



## **CITY OF MENIFEE**

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SUBJECT: Environmental Mitigation Credit Purchases from Riverpark Mitigation Bank for Capital Improvement Projects, Holland Road / I-215 Overcrossing and Bradley Road Bridge Over Salt Creek

MEETING DATE: September 6, 2023

TO: Mayor and City Council

PREPARED BY: Carlos Geronimo, Principal Engineer

REVIEWED BY: Nick Fidler, Public Works Director

APPROVED BY: Armando G. Villa, City Manager

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### **RECOMMENDED ACTION**

1. Authorize the City Manager to execute necessary documents and issue payment to Riverpark Mitigation Bank for the purchase of Environmental Mitigation Credits for the Holland Road / I-215 Overcrossing Project in an amount not to exceed \$327,250 and the Bradley Road Bridge Over Salt Creek Project in an amount not to exceed \$267,750

### **DISCUSSION**

Capital improvement projects are evaluated early in the project design phase to determine if project work may cause impacts to environmentally sensitive areas. When potential impacts are identified, mitigation of those impacts are required by various environmental agencies. Purchasing mitigation credits (Credits) through established public or private mitigation banks is a mitigation option when onsite mitigation is not possible. Credits purchased through mitigation banks provide funding to support publicly or privately managed offsite conservation areas. Currently, there are two City capital improvement projects that require the purchase of Credits to comply with project mitigation requirements.

### **Holland Road / I-215 Overcrossing**

The Holland Road / I-215 Overcrossing, Capital Improvement Program (CIP) No. 13-03 (Project A) is a four-lane bridge over I-215 from Haun Road to Hannover Lane, providing a connection to the City's east and west sides. Construction of Project A requires installation of mechanically stabilized earth retaining walls on the east side, improvements to drainage, irrigation, and landscaping, and the installation of traffic signals on Holland Road at Haun Road and Hannover Lane. Project A is currently in active construction.

A portion of Project A is located within the Old Paloma Wash, which is listed as a “blue-line stream” and managed by the Army Corps of Engineers (ACOE). Project A proposes to re-align the stream to accommodate the roadway and bridge construction which requires specific permits as well as the purchase of Credits. In February 2023, City Council authorized the City Manager to purchase most of the required Credits for Project A, with a total not-to-exceed amount of \$600,000. At that time, staff specified that research was ongoing for the purchase of additional Credits required by the Riverside Conservation Agency (RCA) and the California Department of Fish and Wildlife (CDFW). Riverpark Mitigation Bank, the local mitigation bank, has notified staff that Credits have become available to satisfy the RCA Credits for Project A. The total purchase amount for the identified credits for Project A is \$327,250.

### **Bradley Road Bridge Over Salt Creek**

The Bradley Road Bridge Over Salt Creek project, CIP No. 13-04 (Project B), proposes to replace the existing low-flow crossing of Bradley Road at Salt Creek with a 335 foot-long by 64-foot-wide all-weather bridge to accommodate the conveyance of 100-year flood flows. Additional improvements to Bradley Road to the north and south of the proposed bridge include grading changes to support ramps on either side of the proposed bridge abutments. The Project B area includes the segment of Bradley Road located just north of the Rio Vista Drive intersection and continues to just south of the Potomac Drive intersection.

Project B would result in permanent impacts to approximately 0.21 acre of ephemeral, non-wetland waters due to the construction of the aggregate-base access ramps, bridge abutments, and rock slope protection needed to support and stabilize the bridge. CDFW, ACOE, and the Regional Water Quality Control Board (RWQCB) are the regulatory authorities for this Credit purchase and require purchasing the Credits at a 3:1 ratio, meaning that the City must purchase a total of 0.63 Credits to compensate for the 0.21 acres of impacted area. The total purchase amount for the Credits for Project B would be \$267,750.

Table 1 below summarizes the Project A and Project B Credits.

**Table 1 – Agency Mitigation Requirements**

Project	Description	Credit Acres Required for Purchase	Total Purchase Price
Project A	0.38 acres of re-establishment Credits 0.39 acres of rehabilitation Credits	0.77 acres	\$327,250
Project B	0.31 acres of re-establishment Credits 0.32 acres of rehabilitation Credits	0.63 acres	\$267,750

In order to reserve these highly sought after Credits, Riverpark Mitigation Bank required a 10% non-refundable deposit of the total Credit purchase amount for each project. The City issued payment of the deposits in the amount of \$32,725 for Project A and \$26,775 for project B. The 10% deposit did not require Council approval because the purchases are non-professional service costs, as outlined in section 3.12.040 of the City’s Municipal Code. The purchase of the remaining 90% of the total Credit purchases for each project do require City Council approval. The purchase

of the Credits from Riverpark Mitigation Bank identified in Table 1 would not adjust the overall project budget for either project as the costs of these credits were anticipated when project budgets were established.

### **STRATEGIC PLAN OBJECTIVE**

Connectivity and Mobility

### **FISCAL IMPACT**

The payment of the remaining portion of the Credits for Project A and Project B would not adjust the overall Budget as funding for these costs were anticipated when establishing project budgets. Funding for the Credit purchases for the Holland Road / I-215 Overcrossing Project (CIP 13-03) in an amount not-to-exceed \$294,525 and the Bradley Road Bridge Over Salt Creek Project (CIP 13-04) in an amount not-to-exceed \$240,975 have been identified in previously programmed local funds within Fiscal Year (FY) 2022/2023, which may be carried forward into FY 2023/2024 under City Manager authority. Funding for both projects is outlined in Table 2 below.

**Table 2 – Identified Project Funding**

<b>Fund</b>	<b>Project</b>	<b>Account Number</b>	<b>Available Budget</b>	<b>Remaining Credit Purchase Cost (90%)</b>
<b>DIF - Circulation</b>	Holland Road / I-215 Overcrossing (CIP 13-03)	526-4555-58021	\$568,661	\$294,525
<b>Capital Projects</b>	Bradley Road Bridge over Salt Creek (CIP13-04)	320-4555-58000	\$2,003,245	\$240,975

### **ATTACHMENTS**

1. Project Location Map – CIP 13-03
2. Project Location Map – CIP 13-04
3. Riverpark Mitigation Bank Letter – CIP 13-03
4. Riverpark Mitigation Bank Letter – CIP 13-04
5. Riverpark Mitigation Bank Agreement for Sale of Credits – CIP 13-03
6. Riverpark Mitigation Bank Agreement for Sale of Credits – CIP 13-04