overview of the item. Mary R. Pakenham-Walsh, Project Manager, California Delta Branch, U.S. Army Corps of Engineers, Sacramento District Regulatory Division provided an update on recent actions by the Corps on the proposed In-Lieu Fee Program and Regional General Permit. Ms Pakenham-Walsh informed the Board that the proposed RGP is the first of its kind to be implemented with an HCP/NCCP. The RGP would be designed to ensure that compliance with Section 404 of the Clean Water Act was closely linked to compliance with the HCP/NCCP. Only actions covered by the HCP/NCCP could be covered under the RGP, the RGP would have a regional avoidance premise such as does the HCP/NCCP, and compensatory mitigation required under the RGP would be intended to match compensatory mitigation required under the HCP/NCCP. Ms. Pakenham-Walsh went on to discuss coordination with other laws and regulations that could and was being pursued through the RGP issuance process, including consultation with U.S. Fish and Wildlife Service under Section 7 of the Endangered Species Act, Section 106 National Historic Preservation Act, and a General 401 Water Quality Certification from the State Water resources Control Board and applicable Regional Boards. Mr. Evola asked Ms. Pakenham-Walsh if the In-Lieu fee is a new fee and she explained the In-Lieu fee program would be set up to accept HCP/NCCP mitigation fees. Mr. Pope inquired about which Corps District will take the lead on implementation of the RGP and Ms. Pakenham-Walsh stated that the Sacramento District is working with the San Francisco District to be designated as the lead Corps District to implement the RGP. Item was approved as recommended with additional guidance to Staff as follows: 1) to conduct additional public outreach on the In-Lieu Fee Program and the Regional General Permit, 2) present the In-Lieu Fee Program to the Board for consideration and adoption when ready. (5-0: Bryant, Stratford, Glover, Pope, Evola)
- 6) **Consider APPOINTING Board Members to the East County Water Management Association Governing Board.** Mr. Kopchik provided an overview of the item. The item was approved with Mr. Pope to serve as the Primary Representative and Mr. Stratford to serve as the alternate representative. (5-0: Bryant, Stratford, Glover, Pope, Evola)
- 7) **Consider the following actions related to Conservancy finances:**
- a) **AUTHORIZE staff to execute a cost-sharing agreement with the East Bay Regional Park District for \$125,000 for land acquisition and interim land management services during 2011.**
- Mr. Kopchik provided an overview of the item. He explained this item is intended as a cost-share with the East Bay Regional Park District for assistance in implementation of the land acquisition and preserve management programs. Mr. Evola asked whether a scope and budget had been prepared to provide more information on how funds would be spent. Mr. Kopchik stated that the answer is no, there is no up-front detailed budget but the agreement does require reporting on how funds are spend. Mr. Kopchik also explained that these land acquisition cost share agreements have been intentionally designed to have a very low administrative burden, in part because staff works very closely with EBRPD in the performance of land acquisition tasks. Board Members discussed that agreement only had a one year term. (5-0: Bryant, Stratford, Glover, Pope, Evola)
- b) **AUTHORIZE staff to execute contracts amendments for on-going consulting services with:**

- **HT Harvey and Associates: Increase the payment limit by \$50,000 from \$265,000 to \$315,000; and**
- **Monk and Associates: Increase the payment limit by \$10,000 from 46,500 to \$56,500.**

**c) APPROVE Resolution No: 2011-01, 2011-02, 2011-03 which authorize Conservancy staff to:**

- submit a grant applications to the California Department of Fish and Game (CDFG) for the Natural Community Conservation Planning (NCCP) Local Assistance Grant (LAG) program; and
- enter into a grant agreement to accept such grant funds as are approved by CDFG.

Mr. Kopchik provided an overview of items 7b and 7c. The Board approved both items as recommended. (5-0: Bryant, Stratford, Glover, Pope, Evola)

- 8) Consider APPROVING the East Contra Costa County Mitigation Fee Update Report (“Report”), consistent with requirements in the HCP/NCCP for periodic review of HCP/NCCP development fees; PROVIDING the Report to participating cities and the County and recommend that they consider revising wetland mitigation fees as recommended in the Report; and DIRECTING staff to apply the revised wetland mitigation fees in future agreements between the Conservancy and Participating Special Entities.** Mr. Kopchik provided a brief overview of the item and introduced Teifion Rice-Evans of Economic and Planning Systems, Inc gave a presentation highlighting the mitigation fee audit and recommendations as summarized from the “East Contra Costa County HCP/NCCP: 2011 Mitigation Fee Update.” The fee audit recommends no adjustments to the development fees, finding that the automatic adjustment process resulted in decreases to the original HCP/NCCP fees proportionate to decreases in the costs the fees are set to cover. The fee audit also recommends significant increases to most of the wetland mitigation fees, though it recommends a decrease to stream fee. Mr. Pope expressed concern with raising fees as it may be problematic for developers, especially now during the economic downturn. Mr. Kopchik acknowledged the economic challenges for projects. He indicated that developers can conduct their own restoration/creation and avoid wetland fees. He also stated that developers need the Conservancy to successfully implement the restoration/creation to mitigate for their impacts and it was important for fees to track actual costs. Mr. Pope suggested an economy of scale approach in restoration/creation of wetlands at each project site, instead of developing several smaller restoration/creation sites. Mr. Evola recommended continuing the item to allow Board members and the public more time to review the audit or postponing the item for one year. Mr. Kopchik stated that continuing to the next meeting is preferred because the HCP/NCCP requires the fees to be adjusted by March of 2011 so the delay should be minimized as much as possible. The Board determined to continue the item to the next Board meeting. (5-0: Bryant, Stratford, Glover, Pope, Evola).
- 9) Consider AUTHORIZING staff to execute a Participating Special Entity Agreement with the Contra Costa Generating Station, LLC to extend take coverage for the Oakley Generating Station Project (“OGS Project”).** Mr. Kopchik provided an overview of the item while Mr. Greg Lamberg representing Contra Costa Generating Station, LLC made a presentation on the Project. Mr. Evola and Mr. Glover thanked Radback for bringing this

Project to east Contra Costa County. The Item was approved as recommended. (5-0: Bryant, Stratford, Glover, Pope, Evola)

- 10) Consider AUTHORIZING staff to execute a Second Amendment to the Participating Special Entity Agreement with ConocoPhillips Pipeline Company for the ConocoPhillips Line 200 Pipeline Repair Project.** Mr. Kopchik provided an overview of the item. Mr. Evola asked if there is there a limit in the HCP/NCCP on how many Participating Special Entity Projects can receive take coverage. Mr. Kopchik informed him there was not. The Item was approved as recommended. (4-0: Bryant, Stratford, Pope, Evola)
- 11) Consider AUTHORIZING staff to execute an Amendment to the Participating Special Entity Agreement with the California Department of Transportation (Caltrans) for the CC4 Median Buffer and Shoulder Widening Project.** Mr. Kopchik provided an overview of the item. The Item was approved as recommended. (4-0: Bryant, Stratford, Pope, Evola)
- 12) ACCEPT update on restoration projects under consideration and development:**
  - a) Authorize staff to further explore and define a proposal for the Conservancy to partner with City of Oakley on the Creekside Park Restoration Project**  
Mr. Kopchik provided an overview of the item. The Item was approved as recommended. (4-0: Bryant, Stratford, Pope, Evola)
  - b) Update on Concept Design for the Land Waste Management Restoration Project.**  
Mr. Kopchik provided an overview of the item. Mr. Evola asked whether the Conservancy can own property in fee and Mr. Kopchik noted that it can. Mr. Kopchik explained that the Land Waste Management property will be owned in fee by the Park District when it closes escrow in March/April. The Item was approved as recommended. (4-0: Bryant, Stratford, Pope, Evola)
- 13) Discuss possibility of convening special meeting in April. Discuss Board Member interest in a field-trip.** The Board expressed an interest in doing field trips in groups of two. Staff will explore scheduling a special meeting in April or thereafter.
- 14) Adjourn (next regular meeting on June 15, 2011 at the City of Oakley).**

## **Draft Meeting Record**

East Contra Costa County Habitat Conservancy  
Governing Board Meeting  
May 12, 2011  
City of Pittsburg

### **1) Introductions.**

#### ***Governing Board members in attendance were:***

Joel Bryant	City of Brentwood
Hank Stratford	City of Clayton
Federal Glover	Contra Costa County
Randy Pope	City of Brentwood

#### ***Other Attendees:***

Ben Johnson	Councilman, City of Pittsburg
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#### ***Conservancy Staff members in attendance were:***

John Kopchik	Conservancy Staff
Abby Fateman	Conservancy Staff
Krystal Hinojosa	Conservancy Staff

### **1) Introductions.**

### **2) Public Comment.** None.

## **Adjourn to Closed Session**

### **3) Closed Session: Conference With Real Property Negotiators**

Property: APN 075-060-008, 075-160-003 and -004, and 075-200-003 (no address, located south of Pittsburg and south and east of Kirker Pass Road and Nortonville Road)

Agency Negotiators: John Kopchik and Abigail Fateman

Negotiating Parties: Conservancy and East Bay Regional Park District

Under negotiation: Price and payment terms

## **Reconvene Open Session**

**Report on any actions taken in Closed Session.** The Chair reported that the Board approved executing funding and grant agreements for the subject property.

### **4) Adjourn (next regular meeting was to have been on June 15, 2011 at the City of Oakley).** Next meeting date to be rescheduled. Staff to work with Board to find an alternate date.

**EAST CONTRA COSTA COUNTY  
HABITAT CONSERVANCY**

**DATE:** July 22, 2011  
**TO:** Governing Board  
**FROM:** Conservancy Staff  
**SUBJECT:** Audited Financial Statements for 2010

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**RECOMMENDATION**

**ACCEPT the audited financial statements and related documents for the Year Ending December 31, 2010.**

**BACKGROUND**

The joint exercise of powers agreement (JEPA) forming the Conservancy requires periodic audits of Conservancy finances and financial safeguards. State and federal law also require the Conservancy to perform certain types of audits. Maze and Associates, Certified Public Accountants, has completed the required independent audits and examinations for 2010.

