



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

Monday, August 25, 2014
2:00 p.m.

City of Pittsburg
Pittsburg City Hall, Council Chambers
65 Civic Avenue
Pittsburg, CA 94565

AGENDA

2:00 p.m. Convene meeting

- 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.)**
- 3) **Consider APPROVING the Meeting Record from the East Contra Costa County Habitat Conservancy (“Conservancy”) Governing Board Meeting of June 23, 2014.**
- 4) **Consider APPROVING Resolution No. 2014-02 related to Conservancy grant applications which authorize Conservancy staff to:**
 - a) **Submit grant applications to the California Department of Fish and Wildlife (CDFW) for the Natural Community Conservation Planning (NCCP) Local Assistance Grant (LAG) program (total amount: \$245,000); and**
 - b) **Enter into grant agreements to accept grant funds if approved by CDFW.**

(Abigail Fateman)
- 5) **Consider the following items related to Conservancy finances:**
 - a) **AUTHORIZE staff to execute an amendment to the existing contract with Nomad Ecology, LLC, to extend the payment limit by \$60,000 from \$65,000 to \$125,000.**
 - b) **AUTHORIZE staff to execute an amendment to the existing contract with H.T. Harvey and Associates to extend the payment limit by \$20,000 from \$88,000 to \$108,000.**

(Abigail Fateman)

- 6) **Consider ACCEPTING an update on the Hess Creek Channel Restoration Project.**
(Abigail Fateman)
- 7) **Consider the following actions related to extending take coverage to Pacific Gas and Electric Company (PG&E) for the PG&E Contra Costa-Moraga 230 Kilovolt Transmission Line Reconductoring Project.**
 - a) **AUTHORIZE staff to file a Notice of Determination for this Board action with the County Clerk.**
 - b) **AUTHORIZE Executive Director to execute a Participating Special Entity (“PSE”) Agreement with PG&E for take coverage of the Contra Costa-Moraga 230 kV Transmission Line Reconductoring Project, as further described in Exhibit 1, the Planning Survey Report (“PSR”), provided the Wildlife Agencies concur with the PSE Agreement.**
(Joanne Chiu)

Adjourn to Closed Session

CS1) Conference with Legal Counsel – Existing Litigation (Gov. Code, § 54956.9(d)(1))
Discovery Builders, Inc. v. City of Brentwood, California; City Council of the City of Brentwood, et al.; Contra Costa County Superior Court, Case No. N13-1781

CS2) Conference with Real Property Negotiators
Property: APNs 020-171-001 and 020-172-004; 8831 Byron Highway, Knightsen, CA
Agency Negotiators: John Kopchik, Abigail Fateman and Joanne Chiu
Negotiating Parties: Conservancy, East Bay Regional Park District and Ronald Nunn Family LP
Under negotiation: Price and payment terms

Reconvene Open Session

- 8) **Report on any actions taken in Closed Session.**
- 9) **Adjourn. Next Governing Board meeting on October 27, 2014.**

If you have questions about this agenda or desire additional meeting materials, you may contact Maureen Parkes of the Contra Costa County Department of Conservation and Development at 925-674-7203.

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: August 25, 2014
TO: Governing Board
FROM: Conservancy Staff
SUBJECT: Governing Board Meeting Record for June 23, 2014

RECOMMENDATION

APPROVE the Meeting Record from the East Contra Costa County Habitat Conservancy (“Conservancy”) Governing Board Meeting of June 23, 2014.

DISCUSSION

Please find the draft meeting record attached.

CONTINUED ON ATTACHMENT: <u>Yes</u>	APPROVED AS RECOMMENDED: _____
ACTION OF BOARD ON: <u>August 25, 2014</u>	
OTHER: _____	
<u>VOTE OF BOARD MEMBERS</u>	
<u> </u> UNANIMOUS	
AYES: _____	
NOES: _____	
ABSENT: _____	
ABSTAIN: _____	
	I HEREBY 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
	<u>John Kopchik, INTERIM SECRETARY OF THE EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY</u>
	BY: _____, DEPUTY

Draft Meeting Record

East Contra Costa County Habitat Conservancy
 Monday, June 23, 2014
 City of Brentwood

The Board convened the meeting at 2:00 p.m.

