



Staff Report

TO: City Council
FROM: Robert L. Vestal, Public Works Director
DATE: September 17, 2024
SUBJECT: Agreement for the Purchase of Mitigation Bank Credits for Second Street Extension

Description Authorize an agreement in the amount of \$200,000 for the purchase of mitigation bank credits for the Second Street Extension (Project).

Background and Analysis:

The proposed Project includes the extension of Second Street from the westerly boundary of Home Depot to the proposed intersection at Pennsylvania Avenue. The Project will include the construction of a new storm drain facility and improvements to existing drainage and culverts, which will impact approximately 0.36-acres of California Department of Fish and Wildlife (CDFW) 1602 resources, including three ephemeral streams and roadside drainage with potential riparian habitat.

The City entered into a Streambed Alteration Agreement (EPIMS-RIV-33589-R6) with CDFW that identifies the terms, conditions, and measures to protect the fish and wildlife resources. Accordingly, the City must purchase at least 1.00 (acre) credit from a mitigation bank to compensate for the 0.36 acres of permanent impacts to fish and wildlife resources.

Barry Jones Wetland Mitigation Bank (Shunk Hollow) has prepared an agreement for the sale of one (1.00) mitigation credit in the amount of \$200,000 (Attachment A).

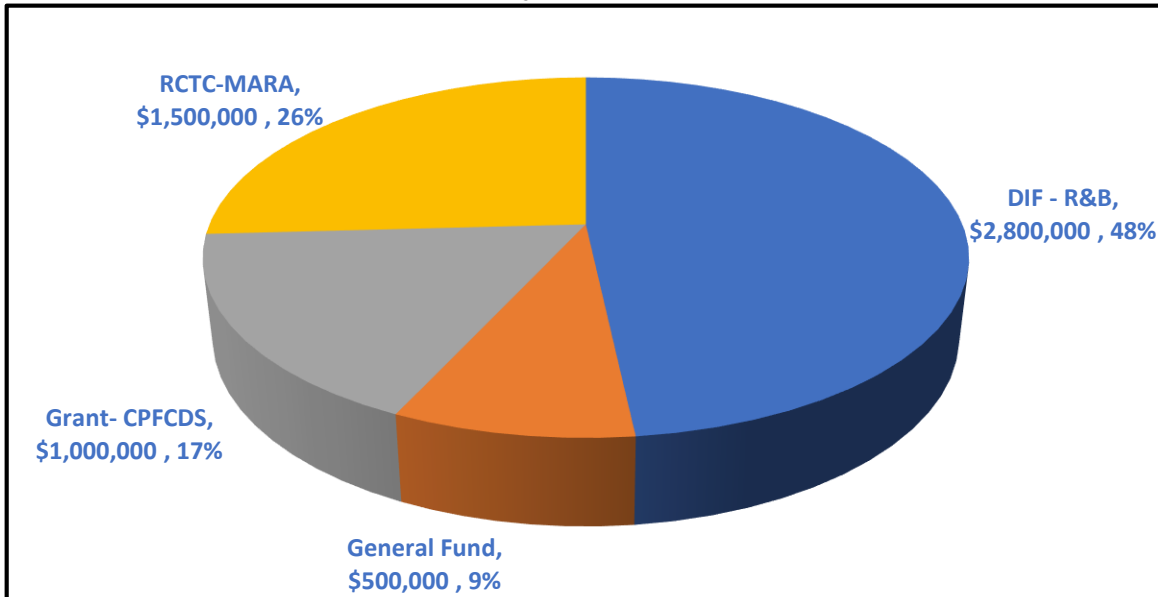
Fiscal Impact:

The cost to prepare this staff report is estimated to be \$350.

Funding for this Project is provided by CIP R-12 Second Street Extension. The following is a summary of the funding and budget for CIP R-12 Second Street Extension:

CIP R-12 Second Street Extension (Construction) Project Funding Summary

Estimated Project Cost= \$5,800,000



CIP R-12 Second Street Extension (Construction) Project Budget Summary

Project Component	Budget	Encumbered	Paid to Date	Remaining Budget
Project Management				
Preliminary Services	\$55,650	\$(55,650)	\$(17,769)	
Environmental				
Design				
Permits	\$220,000	\$(8,970)		\$211,030
Right-of-Way				
Construction	\$5,524,350			\$5,524,350
Construction Management				
Equipment				
Total	\$5,800,000	\$(64,620)	\$(17,769)	\$5,735,380

This project was awarded \$1,000,000 from the Community Project Funding/Congressionally Directed Spending (CPFCDs) grant funding sponsored by Congressman Ruiz. A CIP amendment reflecting the updated funding is tentatively scheduled for October 1, 2024. The summary above includes the proposed grant funding.

Recommended Action:

Authorize the City Manager to execute an agreement for the sale of credits in the amount of \$200,000 for the purchase of mitigation bank credits associated with CIP R-12 Second Street Extension.

Attachments:

- A. Purchase Agreement for Mitigation Credits