The three reports prepared by Maze and Associates are listed below and are attached. The single audit reports found the Conservancy to be in compliance with the requirements of each of its major federal programs for the year ended December 31, 2010, but it does present two findings. One finding the need to submit the single audit to the State Controller and another regarding the need for disbursement requests to the State to include all the of the information specified in the grant agreements. The single audit report also include the current status of the finding from prior single audit (2009) regarding monitoring of sub-recipients.

Tim Krisch from Maze and Associates will be in attendance at the Governing Board meeting and will be available to answer questions.

CONTINUED ON ATTACHMENT: <u>Yes</u>	
ACTION OF BOARD ON: <u>July 22, 2011</u> APPROVED AS RECOMMENDED: _____	
OTHER: _____	
<b><u>VOTE OF BOARD MEMBERS</u></b>	
<input type="checkbox"/> UNANIMOUS	I HEARBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MEETING RECORD OF THE CONSERVANCY GOVERNING BOARD ON THE DATE SHOWN.  ATTESTED _____ <i>CATHERINE KUTSURIS, SECRETARY OF THE EAST CONTRA COSTA COUNTY          HABITAT CONSERVANCY</i>  BY: _____, DEPUTY
AYES: _____	
NOES: _____	
ABSENT: _____	
ABSTAIN: _____	

**Attachments:**

- Basic Financial Statements (for the year ending December 31, 2010)
- Memorandum on Internal Controls and Required Communications (Year ending December 31, 2010)
- Single Audit Report (Year ending December 31, 2010)

**EAST CONTRA COSTA COUNTY  
HABITAT CONSERVANCY**

**BASIC FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2010**

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**EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY  
BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

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**ACCOUNTANCY CORPORATION**

3478 Buskirk Ave. - Suite 215  
Pleasant Hill, California 94523  
(925) 930-0902 • FAX (925) 930-0135  
maze@mazeassociates.com  
www.mazeassociates.com

**INDEPENDENT AUDITOR'S REPORT  
ON BASIC FINANCIAL STATEMENTS**

The Governing Board  
East Contra Costa County Habitat Conservancy  
Martinez, California

We have audited the financial statements of the governmental activities and the major fund of the East Contra Costa County Habitat Conservancy (ECCCHC), as of and for the year ended December 31, 2010 which collectively comprises the ECCCHC's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the ECCCHC's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in the United States of America and the standards for the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the major fund of the East Contra Costa County Habitat Conservancy, as of December 31, 2010 and the respective changes in the financial position, thereof, and the budgetary comparison listed as part of the basic financial statements for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 19, 2011 on our consideration of the East Contra Costa County Habitat Conservancy's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. The ECCCHC has not presented the Management Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

*Maze + Associates*

May 19, 2011

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**EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY**

**STATEMENT OF NET ASSETS  
AND STATEMENT OF ACTIVITIES**

The purpose of the Statement of Net Assets and the Statement of Activities is to summarize the entire ECCCHC's financial activities and financial position. They are prepared on the same basis as is used by most businesses, which means they include all the ECCCHC's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis—the effect of all the ECCCHC's transactions is taken into account, regardless of whether or when cash changes hands. This differs from the “modified accrual” basis used in the Fund financial statements, which reflect only current assets, current liabilities, available revenues and measurable expenditures.

The Statement of Net Assets summarizes the financial position of all the ECCCHC's financial position in a single column.

The Statement of Activities reports increases and decreases in the ECCCHC's net assets. The Statement of Activities presents the ECCCHC's expenses first, listed by program. Program revenues—that is, revenues which are generated directly by these programs—are then deducted from program expenses to arrive at the net expense of each governmental program. The ECCCHC's general revenues are then listed in the Governmental Activities, and the Change in Net Assets is computed and reconciled with the Statement of Net Assets.

These financial statements along with the fund financial statements and footnotes are called *Basic Financial Statements*.

EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY  
STATEMENT OF NET ASSETS  
DECEMBER 31, 2010

ASSETS

Cash and investments (Note 3)	\$1,661,732
Accounts receivable	<u>25,690</u>
Total Assets	<u>1,687,422</u>

LIABILITIES

Accounts payable	<u>275,846</u>
Total Liabilities	<u>275,846</u>

NET ASSETS (Note 4)

Unrestricted	<u>1,411,576</u>
Total Net Assets	<u><u>\$1,411,576</u></u>

See accompanying notes to financial statements.

EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2010

Program Expenses:

Habitat Conservation Plan Development Fee Account:

Program administration	\$536,844
Land Acquisition	10,875,749
Management, restoration, recreation planning and design	37,707
Environmental compliance	86,469
Monitoring, research and adaptive management	12,030
Habitat conservation plan/natural community conservation plan preserve management and maintenance	12,730

Habitat Conservation Wetland Fee Account:

Program administration	2,242
Management, restoration, recreation planning and design	34,792
Habitat restoration and creation	51,182
Environmental compliance	10,831
Monitoring, research and adaptive management	129,678

Total Program Expenses	11,790,254
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Program Revenues:

Charges for services (including mitigation fees)	1,688,150
Capital grants for land acquisition	10,777,959

Total Program Revenues	12,466,109
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Net Program Revenue	675,855
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Change in Net Assets	675,855
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Net Assets - Beginning	735,721
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Net Assets - Ending	\$1,411,576
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See accompanying notes to financial statements.

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## FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

The ECCCHC's **General Fund** is its only fund and is therefore a major fund. It is used to account for all financial resources. General operating expenditures, fixed charges and capital costs are paid from this fund.

EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY  
 GOVERNMENTAL FUND  
 BALANCE SHEET  
 DECEMBER 31, 2010

ASSETS	<u>General Fund</u>
Cash (Note 3)	\$1,553,939
Investments (Note 3)	107,793
Accounts receivable	<u>25,690</u>
Total Assets	<u><u>\$1,687,422</u></u>
LIABILITIES	
Accounts payable	<u>\$275,846</u>
Total Liabilities	<u>275,846</u>
FUND BALANCE	
Fund balances (Note 4):	
Undesignated	<u>1,411,576</u>
Total Fund Balance	<u>1,411,576</u>
Total Liabilities & Fund Balance	<u><u>\$1,687,422</u></u>

See accompanying notes to financial statements.

EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY  
GOVERNMENTAL FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>General Fund</u>
<b>REVENUES</b>	
Habitat Conservation Plan Development Fee Account	\$11,660,931
Habitat Conservation Wetland Fee Account	248,316
Habitat Conservation Contributions to Recovery Account	389,562
Habitat Conservation Plan Giant Garter Snake Compensation Account	<u>167,300</u>
Total Revenues	<u>12,466,109</u>
<b>EXPENDITURES</b>	
Habitat Conservation Plan Development Fee Account:	
Program administration	536,844
Environmental compliance	86,469
Land acquisition	10,875,749
Management, restoration, recreation planning and design	37,707
Monitoring, research and adaptive management	12,030
Habitat conservation plan/natural community conservation plan preserve management and maintenance	12,730
Habitat Conservation Wetland Fee Account:	
Program administration	2,242
Environmental compliance	10,831
Management, restoration, recreation planning and design	34,792
Habitat restoration and creation	51,182
Monitoring, research and adaptive management	<u>129,678</u>
Total Expenditures	<u>11,790,254</u>
NET CHANGE IN FUND BALANCE	675,855
FUND BALANCE, BEGINNING OF YEAR	<u>735,721</u>
FUND BALANCE, END OF YEAR	<u><u>\$1,411,576</u></u>

See accompanying notes to financial statements.

EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
GENERAL FUND  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Habitat Conservation Plan Development Fee Account			\$11,660,931	\$11,660,931
Habitat Conservation Wetland Fee Account			248,316	248,316
Habitat Conservation Contributions to Recovery Account			389,562	389,562
Habitat Conservation Plan Giant Garter Snake Compensation Account			167,300	167,300
Total Revenues			12,466,109	12,298,809
<b>EXPENDITURES</b>				
Program administration	\$514,189	\$514,189	539,086	(24,897)
Land acquisition	14,046,303	14,046,303	10,875,749	3,170,554
Management, restoration, recreation planning and design	232,139	232,139	167,385	64,754
Habitat restoration and creation	331,920	331,920	51,182	280,738
Environmental compliance	151,303	151,303	97,300	54,003
Habitat conservation plan/natural community conservation plan preserve management and maintenance	298,151	298,151	12,730	285,421
Monitoring, research and adaptive management	169,565	169,565	46,822	122,743
Remedial measures	6,000	6,000		6,000
Contingency fund	84,863	84,863		84,863
Total Expenditures	15,834,433	15,834,433	11,790,254	4,044,179
<b>NET CHANGE IN FUND BALANCE</b>				
	<u>(\$15,834,433)</u>	<u>(\$15,834,433)</u>	675,855	<u>\$16,510,288</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>				
			<u>735,721</u>	
<b>FUND BALANCE, END OF YEAR</b>				
			<u>\$1,411,576</u>	

See accompanying notes to financial statements.

**EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY**  
**Notes to Basic Financial Statements**  
**December 31, 2010**

**NOTE 1 - GENERAL**

**A. *Joint Exercise of Powers Agreement***

On April 16, 2007, the County of Contra Costa, City of Pittsburg, City of Clayton, City of Oakley and City of Brentwood, collectively referred to the "Parties," entered into a Joint Exercise of Powers Agreement ("Agreement").