1) Introductions.

Governing Board members in attendance were:

Joel Bryant	City Council, City of Brentwood
Hank Stratford	City Council, City of Clayton
Mary Piepho	Contra Costa County Board of Supervisors (Conservancy Chair)
Diane Burgis	City Council, City of Oakley (Conservancy Vice Chair)
Salvatore Evola	City Council, City of Pittsburg

Other attendees (who signed the sign-in sheet):

Tim Krisch	Maze and Associates
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Conservancy Staff and consultants in attendance were:

John Kopchik	Conservancy Staff
Abigail Fateman	Conservancy Staff
Krystal Hinojosa	Conservancy Staff
Joanne Chiu	Conservancy Staff
Chris Beale	Conservancy Legal Counsel

John Kopchik also announced that Krystal Hinojosa is leaving her position with the Conservancy to join Supervisor Mitchoff’s office as the Chief of Staff. Ms. Hinojosa has worked with the Conservancy for five years and has helped shape the permitting program. Conservancy staff will miss her and wish her the best with her new position with Supervisor Mitchoff.

- 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).** There were no public comments.
- 3) **Consider APPROVING the Meeting Record from the East Contra Costa County Habitat Conservancy (“Conservancy”) Governing Board Meeting of April 28, 2014.** The meeting record was approved. (4-0, with one abstention: Piepho, Pope, Stratford, Evola; Burgis abstained)
- 4) **Consider ACCEPTING the audited financial statements and related documents for the Year Ending December 31, 2013.** Mr. Kopchik provided an overview of the audited financial statements, and pointed out a \$29,000 error/typo between the previously distributed draft and the revised version of the Basic Financial Statements. Tim Krisch from Maze and Associates provided an overview of the audit. The item was approved as recommended. (5-0: Piepho, Pope, Stratford, Evola, Burgis)

- 5) **Consider the following items related to Conservancy finances:**
- a) **ACCEPT the mid-year status report on finances and the 2014 Conservancy Budget.**

Mr. Kopchik provided an overview of the mid-year status report on finances. In addition to discussing the current status, he also discussed large expenses anticipated in the second part of the fiscal year such as the Hess Creek Restoration Project.

- b) **AUTHORIZE staff to execute an amendment to the existing contract for golden eagle research with the East Bay Regional Park District (“EBRPD”), to extend the term from December 31, 2013 to December 31, 2015.**

Mr. Kopchik presented the request from the East Bay Regional Park District to extend the term of the contract for the Golden Eagle Research project.

There were no public comments on these items. Items 5a and 5b were approved as recommended. (5-0: Piepho, Pope, Stratford, Evola, Burgis)

- 6) **TAKE the following actions related to the adoption of a Labor Compliance Program:**
- a) **APPROVE Resolution No. 2014-02 related to adopting a Labor Compliance Program for capital projects funded by Proposition 84.**
 - b) **AUTHORIZE staff to prepare and submit an application for the Labor Compliance Program to the State of California Department of Industrial Relations.**

Ms. Fateman provided an overview of the Proposition 84 grant award and its requirements. The Resolution and the Plan are in compliance with the grant award and State requirements. The resolution and plan are needed to receive awards through this funding stream. There were no public comments on these items. Items 6a and 6b were approved as recommended. (5-0: Piepho, Pope, Stratford, Evola, Burgis)

- 7) **Consider the following actions to implement the Hess Creek Restoration Project (“Project”):**

- a) **CONSIDER and APPROVE “CEQA Addendum, Hess Creek Channel 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 up to \$738,119 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.**

Ms. Fateman provided an overview of the Hess Creek Restoration Project and the associated actions related to environmental review, public contracting through East Bay Regional Park District, and project construction and monitoring. There were no public comments on these items. Items 7a, 7b, 7c, 7d and 7e were approved as recommended. (5-0: Piepho, Pope, Stratford, Evola, Burgis)

