

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: STEVE BRADY, SENIOR ENVIRONMENTAL SPECIALIST
WATER DEPARTMENT
SUBJECT: LOWER COLGAN CREEK RESTORATION PHASE 2
MITIGATION CREDIT PURCHASE AUTHORIZATION

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Water Department that the Council, by resolution: 1) authorize the purchase of mitigation credits for the Lower Colgan Creek Restoration Phase 2 Project; 2) approve the California Tiger Salamander Mitigation Credits Purchase Agreement Number F002203 with Davis Preserve, LLC in an amount not to exceed \$339,360 to purchase required mitigation credits for California tiger salamander; 3) approve the Wetland Creation Credits Purchase Agreement Number F002213 with Hazel Mitigation Preserve, LLC in an amount not to exceed \$7,250 to purchase required mitigation credits for wetlands; and 4) authorize the Director of Water to execute both agreements and any related documents or applications, subject to approval as to form by the City Attorney.

EXECUTIVE SUMMARY

The approved resolution will authorize the purchase of mitigation credits for the Lower Colgan Creek Restoration Phase 2 Project as required by regulatory agencies. The Project is designed and on track for construction during the summer of 2021.

BACKGROUND

This Lower Colgan Creek Restoration Phase 2 Project will restore 2,170 linear feet of straightened and denuded channel into a natural creek, while expanding flood protection. This Project is the second phase of a three-phase project. The new alignment will allow the Colgan Creek channel to have greater water retention during high flows. In-stream structures and pools will be installed, such as boulders, boulder weirs, and over 1,000 native trees, shrubs and grasses to enhance the riparian habitat.

The City needs to obtain environmental permits including, but not limited to: the General Construction Permit (State Water Resources Control Board), Clean Water Act Section

LOWER COLGAN CREEK RESTORATION PHASE 2 MITIGATION CREDIT
PURCHASE AUTHORIZATION
PAGE 2 OF 3

404 (U.S. Army Corps of Engineers with consultation with the U.S. Fish & Wildlife Service), Clean Water Act Section 401 (State Water Resources Control Board), State of California Endangered Species Act, and State of California Fish and Game Code (California Department of Fish and Wildlife, or CDFW). As a requirement of the regulatory agencies, the City must purchase mitigation credits to offset impacts of the Project to endangered species and wetlands.

The mitigation credits, which include credits for California tiger salamander (CTS) and wetlands, are required by regulatory agencies to be purchased prior to commencement of the Project. The credits compensate for the loss of habitat as a result of the Project through the establishment and representation of mitigation banks monitored by the regulatory agencies in perpetuity.

PRIOR CITY COUNCIL REVIEW

On November 19, 2002, Council adopted a concept plan for the Lower Colgan Creek Restoration Project.

On March 27, 2007, Council adopted the Santa Rosa Citywide Creek Master Plan.

On December 2, 2008, Council amended the Lower Colgan Creek Restoration Plan.

On September 21, 2010, Council adopted a Mitigated Negative Declaration and authorized the final design of the Colgan Creek Restoration Project.

On May 6, 2014, Council delegated authority to the Director of Transportation & Public Works to submit all environmental permits for completion of the Lower Colgan Creek Restoration Phase 2 project.

ANALYSIS

Proposals were solicited on August 26, 2020 from three representatives of mitigation bank brokers identified by the CDFW and U.S. Army Corps of Engineers as providing Sonoma County-approved mitigation credits. On September 8, 2020 one proposal was received from TRI Development Services, LLC, representing Davis Preserve, LLC for the purchase of CTS mitigation credits and Hazel Mitigation Preserve, LLC for the purchase of wetland mitigation credits. The proposal offered CTS credits at \$168,000 per acre and wetland credits at \$145,000 per acre.

Regulatory agencies have required the City to purchase 2.02 acres of CTS and 0.05 acre of wetland mitigation credits. The table below summarizes the credits needed and associated costs. Approval of this resolution will result in authorization to purchase mitigation credits not to exceed \$346,610.

LOWER COLGAN CREEK RESTORATION PHASE 2 MITIGATION CREDIT
PURCHASE AUTHORIZATION
PAGE 3 OF 3

Credit Type	Credits Needed (ac)	Cost per Acre	Cost
CTS	2.02	\$168,000	\$339,360
Wetland	0.05	\$145,000	\$7,250
		TOTAL	\$346,610

FISCAL IMPACT

Funds for the purchase of mitigation credits will come from JL key 54024. These funds have been appropriated from the Storm Water Enterprise Fund specifically for the Project. Approval of this action will not result in a fiscal impact to the General Fund.

ENVIRONMENTAL IMPACT

The Council approved and adopted, by Resolution No. 27736, a Mitigated Negative Declaration for the Colgan Creek Restoration and Park Project in compliance with the California Environmental Quality Act (CEQA) on September 21, 2010. This action is within the scope of the project description analyzed in the Mitigated Negative Declaration and does not require further environmental review or analysis under CEQA.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution/Exhibits A and B (Agreements)

CONTACT

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