The Parties intend to implement the East Contra Costa County Habitat Conservation Plan and Natural Community Conservation Plan ("Conservation Plan"). The Parties expect the Conservation Plan to provide an effective framework to protect natural resources in eastern Contra Costa County, while improving and streamlining the environmental permitting process for impacts on rare and sensitive species and their habitat. The Parties expect that the Conservation Plan will also enable them to achieve certain land use planning goals and to provide comprehensive species, wetlands, and ecosystem conservation and to contribute to the recovery of endangered species in Northern California. The Parties have a common interest in creating an entity capable of implementing the Conservation Plan in accordance with the Implementing Agreement for the East Contra Costa County Habitat Conservation Plan/Natural Community Conservation Plan ("Implementing Agreement"). The Conservation Plan and Implementing Agreement identify certain duties and obligations that must be fulfilled by an implementing Entity in order to support the issuance of permits to the Parties under the Federal Endangered Species Act and the California Natural Community Conservation Planning Act that cover urban development and other development projects in eastern Contra Costa County.

**B. *Reporting Entity***

The ECCCHC's operations are financed by federal, state and private grants, development fees, wetland fees and fees for service.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the East Contra Costa County Habitat Conservancy conform with generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies:

**A. *Basis of Presentation***

The ECCCHC's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

These Statements require that the financial statements described below be presented.

**Government-wide Statements:** The Statement of Net Assets and the Statement of Activities include the financial activities of the overall ECCCHC. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

**EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY**  
**Notes to Basic Financial Statements**  
**December 31, 2010**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the ECCCHC's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and *contributions* that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets.

**Fund Financial Statements:** The fund financial statements provide information about the ECCCHC's fund. The emphasis of fund financial statements is on the major individual governmental fund displayed in a column.

**B. Major Fund**

The ECCCHC's **General Fund** is its only fund. It is used to account for all financial resources. General operating expenditures, fixed charges and capital costs are paid from this fund. Pursuant to Government Code Section 6600, the Conservancy segregates development fee revenue from wetland fee revenue.

**C. Basis of Accounting**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *full accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place. Basis of accounting refers to *when* revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Thus, fund revenues are recognized when they become measurable *and* available as net current assets. Measurable means the amount of the transaction can be determined and available means the amount is collectible within the current period or soon enough thereafter (generally sixty days) to be used to pay liabilities of the current period. Amounts which could not be measured or were not available were not accrued as revenue in the current fiscal year.

Those revenues susceptible to accrual are interest revenue and charges for services. Fines and forfeitures are not susceptible to accrual because they are not measurable until received in cash.

*Non-exchange transactions*, in which the ECCCHC gives or receives value without directly receiving or giving equal value in exchange, include grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

**EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY**  
**Notes to Basic Financial Statements**  
**December 31, 2010**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***D. Budgets and Budgetary Accounting***

The ECCCHC follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to the end of the fiscal year, a proposed operating budget is submitted to the Board of Directors for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted through passage of a vote of the Governing Board.
2. Formal budgetary integration is employed as a management control device during the year. Budgets are adopted on a basis consistent with generally accepted accounting principles.

***E. Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE 3 - CASH AND INVESTMENTS**

***A. Policies***

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the ECCCHC's cash on deposit or first trust deed mortgage notes with a value of 150% of the ECCCHC's cash on deposit as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the ECCCHC's name and places the ECCCHC ahead of general creditors of the institution. The ECCCHC has waived collateral requirements for the portion of deposits covered by federal deposit insurance.

***B. Classification***

The ECCCHC's cash and investments is controlled and invested by Contra Costa County's Treasury office. Investments are stated at fair value as required by generally accepted accounting principles. Pooled investment earnings are allocated by the Treasurer to each fund based on the cash and investment balances in these funds at the end of each quarter.

Cash and investments were as follows December 31:

	2010
Cash deposits with the County	\$1,553,939
Local Agency Investment Fund	107,793
<b>Total cash and investments</b>	<b>\$1,661,732</b>

**EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY**  
**Notes to Basic Financial Statements**  
**December 31, 2010**

**NOTE 4 – NET ASSETS AND FUND BALANCE**

**A. Net Assets**

Net Assets is the excess of all the ECCCHC's assets over all its liabilities.

The *Unrestricted* is the portion of Net Assets which is not restricted to use.

**B. Fund Balance**

Fund balances consist of reserved and unreserved amounts. Reserved fund balances represent portions of fund balances, which are legally segregated for specific future uses. The remaining portion is unreserved.

Unreserved fund balance may be designated to indicate the ECCCHC plans for financial resource use in a future period, such as for general contingencies or capital projects. Such plans are subject to change by the ECCCHC at its discretion.

**NOTE 5 – COST SHARING AGREEMENT**

The ECCCHC participates in a cost sharing agreement with the East Bay Regional Park District (the District). ECCCHC and the District each share out-of-pocket pre-acquisition and due diligence costs and expenses incurred in connection with joint land acquisition projects. Furthermore, the ECCCHC and the District share out-of-pocket planning costs and expenses incurred in connection with joint restoration planning projects.

All land acquisitions through the financial statements date were completed in partnership with the District. The District holds title to all parcels acquired and is responsible for managing all lands.

**NOTE 6 – CONTINGENT GRANT LIABILITY**

The ECCCHC's federal and State grant programs have been audited by its auditors in accordance with the provisions of the Federal Single Audit Act amendments of 1996 and applicable State requirements. No cost disallowances were proposed as a result of these audits; however, the programs are still subject to further audit by the grantors. If further audits are performed, the ECCCHC expects any disallowances that might result to be immaterial.

**EAST CONTRA COSTA COUNTY  
HABITAT CONSERVANCY**

**MEMORANDUM ON INTERNAL CONTROL  
AND  
REQUIRED COMMUNICATIONS**

**FOR THE YEAR ENDED  
DECEMBER 31, 2010**

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**EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY  
MEMORANDUM ON INTERNAL CONTROL  
AND  
REQUIRED COMMUNICATIONS**

**For the Year Ended December 31, 2010**

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## MEMORANDUM ON INTERNAL CONTROL

May 19, 2011

Governing Board  
East Contra Costa County Habitat Conservancy  
Martinez, California

In planning and performing our audit of the financial statements of the East Contra Costa County Habitat Conservancy (ECCCHC) as of and for the year ended December 31, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered the ECCCHC's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the ECCCHC's internal control. Accordingly, we do not express an opinion on the effectiveness of the ECCCHC's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the ECCCHC's financial statements will not be prevented, or detected and corrected on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

This communication is intended solely for the information and use of management, the Governing Board, others within the organization, and agencies and pass-through entities requiring compliance with generally accepted government auditing standards, and is not intended to be and should not be used by anyone other than these specified parties.

*Maze & Associates*

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## REQUIRED COMMUNICATIONS

May 19, 2011

Governing Board  
East Contra Costa County Habitat Conservancy  
Martinez, California

We have audited the financial statements of the East Contra Costa County Habitat Conservancy as of and for the year ended December 31, 2010 and have issued our report thereon dated May 19, 2011. Professional standards require that we advise you of the following matters relating to our audit.

**Financial Statement Audit Assurance:** Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit in accordance with generally accepted auditing standards does not provide absolute assurance about, or guarantee the accuracy of, the financial statements. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is an inherent risk that material errors, fraud, or illegal acts may exist and not be detected by us.

**Other Information Included with the Audited Financial Statements:** Pursuant to professional standards, our responsibility as auditors for other information in documents containing the ECCCHC's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. Our responsibility also includes communicating to you any information that we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements. This other information and the extent of our procedures is explained in our audit report.

**Accounting Policies:** Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the ECCCHC is included in Note 2 to the financial statements. There have been no initial selections of accounting policies and no changes in significant accounting policies or their application during 2010.

**Unusual Transactions, Controversial or Emerging Areas:** No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

**Estimates:** Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

**Disagreements with Management:** For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the ECCCHC's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

**Retention Issues:** We did not discuss any major issues with management regarding the application of accounting principles and auditing standards that resulted in a condition to our retention as the ECCCHC's auditors.

**Difficulties:** We encountered no serious difficulties in dealing with management relating to the performance of the audit.

**Audit Adjustments:** For purposes of this communication, professional standards define an audit adjustment, whether or not recorded by the ECCCHC, as a proposed correction of the financial statements that, in our judgment, may not have been detected except through the audit procedures performed. These adjustments may include those proposed by us but not recorded by the ECCCHC that could potentially cause future financial statements to be materially misstated, even though we have concluded that the adjustments are not material to the current financial statements.

We did not propose any audit adjustments that, in our judgment, could have a significant effect, either individually or in the aggregate, on the ECCCHC's financial reporting process.

**Uncorrected Misstatements:** Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We have no such misstatements to report to management.

\*\*\*\*\*

This report is intended solely for the information and use of the Governing Board, and management and is not intended to be and should not be used by anyone other than these specified parties.

*Maze + Associates*

**EAST CONTRA COSTA COUNTY  
HABITAT CONSERVANCY**

**SINGLE AUDIT REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2010**

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**EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY**

**SINGLE AUDIT REPORT  
For The Year Ended December 31, 2010**

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**EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For The Year Ended December 31, 2010**

**SECTION I—SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements**

Type of auditor’s report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified?        Yes   X   No
- Significant deficiency(ies) identified?        Yes   X   None Reported

Noncompliance material to financial statements noted?        Yes   X   No

**Federal Awards**

Type of auditor’s report issued on compliance for major programs: Unqualified

Internal control over major programs:

- Material weakness(es) identified?        Yes   X   No
- Significant deficiency(ies) identified?   X   Yes        None Reported

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?   X   Yes        No

Identification of major programs:

<u>CFDA#(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>15.615</u>	<u>Department of the Interior - Cooperative Endangered Species Conservation Fund</u>

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?        Yes   X   No



**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (Continued)**

**Finding: 10-02**

**Inclusion of Required Elements in the Disbursement Request**

**CFDA Number:** 15.615  
**CFDA Title:** Cooperative Endangered Species Conservation Fund Program  
**Name of Federal Agency:** Department of the Interior  
**Name of pass-through Entity:** California Department of Fish and Game

**Criteria:** Section 5.1c of the Vaquero Farms North Grant Agreement states that the Disbursement Request shall contain all of the following: Dollar amount and purpose of disbursement, including the Assessor Parcel Number(s) and legal description(s) of the Property being acquired and any Match Property for that Acquisition.