- 8) **Consider the following actions related to extending take coverage to Chevron Pipe Line Company for the Chevron Pipeline KLM 32 PIM Repair Project:**
- a) **AUTHORIZE staff to file a Notice of Determination for this Board action with the County Clerk.**
 - b) **AUTHORIZE Executive Director to execute a First Amendment to the Participating Special Entity Agreement with Chevron Pipe Line Company for the Chevron Pipeline KLM 32 PIM Repair Project as further described in Addendum 1.0 (the Addendum to the Planning Survey Report), provided the Wildlife Agencies concur with the Amendment.**

Ms. Hinojosa provided an overview of the Chevron Pipeline KLM Repair Project.

There were no public comments on these items. Items 8a and 8b were approved as recommended. (5-0: Piepho, Pope, Stratford, Evola, Burgis)

- 9) **Consider the following actions related to extending take coverage to San Pablo Bay Pipeline Company LLC for the Shell Pipeline North 20 ILI Repair Project:**
- a) **AUTHORIZE staff to file a Notice of Exemption with the County Clerk for the project.**
 - b) **AUTHORIZE staff to execute a Participating Special Entity Agreement with San Pablo Bay Pipeline Company LLC for the take coverage of the Shell Pipeline North 20 ILI Repair Project.**

Ms. Hinojosa provided an overview of the staff report. There were no public comments on these items. Items 9a and 9b were approved as recommended. (5-0: Piepho, Pope, Stratford, Evola, Burgis)

The Board announced adjournment to Closed Session.

- 10) **Report on any actions taken in Closed Session.** There were no actions to report.

- 11) **Adjourned to the next Governing Board meeting on August 25, 2014.**

Governing Board Member Bryant moved to adjourn the meeting in honor of Krystal Hinojosa and thanked her for her service. (5-0: Piepho, Pope, Stratford, Evola, Burgis)

**EAST CONTRA COSTA COUNTY
HABITAT CONSERVANCY**

DATE: August 25, 2014
TO: Governing Board
FROM: Conservancy Staff (Abigail Fateman)
SUBJECT: Conservancy Grant Applications

RECOMMENDATION

APPROVE Resolution No. 2014-02 related to Conservancy grant applications which authorize Conservancy staff to:

- i. Submit grant applications to the California Department of Fish and Wildlife (CDFW) for the Natural Community Conservation Planning (NCCP) Local Assistance Grant (LAG) program (total amount: \$245,000); and**
- ii. Enter into grant agreements to accept grant funds if approved by CDFW.**

DISCUSSION

The California Department of Fish and Wildlife (CDFW) administers grants from CDFW's Natural Community Conservation Planning (NCCP) Local Assistance Grant (LAG) Program. CDFW offers these grants to eligible applicants on an annual basis for high priority tasks urgently needed to implement approved NCCPs. CDFW solicited concept proposals in late July 2014. Conservancy staff consulted with CDFW and USFWS staff and developed proposals for the grant program.

The Conservancy submitted initial funding requests totaling \$245,000 for three separate projects. The proposals were to assist with funding of baseline inventories of land cover and for surveys of rare plant populations on recent land acquisitions; ongoing monitoring and maintenance of restoration projects; and a follow-up study on the efficacy of BMPs implemented on the Vasco Road safety shoulders projects constructed by the CCC Public Works Department.

CDFW requires an approved resolution from the Conservancy's Governing Board to enter into an agreement to receive grant funding. The procedures established by CDFW require the Grantee to certify by resolution the approval to apply for and accept grant funds, and provide authorization to enter into an agreement with the CDFW to implement the critical activities related to the NCCP Program.

