

Reservoir Committee and Authority Board Meeting

Agenda Item 3.2: Biological Terrestrial Mitigation
Contracting Strategy

May 17, 2024



Approach to Refining Contracting Strategy for Compensatory Terrestrial Biological Mitigation

- ✓ 1. Establish values
- ✓ 2. Prepare strawperson strategy
 - ✓ a. Seek contractor and industry input on strawperson strategy
 - ✓ b. Workshop
 - ✓ c. One-on-one meetings
3. Prepare draft strategy
 - a. Seek contractor and industry input on draft strategy
4. Refine and prepare final strategy
5. Return to RC/AB for approval of final strategy

Approach similar to approach for developing July 2022 Contracting Strategy

Planning Principles Reviewed and Concurred by the Board in August 2023

1. Mitigation acquisition will be sequenced and timed to avoid impacting progress of critical path construction
2. Authority remains open approaches to providing mitigation; owner and/or third party provided
3. Mitigation contracting strategy needs to align with the July 2022 Board adopted Contracting Strategy

Strawperson Strategy, Workshop and One-on-One Feedback

- Workshop held in Maxwell on Oct 25, 2023
 - 60+ attendees, representing almost 2 dozen firms and organizations
 - Provided overview of strawperson strategy and received general feedback
- One-on-one meetings with mitigation providers
 - Focused feedback
 - 14 held in late 2023
 - More focused feedback on strawperson strategy
- Review of other mitigation projects and contracts

Draft Strategy – One, Prime Contractor

- One, single contract for all compensatory terrestrial biological mitigation (including wetlands and vernal pools)
 - Long-term partnership
 - Centralize communication and outreach with landowners and agencies
 - One complete package for mitigation rather than Authority trying to piece together a package through multiple contractors
 - Allows for more flexibility for changes we know will happen
 - Fit/approach, continuity of individuals, succession planning, and seeing sustained performance of contractor will be important

Draft Strategy – Qualification Based, First Technical Task

- Qualification-based competitive selection
 - Avoiding land speculation and multiple firms contacting landowners is important
- Task Order driven
 - Task orders as work progresses
- First task would focus on Implementation Plan
 - Establish goals and conduct regional assessment
 - Establish approach for how to implement mitigation
 - Timelines, payment schedule, pricing and offramps, local hire and small business goals, how to address over mitigation, and similar

Draft Strategy – Other Considerations

- For restored areas, mitigation contractor responsible for success criteria
 - Incentivizes thoughtful design and implementation
- Authority should be the long-term landowner for new fee title purchases
 - Can accomplish more secondary goals now or in the future
 - Should be considered on a case-by-case basis
- Mitigation Contractor responsible for preparing any necessary follow on CEQA/NEPA and permits for mitigation actions
 - Authority/Reclamation would retain responsibility to approve

Next Steps

- Seek more industry and member feedback on draft strategy
- Refine and prepare final strategy
- Return to RC/AB in July for approval of final strategy
- Implement strategy
 - Right now, thinking initial mitigation contract issuance in early to mid 2025 – timed with/around CMAR contract issuance

Questions?