**Condition:** The Disbursement Request did not include the assessor parcel number, the legal description of the property being acquired or any match property for the acquisition.

**Effect:** The Conservancy is not in compliance with the grant agreement and due to this the grantor could withhold future funds.

**Cause:** The Executive Director stated that this particular requirement is not included in any of the other Conservancy grant agreements with the State and that the Sample Disbursement Request Letter provided by the State did not include this information, therefore they did not include it.

**Recommendation:** When the Conservancy must submit requests and reports to the State, they should review each individual grant agreement to make sure that all requests and reports include the required information.

**View of Responsible Officials and Planned Corrective Actions:** Conservancy staff will confirm specific requirements of agreements for reports and submissions and ensure consistency before submitting.

**Name of contact person:** John Kopchik, Executive Director, (925)335-1227

**SECTION IV - STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS –**  
Prepared by Management

**Financial Statement Prior Year Findings**

There were no prior year Financial Statement Findings reported.

**Federal Award Prior Year Findings and Questioned Costs**

**Finding SA09-01 - Monitoring of Subrecipients**

**CFDA number:** 15.512

**CFDA Title:** U.S. Department of Interior, Bureau of Reclamation, Central Valley Project Improvement Act, Title XXXIV Program, and

**CFDA number:** 15.615

**CFDA Title:** U.S. Department of Interior, Office of Fish and Wildlife Service, passed through California Department of Fish and Game, Cooperative Endangered Species Conservation Fund Program.

**Criteria:** Pursuant to requirements contained in Part 3, Section M, *Subrecipient Monitoring* of the OMB Circular A-133, Compliance Supplement, recipients of federal awards are required to adequately monitor subrecipient's use of Federal awards through reporting, site visits, regular contact, or other means to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.

**Condition:** As part of our tests of monitoring activities performed by the Conservancy, we reviewed the Single Audit Report for the year ended December 31, 2009 issued by East Bay Regional Park District, the sole subrecipient of the Conservancy, and noted that awards passed through to the District by the Conservancy were not accurately reported on the District's Schedule of Expenditures of Federal Awards. For example,

- ✦ Program expenditures for program 15.512 provided by the Conservancy were not listed on the District's Schedule of Expenditures of Federal Awards, and
- ✦ Program expenditures for the SG-8015TM provided under CFDA#15.615 were incorrectly listed under CFDA#15.512 on the District's Schedule of Expenditures of Federal Awards.

We also did not see documentation that Conservancy staff had reviewed the District's Single Audit Report prior to its issuance.

**Effect:** This may cause federal awards passed through to subrecipients to be overlooked and not subject to audit or findings noted in the subrecipient's Single Audit may go unaddressed by the Conservancy.

**Cause:** Staff is not proactively reviewing subrecipients Single Audit Reports.

**Recommendation:** Staff should routinely review subrecipients Single Audit Reports to ensure they are being completed timely, the Reports are accurate and any findings should be followed up to ensure federal award programs are being appropriately managed by the subrecipients in accordance with the Requirements of Part 3 of the OMB Circular A-133, Compliance Supplement.

**Finding SA09-01 - Monitoring of Subrecipients (Continued)**

**Current Status:**

Conservancy staff contacted District staff and documented the deficiencies in the schedule of expenditures in the District's 2009 single audit. Conservancy staff requested, and District staff agreed, that in future years the two agencies would work together to draft and review expenditure schedules for single audits when the District was a sub-recipient of Conservancy federal grant. The District has revised its 2009 single audit to correct the errors. Conservancy and District staff coordinated in the preparation of the schedule of expenditures for their respective 2010 single audits. Conservancy staff have reviewed the draft schedule and draft single audit for the District for 2010 and have confirmed the accuracy of District's reporting.

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EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Year Ended December 31, 2010

<u>Federal Grantor/ Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Identifying Number</u>	<u>Federal Expenditures</u>
Department of the Interior <b>Pass-Through</b> Program From:			
Department of Fish and Game, State of California			
Cooperative Endangered Species Conservation Fund			
Subgrant - Vaquero Farms North	15.62	SG-8015TM	\$2,770,000
Subgrant - Grandma's Quarter	15.62	SG-8015TM	471,475
Subgrant - Martin	15.62	SG-8015TM	1,115,579
Subgrant - Ang	15.62	SG-9007JW	1,243,725
Subgrant - Souza 3	15.62	SG-8015TM	2,385,180
Subgrant - Irish Canyon - Chopra	15.62	SG-1003JW	<u>792,000</u>
Total Expenditures of Federal Awards			<u><u>\$8,777,959</u></u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards

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**EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended December 31, 2010**

**NOTE 1-REPORTING ENTITY**

The Schedule of Expenditure of Federal Awards (the Schedule) includes expenditures of federal awards for the East Contra Costa County Habitat Conservancy, California and its component units as disclosed in the notes to the Basic Financial Statements.

**NOTE 2-BASIS OF ACCOUNTING**

Basis of accounting refers to *when* revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Expenditures of Federal Awards reported on the Schedule are recognized when incurred.

**NOTE 3-DIRECT AND INDIRECT (PASS-THROUGH) FEDERAL AWARDS**

Federal awards may be granted directly to the Conservancy by a federal granting agency or may be granted to other government agencies which pass-through federal awards to the Conservancy. The Schedule includes both of these types of Federal award programs when they occur.

**NOTE 4 - SUBRECEIPIENTS**

Of the federal expenditures presented in the Schedule, the Conservancy provided federal awards to subrecipients as follows:

<u>CFDA Number</u>	<u>Program Name</u>	<u>Amount Provided to Subrecipients</u>
15.615	Cooperative Endangered Species Conservation Fund Program	\$8,777,959

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Governing Board  
of the East Contra Costa County Habitat Conservancy  
Martinez, California

We have audited the financial statements of the East Contra Costa County Habitat Conservancy (Conservancy) as of and for the year ended December 31, 2010, and have issued our report thereon dated May 19, 2011. We conducted our audit in accordance with generally accepted auditing standards in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

***Internal Control over Financial Reporting***

In planning and performing our audit, we considered the Conservancy's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Conservancy's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Conservancy's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above..

### *Compliance and Other Matters*

As part of obtaining reasonable assurance about whether the Conservancy's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance and other matters that are required to be reported under *Government Auditing Standards*.

We have also issued a separate Memorandum on Internal Control dated May 19, 2011 which is an integral part of our audits and should be read in conjunction with this report.

This report is intended solely for the information and use of the Board of Directors, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Maye & Associates*

May 19, 2011

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH  
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Honorable Governing Board  
of the East Contra Costa County Habitat Conservancy  
Martinez, California

***Compliance***

We have audited East Contra Costa County Habitat Conservancy's (Conservancy) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Conservancy's major federal programs for the year ended December 31, 2010. The Conservancy's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Conservancy's management. Our responsibility is to express an opinion on the Conservancy's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Conservancy's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the East Contra Costa County Habitat Conservancy's compliance with those requirements.

In our opinion, the East Contra Costa County Habitat Conservancy complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2010-01.

### *Internal Control Over Compliance*

Management of the Conservancy is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Conservancy's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Conservancy's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as item 2010-01. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

### *Schedule of Expenditures of Federal Awards*

We have audited the financial statements of the Conservancy as of and for the year ended December 31, 2010, and have issued our report thereon dated May 19, 2011. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the Conservancy's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Conservancy's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Conservancy's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of Board of Directors, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Mage + Associates*

May 19, 2011

**EAST CONTRA COSTA COUNTY  
HABITAT CONSERVANCY**

**DATE:** July 22, 2011  
**TO:** Governing Board  
**FROM:** Conservancy Staff  
**SUBJECT:** Mid-year 2010 Budget Update and Finances

---

**RECOMMENDATION**

**Consider the following items related to Conservancy finances:**

- a) **ACCEPT** mid year financial summary.
- b) **AUTHORIZE** staff to execute contracts amendments for on-going consulting services with:
  - i. **HT Harvey and Associates: Increase the payment limit by \$70,000 from \$315,000 to \$385,000; and**
  - ii. **Resources Law Group: Increase the payment limit by \$40,000 from \$70,000 to \$110,000.**

**DISCUSSION**

**Item (a):** Attached please find a table entitled, “Mid Year Budget Status: Conservancy's 2011 Budget” which provides a status report on Conservancy expenditures so far in 2011. Information on revenue to date is also provided. As of June 30, the Conservancy is estimated to have spent \$4,522,679 and to have received \$4,365,037.

As shown in the table, expenditures to date are within the approved budget levels and are occurring at a pace to remain under budget limits through the end of the year. The Program Administration budget is being spent at the fastest pace relative to the other categories (on a percentage basis). Administrative costs are reasonably predictable and steady, though more administrative work was needed in the first six months of 2011 than is anticipated in the second six months (e.g., the Annual Report, the Maze audit and the fee audit are all tasks included in the program administration category and costs of these tasks will be mostly limited to the first six

CONTINUED ON ATTACHMENT: YES  
ACTION OF BOARD ON: July 22, 2011 APPROVED AS RECOMMENDED: \_\_\_\_\_  
OTHER: \_\_\_\_\_

**VOTE OF BOARD MEMBERS**

   UNANIMOUS  
AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSENT: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_

I HEARBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MEETING RECORD OF THE CONSERVANCY GOVERNING BOARD ON THE DATE SHOWN.

ATTESTED \_\_\_\_\_  
*CATHERINE KUTSURIS, SECRETARY OF THE EAST CONTRA COSTA COUNTY  
HABITAT CONSERVANCY*

BY: \_\_\_\_\_, DEPUTY

months of 2011). Nonetheless, staff will need to be very conscious of expenditures in this category to ensure we stay within Budget. Staff is confident that expenditures in this and other categories are on a pace to come in under Budget, if not well under Budget. The pace of land acquisition expenditures is not particularly illustrative as substantial expenditures are expected soon. Also given that land acquisition expenditures this year will be mostly covered by grants (grants, it should be noted, with strict time limits) and given the Conservancy's aggressive work plan with respect to land acquisition, larger expenditures from this category would be preferable.