Attachment: Resolution 2014-02

CONTINUED ON ATTACHMENT: Yes
 ACTION OF BOARD ON: August 25, 2014
 OTHER: _____

APPROVED AS RECOMMENDED: _____

VOTE OF BOARD MEMBERS

UNANIMOUS
 AYES: _____
 NOES: _____
 ABSENT: _____
 ABSTAIN: _____

I HEREBY 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 _____
*John Kopchik, INTERIM SECRETARY OF THE EAST CONTRA COSTA COUNTY
 HABITAT CONSERVANCY*

BY: _____, DEPUTY

Resolution No: 2014-02

RESOLUTION OF THE EAST CONTRA COSTA COUNTY HABITAT
CONSERVANCY AUTHORIZING THE APPLICATION AND ACCEPTANCE OF
GRANT FUNDS FOR URGENT NATURAL COMMUNITY CONSERVATION
PLAN IMPLEMENTATION TASKS IN EASTERN CONTRA COSTA COUNTY

WHEREAS, certain local assistance grant funds are made available annually on a competitive basis by the California Department of Fish and Wildlife for Natural Community Conservation Planning (NCCP) Program urgent implementation tasks; and

WHEREAS, the grants are awarded pursuant to guidelines established by the California Department of Fish and Wildlife for determination of project eligibility for funds; and

WHEREAS, said procedures established by the California Department of Fish and Wildlife require the Grantee to certify by resolution the approval to apply for, and accept grant funds and provide authorization to enter into an agreement with the California Department of Fish and Wildlife to implement urgent activities related to the NCCP Program.

NOW, THEREFORE, BE IT RESOLVED that the East Contra Costa County Habitat Conservancy approves the filing of applications for local assistance for the above project in an amount up to \$245,000.

IT IS FURTHER RESOLVED that the East Contra Costa County Habitat Conservancy appoints the Executive Director as agent to conduct all negotiations, execute and submit all documents including, but not limited to applications, agreements, payment requests and so on, which may be necessary for the completion of the aforementioned projects.

Approved by the following vote on August 25, 2014.

Ayes:

Noes:

Abstain:

Absent:

Attest: _____
Executive Director

**EAST CONTRA COSTA COUNTY
HABITAT CONSERVANCY**

DATE: August 25, 2014
TO: Governing Board
FROM: Conservancy Staff (Abby Fateman)
SUBJECT: Finances / Contract Amendments

RECOMMENDATION

Consider the following items related to Conservancy finances:

- a) AUTHORIZE staff to execute an amendment to the existing contract with Nomad Ecology, LLC, to extend the payment limit by \$60,000 from \$65,000 to \$125,000.
- b) AUTHORIZE staff to execute an amendment to the existing contract with H.T. Harvey to extend the payment limit by \$20,000 from \$88,000 to \$108,000.

DISCUSSION

Item (a):

The recommendation is to authorize staff to execute an amendment to the existing contract with Nomad Ecology, LLC to increase the payment limit by \$60,000 from \$65,000 to \$125,000. The increase in contract funding is to provide part-time assistance to the Conservancy with managing the permitting program. An overview of the recommendation is below:

Contract Amendment Amount: Extend the payment limit by \$60,000 from \$65,000 to \$125,000.

Existing Contracted Primary Tasks: Monitoring of Souza 2 and Lentzner Spring wetland restoration projects; comprehensive wetland and rare plant survey on new acquisitions, contribution of botanical expertise to development of management, monitoring and restoration plans, and on-call biological services related to unanticipated botanical and wildlife tasks that may be encountered on properties or projects.

CONTINUED ON ATTACHMENT: _____
ACTION OF BOARD ON: August 25, 2014
OTHER: _____

APPROVED AS RECOMMENDED: _____

VOTE OF BOARD MEMBERS

___ UNANIMOUS

AYES: _____
NOES: _____
ABSENT: _____
ABSTAIN: _____

I HEREBY 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

*John Kopchik, INTERIM SECRETARY OF THE EAST CONTRA COSTA COUNTY
HABITAT CONSERVANCY*

BY: _____, DEPUTY

Additional tasks: (1) Provision of a consulting planner to the Conservancy two days a week to assist with the management of the permitting program, development and management of comprehensive tracking databases, and general program support. (2) Additional restoration construction monitoring related to the Souza II repair project.

Funding sources for additional tasks: Conservancy funds, administrative charges collected from applicants.