**Item (b):** Staff recommends the actions set forth below with respect to two firms providing on-going services to the Conservancy. Both recommended contract amendments are consistent with the Conservancy's approved 2011 Budget.

**HT Harvey and Associates:**

The recommendation is to increase the payment limit by \$70,000, from \$315,000 to \$385,000. HT Harvey and Associates has an existing time and materials contract with the Conservancy that will expire on December 31, 2011. This contract has a number of associated tasks. The largest task has been the evaluation, design, construction plans and specifications and permitting for the Upper Hess Creek Watershed Habitat Restoration Project on the Land Waste Management property. HT Harvey has also been the lead on the plan-wide study of non-covered species and how the needs of these species are addressed by the HCP/NCCP—a study that will be an asset to local agencies and project proponents by facilitating CEQA compliance for projects covered by the HCP/NCCP. HT Harvey has also initiated riparian restoration design on the Ang property.

HT Harvey has done an excellent job with the development of the Upper Hess Creek Watershed Habitat Restoration Project. Staff has been pleased the quality of the work, the attention to detail, the promptness of the work and the quality of the design advice. Feedback from partners has also been positive and HT Harvey's expertise has been invaluable in communicating the project to wetland regulatory agencies that we rely on for permits for this project and for the proposed Regional General Permit.

As we move into the construction phase of the Upper Hess Creek Watershed Habitat Restoration Project, we anticipate relying on the expertise of the design staff at HT Harvey to consult with inspectors and Conservancy staff through-out construction. The prior contract amendment was intended to provide sufficient funding to finalize the project plans and specs. The increased contract limit is necessary to cover new work, including the following essential tasks related to the Upper Hess Creek Watershed Habitat Restoration Project:

- Support during the construction bidding process, including attendance of the pre-bid meeting and assistance with Requests for Information and Addenda (though the current contract budget is exhausted, HT Harvey provided this assistance in advance of contract amendment as a courtesy);
- Assistance with preparing the Stormwater Pollution Prevention Plan required by the State Board;
- Project survey and layout: The Construction contract provides that the construction contractor will rely on the Conservancy for these services;
- Preparation of additional materials in response to contractor requests for information and change orders (modified design pages if needed);

- Support with construction oversight, which we anticipate will require a site visit approximately once per week; and
- Assistance/guidance with permit compliance

In addition to work on the Upper Hess Creek Watershed Habitat Restoration Project, the recommended amendment is needed to provide the funding to finalize the report analyzing the benefits of the HCP/NCCP on species not covered by the HCP/NCCP and to finish a design and report for riparian restoration on the Ang property.

The design and construction of the project is funded through a grant from the State Water Resources Control Board, IRWMP Prop 50 grant. Staff anticipates that the bulk of the cost of this amendment will be born by this grant (and the costs of the report riparian at Ang will be born by a separate grant). Likewise, the proposed contract amendment with HT Harvey is consistent with the Conservancy's approved Budget for 2011.

**Resources Law Group:**

The recommendation is to authorize staff to amend an existing contract for legal services with Resources Law Group to increase the payment limit by \$40,000, from \$70,000 to \$110,000. Resources Law Group ("RLG") is the Conservancy's legal counsel. RLG continues to provide critical assistance on a variety of tasks, including:

- Legal support to regional wetlands permitting effort;
- Review of agreements related to covering Participating Special Entities under the HCP/NCCP (such costs are passed on to applicants following execution of the Agreement but the work is performed under this contract);
- Support with the Conservancy's land acquisition and restoration programs, including assistance with funding agreements, grant agreements, restoration agreements and cost-share agreements and coordination with funding agencies;
- Support with the Conservancy's legislative program, including support on the mitigation as match issue, advocating for federal funds, support with legislative analysis; and
- General day-to-day legal support to the Conservancy.

The recommended contract amendment is necessary to provide sufficient funding to continue these critical tasks for the remainder of 2011. More work is needed from Resources Law Group than was originally anticipated, largely due to: (i) the complexity of the Oakley Generating Station Participating Special Entity Agreement and CEQA process (these costs have been reimbursed by the applicant but the work was performed under this contract); (ii) an increase in the pace and urgency of work on regional wetlands permitting, including initiating work on a in-lieu fee instrument; (iii) more work than expected to assist the Conservancy with protecting and accessing its state and federal grant funding sources.

The recommended contract amendment is consistent with the recommended 2011 Conservancy Budget.

## Mid Year Budget Status: Conservancy's 2011 Budget

(expenditures and revenues include Conservancy's own funds as well as grant funds disbursed on behalf of the Conservancy)

	<i>Expenditures</i>					
	<i>A</i>	<i>B</i>	<i>C</i>	<i>D= B + C</i>	<i>E= A minus D</i>	<i>F= E/A*100</i>
	<i>Approved 2011 Conservancy Budget<sup>1</sup></i>	<i>Expenditures as of 6/30/11<sup>2</sup></i>	<i>Projected Expenditures for work performed before 6-30-11 but not yet paid</i>	<i>Total Expenditures thru 6/30/10 (Actual plus Projected)</i>	<i>Budget Amount Remaining</i>	<i>Percent Remaining</i>
Program Administration and Permitting Program	\$606,981	\$323,993	\$20,000	\$343,993	\$262,989	43%
Land Acquisition	\$14,025,099	\$3,702,506	\$6,000	\$3,708,506	\$10,316,593	74%
Management, Restoration & Recreation Planning & Design	\$303,259	\$226,540	\$8,000	\$234,540	\$68,719	23%
Habitat Restoration/Creation	\$843,259	\$69,794	\$10,000	\$79,794	\$763,465	91%
Environmental Compliance	\$165,770	\$61,488	\$14,000	\$75,488	\$90,282	54%
HCP/NCCP Preserve Management and Maintenance	\$264,257	\$4,460	\$0	\$4,460	\$259,797	98%
Monitoring, Research, and Adaptive Management	\$263,817	\$75,898	\$0	\$75,898	\$187,918	71%
Remedial Measures	\$6,000	\$0	\$0	\$0	\$6,000	100%
Contingency Fund (5% of non-land acquisition costs)	\$122,367	\$0	\$0	\$0	\$122,367	100%
<b>TOTAL EXPENDITURES</b>	<b>\$16,600,808</b>	<b>\$4,464,679</b>	<b>\$58,000</b>	<b>\$4,522,679</b>	<b>\$12,078,130</b>	<b>73%</b>
<b>FEE REVENUES YEAR TO DATE (YTD) (through 6/30/11)</b>				<b>\$689,937</b>		
<b>GRANT REVENUE YTD (through 6/30/11)</b>				<b>\$3,675,100</b>		
<b>TOTAL REVENUES YTD (through 6/30/11)</b>				<b>\$4,365,037</b>		
<b>DIFFERENCE BETWEEN YTD REVENUES &amp; EXPENDITURES (projected)</b>				<b>-\$157,641</b>		
<b>ESTIMATED FUNDS IN CONSERVANCY ACCOUNTS, JULY 12, 2011<sup>3</sup></b>				<b>\$1,474,000</b>		

### Notes:

(1) Budget amounts do not reflect augmentation formulas. The approved Budget allowed the expenditure limits for certain categories to increase in proportion to revenues. These augmentations are not included here in order to keep the comparison of expenditures to budget simple and conservative.

(2) Cost for work performed but not yet billed is not included. Projections in Column C include these amounts.

(3) Does not include more than \$15M in grant revenue that has been approved but will be received after 6-30-2011. Nor does the fund balance include the California Wildlife Foundation account which is held in trust for the Conservancy but is controlled by the wildlife agencies. That account has a current balance of more than \$3.6M.

**EAST CONTRA COSTA COUNTY  
HABITAT CONSERVANCY**

**DATE:** July 22, 2011  
**TO:** Governing Board  
**FROM:** Conservancy Staff  
**SUBJECT:** Update on the Regional General Permit

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**RECOMMENDATION**

**ACCEPT an update from Staff on the U.S. Army Corps of Engineer’s proposed Regional General Permit related to the HCP/NCCP.**

**DISCUSSION**

**BACKGROUND**

On March 22, 2011, Mary R. Pakenham-Walsh, Project Manager, California Delta Branch, U.S. Army Corps of Engineers, Sacramento Regulatory Division (“Corps”) provided an update to the Governing Board on recent actions by the Corps on the proposed RGP. The Governing Board accepted the update, directed Staff to conduct additional public outreach on the RGP and directed staff to bring the proposed In Lieu Fee Program back to the Board for consideration and adoption once it was ready. Attached please find the staff report presented to the Board at the March 2011 meeting which has additional background information.

Over the last several months, staff has held a public workshop regarding the RGP and has provided on-going technical support to the U.S. Army Corps of Engineers as they prepare to issue an RGP. The purpose of this report is to provide a brief update on these matters.

CONTINUED ON ATTACHMENT: Yes  
ACTION OF BOARD ON: July 22, 2011 APPROVED AS RECOMMENDED: \_\_\_\_\_  
OTHER: \_\_\_\_\_

**VOTE OF BOARD MEMBERS**

\_\_\_ UNANIMOUS  
AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSENT: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_

I HEARBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MEETING RECORD OF THE CONSERVANCY GOVERNING BOARD ON THE DATE SHOWN.