The recommended amendment to the 2014 contract would continue the preserve inventory tasks that Nomad Ecology has performed for the past three years and the monitoring of the Souza II and Lentzner Spring restoration projects. Additional funds would be available in the amendment for assistance with providing a consulting planner and the permitting and biological support of the Souza II repair. The new tasks for Nomad Ecology include:

- Consulting planner to assist the Conservancy with the management of the permitting program [Approximately \$50,000]
- Permitting and biological support for the Souza II erosion repair project [Approximately \$10,000]

Note that these funds had previously been programmed to cover costs of the Permit Program manager provided through the ICF contract. With the transfer of the permit program responsibilities from ICF to Nomad Ecology we do not expect to utilize the full existing contract with ICF for this task.

The proposed contract is consistent with the Conservancy's proposed 2014 budget.

Item (b): The recommendation is to authorize staff to execute an amendment to the existing contract with H.T. Harvey and Associates to increase the payment limit by \$20,000 from \$88,000 to \$108,000. The increase in contract funding is to provide additional project permitting and permitting follow-up tasks as well as additional on-call biological services during the construction of the Hess Creek Restoration Project. An overview of the recommendation is below:

Contract Amendment Amount: extend the payment limit by \$20,000 from \$88,000 to \$105,000.

Existing Contracted Primary Tasks: Support for of the Hess Creek and Wetland Restoration Project bid package; construction oversight for the Hess project; vegetation landscape plan finalization; restoration opportunities analysis; CEQA species analysis and on-call biological work.

Additional Tasks: (1) Additional management of the restoration construction permit process and permit follow-up and As-Built Biological Report for the Hess Creek Channel Restoration Project (2) Additional budget for on-call biological work (associated with the Hess Creek Restoration Project).

Funding Sources: California Department of Water Resources grant and Conservancy funds

Staff worked with H.T. Harvey and Associates to develop cost projections for additional permitting, restoration and project follow-up tasks. The Conservancy was awarded a grant for

wetland restoration that would cover most of the expense of this contract (\$650,000 from the Department of Water Resources - Integrated Regional Water Management Program). The grant must be spent by December 2014 and must be used for restoration or acquisition actions in the western portion of the HCP Plan Area. The Hess Creek Channel Restoration Project on the started construction in early August 2014 and H.T. Harvey (who designed the project) is providing integral support through the construction process.

Additional tasks for H.T. Harvey and Associates include:

- On-call biological services including advising on adaptive management of restoration projects [Approximately \$5,000 for this task]
- Hess Creek Channel Permit follow-up such as on-site supervision and development of As-Built Biological Report [\$15,000]

The proposed contract is consistent with the Conservancy's proposed 2014 Budget.

**EAST CONTRA COSTA COUNTY
HABITAT CONSERVANCY**

DATE: August 25, 2014
TO: Governing Board
FROM: Conservancy Staff (Abigail Fateman)
SUBJECT: Update on Hess Creek Channel Restoration Project

RECOMMENDATION

ACCEPT update on Hess Creek Channel Restoration Project.

BACKGROUND

Staff will provide a verbal update on recent restoration activities within the preserve system.

CONTINUED ON ATTACHMENT: _____		
ACTION OF BOARD ON: <u>August 25, 2014</u>	APPROVED AS RECOMMENDED: _____	
OTHER: _____		
<u>VOTE OF BOARD MEMBERS</u>		
___ UNANIMOUS		
AYES: _____		
NOES: _____		
ABSENT: _____		
ABSTAIN: _____		
	I HEREBY 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>John Kopchik, SECRETARY OF THE EAST CONTRA COSTA COUNTY HABITAT CONSERVANCY</i>	
	BY: _____, DEPUTY	

**EAST CONTRA COSTA COUNTY
HABITAT CONSERVANCY**

DATE: August 25, 2014
TO: Governing Board
FROM: Conservancy Staff (Joanne Chiu)
SUBJECT: Agreement with Pacific Gas & Electric Company to Extend Take Coverage

RECOMMENDATION

Consider the following actions related to extending take coverage to Pacific Gas and Electric Company (“PG&E”) for the PG&E Contra Costa-Moraga 230 Kilovolt Transmission Line Reconductoring Project (“PG&E Reconductoring Project” or “Project”)

- A. **AUTHORIZE** staff to file a Notice of Determination for this Board action with the County Clerk.
- B. **AUTHORIZE** Executive Director to execute a Participating Special Entity (“PSE”) Agreement with PG&E for take coverage of the Contra Costa-Moraga 230 kV Transmission Line Reconductoring Project, as further described in Exhibit 1, the Planning Survey Report (“PSR”), provided the Wildlife Agencies concur with the PSE Agreement.

DISCUSSION

ITEM (A). California Environmental Quality Act (CEQA): The Board’s decision to authorize the Interim Executive Director to execute a PSE Agreement and to extend take authorization under the PSE Agreement to PG&E for the PG&E Reconductoring Project is a discretionary action subject to CEQA. For the Project, the State Water Resources Control Board (“Water Board”) is the CEQA lead agency. The Water Board prepared the Initial

CONTINUED ON ATTACHMENT: Yes
ACTION OF BOARD ON: August 25, 2014 APPROVED AS RECOMMENDED: _____
OTHER: _____

VOTE OF BOARD MEMBERS

 UNANIMOUS

AYES: _____
NOES: _____
ABSENT: _____
ABSTAIN: _____

I HEREBY 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 _____
*John Kopchik, INTERIM SECRETARY OF THE EAST CONTRA COSTA COUNTY
HABITAT CONSERVANCY*

BY: _____, DEPUTY

Study/Mitigated Negative Declaration for the Contra Costa-Moraga 230 kV Transmission Line Reconductoring Project (“IS/MND”) (state clearinghouse number 2013102015), dated July 15, 2014. The Conservancy is a CEQA responsible agency for purposes of the Project and, as such, will rely on the IS/MND prepared by the Water Board for purposes of fulfilling its responsibilities under CEQA.

The Conservancy concurs with the Findings adopted by the Water Board on July 15, 2014 and finds that the impacts of the PG&E Reconductoring Project are fully disclosed and analyzed in the IS/MND, and that for each significant impact identified in the IS/MND, PG&E has proposed measures included in the project description and included mitigation measures to reduce the impacts to a less than significant level. Staff will file a Notice of Determination with the County Clerk to reflect this action.

ITEM (B). As part of the PG&E Reconductoring Project, PG&E is seeking take coverage for upgrades to the existing 230 kilovolt (kV) transmission line between the Contra Costa Power Plant Substation and Tower 56 of the line. In order to maintain service reliability and meet increasing electric load demands in Contra Costa County, PG&E will replace approximately 11.8 miles of the 230 kV transmission line between Contra Costa and Tower 56 on approximately 30 existing towers in the East Contra Costa County Habitat Conservation Plan/Natural Community Conservation Plan (“HCP/NCCP”) area, as further described in Exhibit 1, the PSR. The Project will minimize the potential for future power demand overloads and ensure service reliability.

The PG&E Reconductoring Project consists of three main components, summarized as follows:

1. Modifying 64 of 132 existing steel lattice towers along the existing Contra Costa-Moraga Line through the installation of cage extensions, foundation reinforcement, additional reinforcement, an/or switch installation/replacement. Within the HCP/NCCP area, approximately 30 towers will be modified. Of these 30 towers, 23 will receive cage extensions, 7 will receive foundation reinforcement and 23 will receive additional reinforcement. No switch installations will be made in the HCP/NCCP area.
2. Reconductoring the entire approximately 27-mile long Contra Costa-Moraga Line between the Contra Costa Power Plant Substation and Moraga Substation. 11.8 miles of the line is within the HCP/NCCP area.
3. Modifying Contra Costa Power Plant Substation, Rossmoor Substation and Moraga Substation to accept the new conductors by replacing existing equipment and structures. All work associated with these modifications will be performed within existing fence lines and on PG&E-owned property. Of the three substations, Contra Costa Power Plant Substation is within the HCP/NCCP area.