ATTESTED \_\_\_\_\_  
*CATHERINE KUTSURIS, SECRETARY OF THE EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY*

BY: \_\_\_\_\_, DEPUTY

## **PUBLIC WORKSHOP AND OUTREACH EFFORTS**

On June 22, 2011 Conservancy Staff hosted an Informational Workshop on Coordinating Species Permitting under the East Contra Costa County HCP/NCCP with Federal Wetlands Regulation. The intent of the Workshop was to provide information on the proposed RGP and give the public an opportunity to ask questions and make suggestions. The Workshop consisted of a panel of regulators which included the following:

- Kate Dadey & Mary Pakenham-Walsh, U.S. Army Corps of Engineers
- Randi Adair & Jeanne Chinn, California Department of Fish and Game
- Stephanie Jentsch, U.S. Fish and Wildlife Service

Presentations were made by John Kopchik, Ms. Dadey and Ms. Pakenham-Walsh. The three of them and the remainder of the panel then answered questions. The public turnout was strong, with approximately 33 people attending to hear the presentations and ask questions. Attendees represented a broad spectrum of organizations interested in the HCP/NCCP and the proposed RGP, including consultants that perform project permitting for private and public projects in the area, public agency representatives (including representatives from the participating cities and the County), private developers, conservation organizations and representatives from private mitigation banking companies. Staff believes the workshop was very well received.

Other public outreach efforts in the past year on this topic include a presentation by the Corps and Conservancy Staff in March 2011 to the Contra Costa Council Land Use Task Force, discussion of this topic at various quarterly meetings of the Conservancy's Public Advisory Committee, a presentation and panel on this topic at the annual Vacaville conference on HCPs in November 2010 which was attended by more than 150 people and hosted by the Conservancy and others who are part of the Northern California Conservation Planning Partners, and presentations by staff at legal/environmental affairs conferences in San Francisco in September 2010 and in Sacramento in June 2010.

## **RGP STATUS UPDATE**

During the Information Workshop on June 22, 2011 the Corps announced that the South Pacific Division of the Corps (which oversees both the Sacramento and San Francisco Districts), has officially designated authority to the Sacramento District to act as the lead Corps District for all required actions associated with issuing a RGP. Furthermore, under the RGP, the Sacramento District will have the responsibility to verify all activities under the HCP/NCCP that qualify for the RGP within both with the Sacramento and San Francisco districts. Designation of one lead Corps District was a goal for the Conservancy.

In June of 2011, the Corps Sacramento District initiated programmatic consultation on the RGP under Section 7 of the Endangered Species Act with the U.S. Fish and Wildlife Service. At the same time, the Corps Sacramento District also requested a General 401 Water Quality Certification under Section 401 of the Clean Water Act from the State Water Resources Control Board for activities that would be authorized under the Corps proposed implementation of the RGP. Completion of a Biological Opinion by the U.S.

Fish and Wildlife Service and a 401 Water Quality Certification by the State Board (and/or by the appropriate Regional Boards) would further coordinate the natural resources permitting process with the HCP/NCCP and provide improved streamlining and assurances to project proponents. The State Water Resources Control Board and the two Regional Boards with jurisdiction in the HCP/NCCP Plan Area (Central Valley RWQCB and San Francisco Bay RWQCB) have been involved in the process of developing the HCP/NCCP and associated permit programs for wetlands and waters for years (and, of course, the USFWS was the initial proponent of the HCP, has approved the HCP, and is assisting with implementation). The Water Board has previously identified challenges with certification of the RGP, however current conversations among staff from the State and Regional Boards, the U.S. Environmental Protection Agency, and Corps Sacramento District indicate that there is an eagerness to try to resolve these challenges.

The Sacramento District of the Corps has expressed interest in issuing the RGP very soon, anticipating that work on the Section 7 consultation with U.S. Fish and Wildlife Service and on the 401 Water Quality Certification with the State and Regional Boards would continue after RGP issuance. The proposed In Lieu Fee Instrument, the agreement that would memorialize payment of the HCP/NCCP fees as eligible mitigation under the RGP, would also follow issuance of the RGP. Conservancy staff has initiated drafting the In Lieu Fee Instrument and will report to the Board on this matter at an upcoming meeting. Until the In Lieu Fee Instrument is in place, Conservancy staff will continue to work with Corps and other agencies on a case-by-case basis to try to coordinate wetland mitigation and the HCP/NCCP. Since the Conservancy has already constructed several wetland restoration projects, the Conservancy is in a much better position to provide such coordination than it would be otherwise.

**Attachments:**

- March 2011 Report to the Board on Corps Presentation

**EAST CONTRA COSTA COUNTY  
HABITAT CONSERVANCY**

**DATE:** March 21, 2011  
**TO:** Governing Board  
**FROM:** Conservancy Staff  
**SUBJECT:** Update from the US Army Corps of Engineers

---

**RECOMMENDATION**

**ACCEPT an update from the U.S. Army Corps of Engineer’s regarding proposed In-Lieu Fee Program and Regional General Permit related to the HCP/NCCP.**

**DISCUSSION**

The HCP/NCCP was designed to facilitate not only endangered species permitting but also to one day support regional permitting under state and federal laws for impacts on jurisdictional wetlands and waters. The interest in integrating federal and state wetland permitting into the HCP/NCCP process is the same as the articulated purpose of the Plan—to benefit stream and wetland resources by conserving these resources in a more coordinated and comprehensive fashion on a regional scale and to provide an integrated, coordinated approach to permitting in lieu of the often inefficient and costly project-by-project approach.

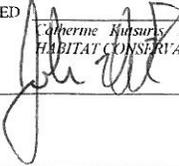
Discussion with U.S. Army Corps of Engineers, U.S. Environmental Protection Agency, State Water Resources Control Board, the Regional Water Quality Control Boards, California Department of Fish and Game and the U.S. Fish and Wildlife Service is ongoing regarding this parallel approach to compliance with wetlands regulations and reliance on the avoidance, minimization, and mitigation measures in the HCP/NCCP as the basis for regional wetlands permitting programs.

CONTINUED ON ATTACHMENT: Yes  
ACTION OF BOARD ON: March 21, 2011 APPROVED AS RECOMMENDED: No  
OTHER: Approved as recommended with additional guidance to Staff as follows: 1) to conduct additional public outreach on the In-Lieu Fee Program and the Regional General Permit. 2) present the In-Lieu Fee Program to the Board for adoption.

**VOTE OF BOARD MEMBERS**

X UNANIMOUS  
AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSENT: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_

I HEARBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MEETING RECORD OF THE CONSERVANCY GOVERNING BOARD ON THE DATE SHOWN

ATTESTED  SECRETARY OF THE EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY

BY \_\_\_\_\_, DEPUTY

coordinating such a permit with other laws and regulations. In 2010, the Conservancy also prepared and submitted a Prospectus for an In Lieu Fee Program to be considered for approval by the Corps. Such approval would sanction payment of HCP/NCCP fees as suitable mitigation under Corps permits and with the proposed Regional General Permit would achieve significant integration of wetland and species regulations.

Attending the meeting to provide an update on recent actions by the Corps will be Mary R. Pakenham-Walsh, Project Manager, California Delta Branch, U.S. Army Corps of Engineers, Sacramento Regulatory Division (Corps).

The Corps recently released Public Notices inviting public comment on two separate but related processes intended to coordinate the Corps regulation of impacts to wetlands with implementation of the HCP/NCCP. A summary of the two actions is provided below:

- **In Lieu Fee (ILF) Program:** On January 12, 2011, the Corps issued a Public Notice on a proposal by the Conservancy to establish an In-Lieu Fee (ILF) program in accordance with the federal “Mitigation Rule” (33 CFR Part 332). The proposed ILF program would be implemented in conjunction with the East Contra Costa County Habitat Conservation Plan/Natural Community Conservation Plan (HCP/NCCP). The comment period closed on February 14, 2011. The Public Notice, ILF Prospectus and the seven comments that were submitted on the Notice and ILF are attached.
- **Regional General Permit (RGP):** On February 16, 2011, the Corps issued a Public Notice on their proposal to issue a Regional General Permit (RGP) for activities that would cause no more than minimal adverse impacts to the aquatic environment within the Plan Area of the East Contra Costa County Habitat Conservation Plan/Natural Community Conservation Plan. The purpose of the proposed RGP would be to expedite Department of the Army (DA) authorization of recurring activities that are similar in nature and would have minimal individual and cumulative impacts on the aquatic environment. The proposed RGP is part of an overall strategy envisioned in the HCP/NCCP to balance the protection of important natural resources with long-term economic development in the area covered by the Plan. One of the central premises of the proposed RGP is that for purposes of Section 404, the requirement to avoid and minimize impacts to waters of the U.S., the RGP would recognize the regional avoidance strategy adopted by the HCP/NCCP. Use of the RGP would be intended to reduce the amount of paperwork and time required to authorize qualifying activities. The comment period closed on March, 2011. The Public Notice, Draft RGP and the Conservancy’s comment letter is attached.

**Attachments:**

- Public Notice of Proposed In-Lieu Fee (ILF) Program and Draft ILF Prospectus Proposed by Conservancy
- Public Notice on Proposal to Issue a Regional General Permit (RGP) and Draft RGP
- Public comments received by the Corps on ILF
- Comments submitted by Conservancy on RGP

**EAST CONTRA COSTA COUNTY  
HABITAT CONSERVANCY**

**DATE:** July 22, 2011  
**TO:** Governing Board  
**FROM:** Conservancy Staff  
**SUBJECT:** Sponsorship of the 4<sup>th</sup> Quadrennial Contra Costa County Creek and Watershed Symposium

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**RECOMMENDATION**

**AUTHORIZE the Conservancy to Sponsor the 4<sup>th</sup> Quadrennial Contra Costa County Creek and Watershed Symposium. AUTHORIZE the Chair or the Executive Director to sign to a letter inviting organizations to Sponsor or Co-Sponsor the 2011 Symposium.**

**DISCUSSION**

The 4<sup>th</sup> Quadrennial Contra Costa County Creek and Watershed Symposium (“Symposium”) entitled the “Contra Costa County Watersheds: Changing Landscapes, Evolving Perspectives” is an event which provides an opportunity for interested individuals representing a wide variety of organizations and perspectives to assemble and learn about timely and significant issues regarding the health of creeks and watersheds. The day long Symposium will be held at the Antioch Community Center on November 17, 2011 and will focus on a variety of issues related to creeks and watersheds, including the Delta, the need for and value of watershed stewardship (particularly in East County), how the landscape and natural resource constraints have changed since western settlement, how neighboring regions grapple with these challenges and the many public and private organizations working on these matters here at home.

The Symposium is being organized through the Contra Costa Watershed Forum (“CCWF”). The CCWF is an open committee of some fifty organizations, including state and local agencies, local non-profit environmental and education organizations, community volunteer groups, and private citizens. The work of CCWF participants is premised on the notion that actions in a watershed are inter-related and, therefore, that broad participation and cooperation is needed to affect change. Members of the CCWF work together to find common approaches to making our water resources

CONTINUED ON ATTACHMENT: YES  
ACTION OF BOARD ON: July 22, 2011 APPROVED AS RECOMMENDED: \_\_\_\_\_  
OTHER: \_\_\_\_\_

**VOTE OF BOARD MEMBERS**

   UNANIMOUS  
AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSENT: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_

I HEARBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MEETING RECORD OF THE CONSERVANCY GOVERNING BOARD ON THE DATE SHOWN.

ATTESTED \_\_\_\_\_  
*CATHERINE KUTSURIS, SECRETARY OF THE EAST CONTRA COSTA COUNTY  
HABITAT CONSERVANCY*

BY: \_\_\_\_\_, DEPUTY

healthy, functional, attractive and safe community assets. Staff from the Contra Costa County Department of Conservation and Development (the same staff that support the Conservancy) and the Flood Control and Water Conservation District provide staff support to the CCWF.

The past three quadrennial symposia had an attendance of between 250 and 350 people. The cost to attend has traditionally been minimal or free. The 2011 event is proposed to be free, though participants will be asked to pay for the cost of the provided lunch. Sponsorship contributions make this possible by covering the cost of facility rental, rental equipment (the Symposium will probably need to rent a stage, an audience response by text message service, etc.) light refreshments (e.g. bagels, juice and coffee), production of all printed materials, postage and a small portion of the cost of an event coordinator (the majority of the cost of the event coordinator will be covered by a grant from the Flood Control District). County staff time and the staff time of other organizations helping to plan the event is an in-kind contribution by those entities.

Though sponsorship is not a prerequisite, benefits of the event to the Conservancy would include being able to host a table and/or display posters at the Symposium, having a fact sheet on the Conservancy be included in conference materials, and being included in the short presentation section of the event where groups active in the community have an opportunity to speak on behalf of their organization. As a sponsor, the Conservancy will be represented in the outreach efforts including recognition in materials promoting the symposium and in materials distributed at the symposium. The event will be an opportunity for the Conservancy to complete some important and necessary public outreach.

Staff is requesting the Board consider Sponsoring or Co-Sponsoring the event, as well as signing a letter inviting other organizations to Sponsor or Co-Sponsor. Sponsorship requires a minimum contribution of \$1000 or in-kind services of equal or greater value. For Co-Sponsorship, the minimum contribution is \$100 or in-kind services of equal or greater value.

### **BACKGROUND MATERIALS**

The 2007 Symposium agenda and registration brochure is attached to this memo as a sample of they type of program that will be developed for this event. Sponsors and Co-sponsor are listed on this and other printed and electronic materials. Sponsors and co-sponsors of the 2007 Symposium include (but are not limited to): Contra Costa County, Contra Costa Water District, East Bay Regional Park District, Mt. View Sanitary District, California Coastal Conservancy, Save Mount Diablo, California Department of Fish and Game, Friends of Alhambra Creek, the Contra Costa Resource Conservation District and many more (see attached materials for complete list).

The Contra Costa Watershed Forum will be soliciting sponsorship and co-sponsorship of the Symposium through distribution of a letter signed by a coalition of organizations describing the event and urging support. The letter sent in 2007 is attached. Staff is recommending that the Chair or Executive Director be authorized to sign a similar such letter this year on behalf of the Conservancy.

### **Attachments:**

- 2007 Invitation to Sponsor or Co-Sponsor the Symposium Cover Letter
- 2007 Symposium Brochure

# CONTRA COSTA COUNTY CREEK AND WATERSHED SYMPOSIUM



~~ A Project of the Contra Costa Watershed Forum ~~

## **Subject: Invitation to Sponsor or Co-sponsor the Third Quadrennial Contra Costa County Creek and Watershed Symposium**

August 22, 2007

Dear Sir or Madam;

A group of local government, regulatory agencies, and non-governmental organizations is in the process of planning a one-day symposium to be held November 15, 2007 at 8:30 a.m. at the Shadelands Arts Center in Walnut Creek on the subject of planning and managing creeks and watersheds in Contra Costa County. The preliminary title for the event is *Contra Costa County Watersheds: Yesterday, Today and Tomorrow*. The purpose of this letter is to inform you of the forthcoming symposium and to invite your participation in and/or financial support for hosting what we hope will be a constructive and valuable event.

More than 300 people attended the first two symposia in 1999 and 2003. The 1999 event was the catalyst for the formation of the Contra Costa Watershed Forum (CCWF), a partnership organization of government agencies and non-profit organizations working to identify common ground on multi-objective enhancements to the health of creeks and watersheds in the County. The 2003 event was coordinated by the CCWF and was the venue for release of the Contra Costa County Watershed Atlas. In 2001 and 2005, the CCWF hosted a series of evening symposia in different areas of the County to provide an opportunity for local residents who may not be able to come to an all day conference to learn about watersheds in the County. Each session was attended by 60 to 150 people.

To continue the tradition of public involvement in creek and watershed issues, the 2007 Symposium is intended to accomplish the following:

- a) Improve outreach on creek and watershed issues and seek to involve individuals and groups that have not been involved before;
- b) Identify what the Forum and others (i.e. individual Forum participants) accomplished in the past four years and lessons learned;
- c) Recognize individuals who have made exceptional contributions to watersheds in the County;
- d) Identify functions and responsibilities of creek-related organizations (Flood Control, Contra Costa Clean Water Program, watershed organizations, environmental education organizations, etc.);
- e) Explore the historical conditions in our creeks and watersheds to better understand the challenges and opportunities we face today;
- f) Learn about innovative activities in other areas of the state, including the City of San Luis Obispo;
- g) Take a Contra Costa-focused look at the Sacramento-San Joaquin Delta, its problems and proposed solutions; and
- h) Consider what the future could and should hold for our creeks and watersheds.

Your involvement in helping to conduct this event and achieve these objectives would be most welcome. Please consider joining this effort as a recognized Sponsor or Co-Sponsor. By participating in the following ways, you can help ensure that the event enjoys broad participation and that the price to attend is modest.

Symposium Sponsors provide one or more of the following:

- a) contribute \$1000 or more to the symposium and /or related activities
- b) play a substantial role in, and contribute significant time to, planning, developing and hosting the creek and watershed symposium

Symposium Co-Sponsors provide one or more of the following:

- a) contribute \$100 or more to the symposium and/or related activities
- b) agree to send at least one representative to the creek and watershed symposium and assist with developing and hosting the symposium by either participating in finalizing the preliminary symposium agenda and other materials, setting up a poster or small display at the symposium or assisting the registration desk on the day of the symposium.

Sponsors and Co-Sponsors identified by October 1, 2007 will be recognized in printed announcements for the symposium. If you would like to register your interest in sponsoring or co-sponsoring this event, wish to provide comments on the information in this letter, or would simply like to receive more information or help out, please contact Kae Ono at the Contra Costa County Community Development Department (phone 925-335-1230; Fax: 925-335-1299; e-mail: [kono@cd.co.contra-costa.ca.us](mailto:kono@cd.co.contra-costa.ca.us); address: 651 Pine Street, North Wing-Fourth Floor, Martinez, CA 94553). Please make your check payable to Contra Costa County Community Development Department, Attn: Creek and Watershed Symposium.

We hope this information on the upcoming Contra Costa County Creek and Watershed Symposium is helpful and that you will consider becoming involved. Please join in making this event a positive step towards improving our creeks and watersheds.

Sincerely,

  
Supervisor Mary Piepho  
Chair, Contra Costa County Board of Supervisors

  
Mayor Sue Rainey  
City of Walnut Creek

  
Don P. Freitas  
Contra Costa Clean Water Program  
Manager

  
Daniel Pellegrini  
Chair, Contra Costa County  
Fish and Wildlife Committee

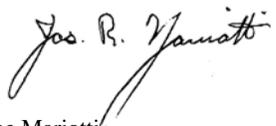
  
Mitch Avalon  
Deputy Chief Engineer, Contra  
Costa County Flood Control and  
Water Conservation District

  
Carol Arnold  
District Manager, Contra Costa  
Resource Conservation District

  
William Chilson  
Watershed and Lands Manager,  
Contra Costa Water District

  
Steve Abbors  
Manager of Watershed and  
Recreation, East Bay Municipal  
Utility District

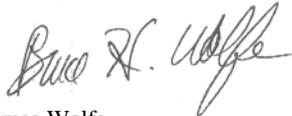
  
Shirley Skaredoff  
Chair, Friends of Alhambra Creek

  
Joe Mariotti  
Chair, Friends of Pinole Creek  
Watershed

  
David R. Contreras  
District Manager, Mt View  
Sanitary District

  
Linus Eukel  
Executive Director, Muir  
Heritage Land Trust

  
Rich Walking  
Project Manager, Natural Heritage  
Institute

  
Bruce Wolfe  
Executive Officer, SF Bay Regional  
Water Quality Control Board

  
Ron Brown  
Executive Director,  
Save Mount Diablo

  
Phil Stevens  
Executive Director, Urban  
Creeks Council

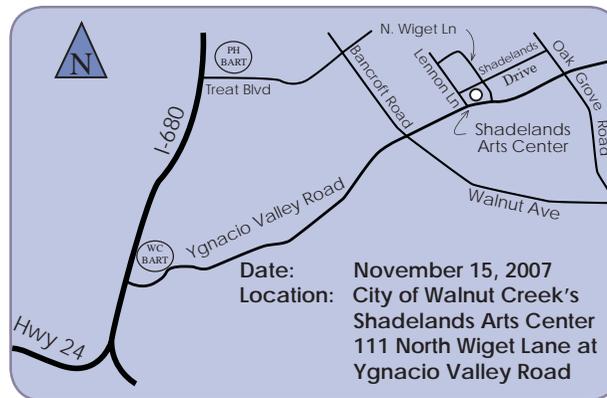
  
Pat O'Brien  
General Manager, East Bay  
Regional Park District

## SYMPOSIUM SPONSORS

City of Walnut Creek  
 Contra Costa Clean Water Program  
 CCC Board of Supervisors  
 CCC Community Development Department  
 CCC Fish and Wildlife Committee  
 CCC Flood Control and Water Conservation District  
 Contra Costa Resource Conservation District  
 Contra Costa Watershed Forum  
 East Bay Regional Park District  
 Friends of Alhambra Creek  
 Mt. View Sanitary District  
 The Dow Chemical Company  
 Urban Creeks Council