The application for take coverage is limited to those activities occurring within the HCP/NCCP jurisdictional area and does not include any of the activities that will occur outside the HCP/NCCP area. The Project consists of 22.9 acres of temporary impacts of which 18.6 acres require mitigation and 4.3 acres are classified as exempt from mitigation fees as they are urban and turf sites. PG&E has outlined in the PSR a detailed plan to restore all the temporarily impact areas to pre-project conditions. For more information on the Project, reference Attachment A, the Project Description, and Attachment B (Figure 1: Project Location Map, Figure 2: Detailed

Project Map, Figure 3a: Land Cover Map, Figure 3b: Representative Photos, and Figure 4: Biological Survey Map), in the PSR application.

PG&E is requesting take coverage for the PG&E Reconductoring Project through the Conservancy as a PSE. Chapter 8.4 of the HCP/NCCP provides that organizations, including public agencies and private organizations, with projects or ongoing activities within the inventory area that are not subject to the land use authority of one of the land use agencies participating in the HCP/NCCP (known as the “Permittees”), may submit an application to the Conservancy requesting coverage under the HCP/NCCP as a PSE. PG&E does not require any city or county land use permits for the proposed project and are therefore eligible to apply for take coverage as a PSE. As a PSE, PG&E will obtain authorization for take of HCP/NCCP covered species in accordance with the applicable terms and conditions of the Implementing Agreement (“IA”), the HCP/NCCP, and the state and federal permits.

In order to apply for take coverage as a PSE, the PSE’s Project must be an eligible covered activity or specifically named project under the HCP/NCCP. As set forth in Section 2.3.2 of the HCP/NCCP, public and private utility infrastructure projects are an eligible covered activity within the HCP/NCCP inventory area. The Project qualifies as a utility infrastructure project and therefore is an eligible covered activity.

In order to receive permit coverage under the HCP/NCCP, the Conservancy and PG&E must enter into an agreement obligating compliance with the applicable terms and conditions of the IA, the HCP/NCCP, and the state and federal permits. The agreement must describe and bind PG&E to perform all avoidance, minimization, and mitigation measures applicable to the Project. Conservancy staff has prepared the proposed PSE Agreement and PG&E agrees to the terms and conditions therein (attached).

Exhibit 1 to the PSE Agreement is the completed PSR for the PG&E Reconductoring Project, prepared by PG&E in consultation with Conservancy staff. The PSR documents the results of the planning-level surveys conducted throughout the PG&E Reconductoring Project site where ground disturbing impacts will occur and within a 250-ft¹ radius of all work areas, pull sites, landing zones, and crossing structure installation areas. The PSR also describes the specific pre-construction surveys, construction monitoring, avoidance and minimization measures, and mitigation measures that are required in order for the PG&E Reconductoring Project to be covered through the HCP/NCCP. The PSR contains project vicinity and location maps, the project site plans and detailed maps showing the project impacts, land cover types, species habitat, and the fee calculator worksheet (Table 6). Several attachments are included in the PSR including Rare Plant Survey Reports (Attachment C), Wetland and Water Features (Attachment D), and the Initial Study/Mitigated Negative Declaration (Attachment E).

¹ The study area varies for different resource surveys but generally includes all areas within 250 feet of work areas, pull sites, landing zones, and crossing structure installation areas.

Key Provisions of the PSE Agreement:

- Project impacts by land cover type are reflected in the table below:

Land Cover Type	Temporary Impacts (acres)
Annual Grassland	5.3
Ruderal	13.0
Vineyard	0.3
Urban (exempt from fees)	4.2
Turf (exempt from fees)	0.1
Total Impacts (to non-exempt land cover types)	18.6