## SYMPOSIUM CO-SPONSORS

Agricultural-Natural Resources Trust of CCC  
 California Department of Fish and Game  
 California Coastal Conservancy  
 California Invasive Plant Council  
 City of Clayton  
 City of Concord  
 City of Lafayette Creeks Committee  
 Contra Costa County Farm Bureau  
 Contra Costa Water District  
 East Bay Municipal Utility District  
 Friends of Five Creeks  
 Friends of Mt. Diablo Creek  
 Friends of Pinole Creek Watershed  
 Friends of the Creeks  
 KIDS for the BAY  
 LifeGarden  
 Natural Heritage Institute  
 Save Mount Diablo  
 San Francisco Bay Joint Venture  
 San Francisco Estuary Institute  
 San Francisco Estuary Project  
 San Francisco Regional Water Quality Control Board  
 SPAWNERS c/o The Watershed Project  
 The Watershed Project  
 U.S. Environmental Protection Agency  
 U.S. Army Corps of Engineers  
 Walnut Creek Open Space Foundation



**Date:** November 15, 2007  
**Location:** City of Walnut Creek's Shadelands Arts Center  
 111 North Wiget Lane at Ygnacio Valley Road

### HOW TO GET THERE:

**Public Transit:** From BART Pleasant Hill station, take County Connection Bus #107.

**From Hwy 680 North/Hwy 24 East:** Exit at Ygnacio Valley Road. Turn right. Follow Ygnacio 3 miles. Turn left at North Wiget Lane.

**From Hwy 680 South:** Exit at Treat Blvd. Turn left on Oak Park. Turn left on Treat. Follow Treat 1 mile. Turn right on Bancroft. Turn left on Ygnacio. Turn left on N. Wiget Lane.

**Cost:** \$20 (Advanced payment by check preferred)

**Lunch:** Provided.

**Registration:** Please register no later than November 8th to guarantee a seat and meal. Unregistered attendees will be accommodated to the extent possible.

### Send Registration Information by:

**Mail to:** CCC-C&W Symposium  
 651 Pine Street, 4th Fl., North Wing  
 Martinez, CA 94553  
 Attn: Kae Ono

**FAX to:** (925) 335-1299

**EMAIL to:** kono@cd.cccounty.us

**ONLINE at:** www.cocowaterweb.org

Checks payable to: Contra Costa County Community Development Department  
 Sorry, no credit cards accepted. Cash payments at door OK.

## REGISTRATION FORM

### Creek and Watershed Symposium

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Affiliation (if any): \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

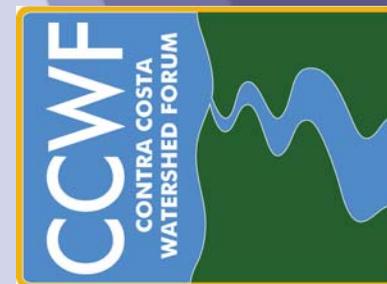
Lunch Selection: Meat  Vegetarian   
 Vegan

Check box if you do not want contact information included in attendance list:

For more information, call (925) 335-1230  
 or visit [www.cocowaterweb.org](http://www.cocowaterweb.org)

To:

Contra Costa County  
 Creek and Watershed Symposium  
 651 Pine Street, 4th Floor, North Wing  
 Martinez, CA 94553-0095



## 3rd Quadrennial Contra Costa County CREEK AND WATERSHED SYMPOSIUM

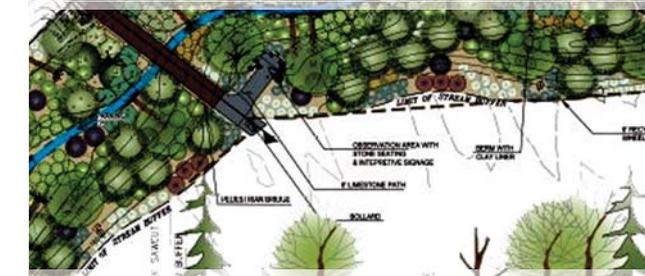
# CONTRA COSTA COUNTY WATERSHEDS:

Including a  
 Panel Discussion on the Delta  
 and the Peripheral Canal!

# YESTERDAY



# TODAY



# TOMORROW

November 15, 2007  
 Walnut Creek, CA  
 Shadelands Arts Center

## PURPOSE OF THE EVENT

The 3rd Quadrennial Contra Costa County Creek and Watershed Symposium, *Contra Costa County Watersheds: Yesterday, Today and Tomorrow*, will be held on November 15, 2007 in Walnut Creek. The purpose of the event is to provide a venue where interested individuals representing a wide variety of organizations and perspectives can assemble and learn about timely and significant issues regarding the health of creeks and watersheds. Noteworthy aspects of the event include an emphasis on understanding past conditions and events, a comprehensive overview of current activities and who is behind them, inspirational initiatives from inside and outside the region, trends, challenges and opportunities over the long term, and a discussion on the crisis in the Delta and renewed calls for construction of a peripheral canal. You are cordially invited to attend.

## AGENDA

- 8:30 Registration Begins. Poster Session.**  
**9:00 Convene 2007 Symposium** - Don Freitas, Master of Ceremonies and Manager, Contra Costa Clean Water Program  
**9:10 Welcoming remarks** - Honorable Sue Rainey, Mayor, City of Walnut Creek  
**Welcoming remarks** - Honorable Susan Bonilla  
Contra Costa County Board of Supervisors, District IV  
**Introductory remarks** - Honorable George Miller  
U.S. House of Representatives, 7th District (invited)

## LESSONS FROM THE PAST

### Yesterday

- 9:30 Why the Past Matters: Understanding our Watersheds through Historical Analysis**  
Mitch Avalon, Deputy Chief Engineer, Contra Costa County Flood Control and Water Conservation District  
**9:40 Historical Ecological Assessment of Contra Costa Watersheds: An Introduction**  
Robin Grossinger, Historical Ecology Program Manager, San Francisco Estuary Institute  
**10:05 Cultural and Human History of Contra Costa Watersheds: How Native Peoples Shaped the Environment**  
Mark Hylkema, Archaeologist, California State Parks  
**10:30 Break**  
**10:45 The 30th Anniversary of the Mount Diablo Fire of 1977: A First Hand Account of an Event that Continues to Influence How We Manage Our Watersheds**  
Bob Doyle, Assistant General Manager, East Bay Regional Park District

## WHAT IS HAPPENING TODAY IN CONTRA COSTA

### Today

- 11:10 Contra Costa Watershed Forum Overview**  
Kae Ono and Abby Fateman, Contra Costa County Community Development Department  
**11:15 Who Is Doing What Where?** A Whirlwind Tour of What Is Being Done Now By A Wide Array of Organizations To Improve the Health of Creeks and Watersheds in the County

## "Today" Continued...

- 11:45 Remembering a Forefather of Clean Water Policies: Dr. Teng-Chung Wu**  
David Contreras, General Manager, Mountain View Sanitary District  
**11:50 Presentation of the 2007 Contra Costa Watershed Forum Awards**  
**12:05 Lunch** (Courtesy of Contra Costa County Fish and Wildlife Committee Chefs)

## MAJOR DECISIONS FOR THE DELTA

- 1:00 Overview Presentation: Worsening Crisis in the Sacramento-San Joaquin Delta**  
Robert Twiss, Professor Emeritus, University of California at Berkeley, Department of Landscape Architecture and Environmental Planning  
**1:15 Panel Discussion: 25 Years After Rejecting the Peripheral Canal Should Contra Costa Residents Give This Issue a Fresh Look?**  
*Moderator:* Sunne Wright McPeak, President and CEO of California Emerging Technology Fund and Member of the Governor's Delta Vision Blue Ribbon Task Force  
*Panelists:* Byron Buck, Principal, Byron Buck and Associates  
Greg Gartrell, Assistant General Manager, Contra Costa Water District  
Tom Graff, Senior Attorney, Environmental Defense Planning and Conservation League  
Jerry Meral, former Executive Director  
Dante Nomellini, General Manager and Co-Counsel  
Central Delta Water Agency

## WHAT THE FUTURE MAY HOLD

### Tomorrow

- 2:10 Learning From Pioneers: The City of San Luis Obispo's Efforts to Incorporate the Health of Creeks and Watersheds in Their Visions for the City**  
Dr. Neil Havlik, Natural Resources Manager, City of San Luis Obispo  
**2:45 Break**  
**3:00 Pinole Creek Watershed Restoration: From Vision to Reality**  
Drew Goetting, Restoration Design Group  
**3:25 General Comments From the Audience**  
**3:40 The World Shrinks, the World Expands: Watersheds and Relocalization**  
Rob Thayer, Professor Emeritus of Landscape Architecture, University of California at Davis and Visiting Professor in the Department of Landscape Architecture and Environmental Planning, University of California at Berkeley  
**4:10 Concluding Remarks** - Don Freitas  
**4:15 Adjourn**