- The PSE Agreement provides that the PG&E Company will reimburse the Conservancy for staff costs associated with processing the request for take coverage, up to a maximum reimbursement of \$25,000.
- In addition, as set forth in the PSE Agreement (page 6-7), PG&E will pay the Conservancy \$362,762.12, which amount includes all HCP/NCCP development fees necessary for the Project. The payment also includes an amount sufficient to implement additional actions that will contribute to the recovery of endangered and threatened species (“Contribution to Recovery”).
- Staff proposes a Contribution to Recovery in the amount of \$32,978.37. As set forth in the HCP/NCCP, the Conservancy may charge a PSE a Contribution to Recovery to help the Conservancy cover certain costs associated with the HCP/NCCP that are not included in the mitigation fees (for example, the costs of preserve management beyond the permit term, the costs born by the Conservancy of exceeding mitigation requirements and contributing to the recovery of covered species (as is required because the plan is an NCCP and by state law NCCP’s must contribute to recovery, etc.)). Given the overall scale of the PG&E Reconductoring Project, the proposed ground disturbing impacts associated with the reconductoring work, and the development fee applicable to the project which is around \$17,700 per acre, staff proposes a \$32,978.37 Contribution to Recovery. This amount is 10% of the amount of the mitigation fees required for the development impacts and staff believes this is consistent with the amount charged in previously covered PSE projects. The Contribution to Recovery for the PG&E Pittsburg-Tesla 230-kV Transmission Line Reconductoring Project was also 10%.
- The table below summarizes the required Development Fees, Contribution to Recovery, and Administrative Costs:

FEE SUMMARY FOR THE PG&E RECONDUCTORING PROJECT	
Development Fees:	\$329,783.75
Contribution to Recovery for Endangered Species:	\$32,978.37
TOTAL FEES AND CONTRIBUTIONS	\$362,762.12
Maximum Administrative Costs	\$25,000.00
MAXIMUM AMOUNT TO BE PAID	\$387,762.12

- The PSE Agreement provides that the Development Fees and Contribution to Recovery must be paid before work commences. Additionally, the PSE Agreement provides that Administrative Costs will be detailed in invoices, and paid by PG&E within thirty days of receiving invoice. PG&E anticipates paying fees in 2014 in order to secure the HCP/NCCP Permit before starting work in the fourth quarter of 2014. The PSE Agreement requires the amount of fees to be adjusted annually, including any changes in the first year that occur before work commences, as required by the HCP/NCCP. An adjustment is not anticipated at this time.
- The PSE Agreement requires a number of detailed measures to avoid impacts to several covered species including pre-construction surveys and applicable avoidance and minimization measures for San Joaquin kit fox, western burrowing owl, Swainson's hawk, and golden eagle.

Next steps: If the Conservancy Governing Board authorizes staff to sign the PSE Agreement, key next steps in granting take coverage would be as follows:

- PG&E signs the Agreement.
- Staff will ask the Wildlife Agencies to review the PSE Agreement and to concur that the PSE Agreement includes all applicable requirements of the HCP/NCCP with regard to the Project and imposes a duty on PG&E to implement them. If, and only if, the Wildlife agencies concur, the Executive Director of the Conservancy will sign the PSE Agreement. Note: PSE agreements, unlike the granting of take authorization by a participating City or County, require concurrence from the Wildlife Agencies.
- PG&E pays all required mitigation, Contribution to Recovery, and Administrative Costs (to-date, as set forth in an invoice to be provided to PG&E by Conservancy staff), as outlined in the PSE Agreement.
- The Conservancy issues PG&E a Certificate of Inclusion. Take authorization would then be in effect, subject to the terms of the PSE Agreement.
- PG&E conducts pre-construction surveys to determine which species-specific avoidance and minimization measures are required during construction.
- PG&E develops and submits a construction monitoring plan to the Conservancy in accordance to Section 6.3.3 of the HCP/NCCP.
- PG&E implements the Project subject to the terms of the Agreement.

Attachments:

- **PSE Agreement, including:**
 - Main body of PSE Agreement
 - Exhibit 1: Planning Survey Report Application:
 - Main body of Planning Survey Report
 - Fee Calculator (Table 6)
 - Attachments A (Project Description), B (Figures) and D (Wetland and Water Features)
 - Attachments C (Botanical Resource Survey Report) and E (Initial Study/Mitigated Negative Declaration) (provided on CD-ROM)