

## **NOTICE OF SPECIAL PUBLIC MEETING**

**The special public meeting of the  
Los Cerritos Wetlands Authority (LCWA)  
regarding the  
Los Cerritos Wetlands, LLC Land Transfer  
will be held on**

**Wednesday, July 6, 2016  
at 11:30am**

**At the following location:**

**City of Seal Beach  
Fire Station #48 Community Room  
3131 North Gate Road  
Seal Beach, CA 90740**

### **AGENDA**

1. Call to Order

2. Roll Call

3. Public Comment

*Individuals wishing to comment must fill out a comment card at the meeting for the official record and will be allowed three minutes to speak, and representatives of organizations/agencies will be allowed five minutes to speak. Speaker time may be reduced depending on the number of speakers.*

#### **Regular Calendar**

4. LCWA Study Session Presentation for the Los Cerritos Wetlands, LLC Land Transfer/Los Cerritos Wetlands Restoration and Oil Consolidation Project

#### **Closed Session**

5. Pursuant to Government Code section 54965.8, LCWA will hold a closed session to consider Option Agreement between Los Cerritos Wetlands Authority and Los Cerritos Wetlands, LLC: LCWA Property Description: APN 7237-019-809 (Approx. 5 acres); Los Cerritos Wetlands LLC Property Description: APN 7237-017-010; 7237-017-011; 7237-017-012; 7237-0217-013; 7237-017-014; 7237-017-019; 7237-017-805; 7237-017-806; 7237-017-807; 7237-017-808; 7237-017-809 (Approx. 154 acres); LCWA Negotiators: Mark Stanley; Los Cerritos Wetlands LLC Property Owner Negotiator: John McKeown and Peter Zak. Under Consideration: Price and Terms.

6. Oral Communications

a. Statements, responses, questions or directions to staff pursuant to Section 54954.2(a) of the Government Code.

7. Announcement of next meeting – August 4, 2016

8. Adjournment upon completion of business

*Public participation is welcome on any agenda item. During the meeting the Governing Board may hold a closed session on any item pursuant to Government Code sections 54956.8 and 54956.9. Members of the public wishing to address the Governing Body on any item should address the President of the Authority in advance of the meeting. Questions about the agenda items should be addressed to Mark Stanley, Executive Officer at (626) 815-1019 ext 100.*

*Note: In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in the meeting, including auxiliary aids or services, please contact Dena Williams, Board Secretary at (626) 815-1019 ext 116 at least 3 days prior to the meeting.*



**Los Cerritos Wetlands Authority****Date: July 6, 2016****To: Governing Board Members****From: Mark Stanley, Executive Officer****Subject: Item 4: LCWA Study Session Presentation for the Los Cerritos Wetlands, LLC Land Transfer for the Los Cerritos Wetlands Restoration and Oil Consolidation Project**

**BACKGROUND:** The Los Cerritos Wetlands Authority (LCWA) authorized the Executive Officer to enter into a term sheet agreement with Los Cerritos Wetlands LLC (LCWLLC) for the conveyance of real property. The LCWA proposes to transfer the property commonly referred as "Offer to Dedicate" (OTD) Parcel, described as APN 7237-019-809, approximately 5.11 acres to the Los Cerritos Wetlands LLC for their property commonly referred as Steamshovel Slough, described as APNs 7237-017-010; 7237-017-011; 7237-017-012; 7237-0217-013; 7237-017-014; 7237-017-019; 7237-017-805; 7237-017-806; 7237-017-807; 7237-017-808; 7237-017-809, approximately 154 acres.

**STATUS REPORT AND UPDATE:** The Executive Officer received authorization to enter into negotiations with LCWLLC for their real property at the August 12, 2015 LCWA Board Meeting (Resolution 2015-06) since then the Executive Officer and Staff have met with LCWLLC several times and have cooperatively developed the Term Sheet for a Land Exchange Agreement between LCWLLC and the LCWA. The term sheet describes how the LCWLLC and the LCWA entered into a non-binding agreement that provides for the exchange of each party's respective properties. The purpose of this Term Sheet is to set forth the preliminary and non-binding terms of subsequent negotiations toward anticipated future Option to Purchase Agreement. The term sheet expires on October 12, 2016 but it can be extended by mutual agreement in writing for an additional six months.

Following are the updates in regards to the Term Sheet Agreement:

1. Recently, the City of Long Beach in coordination with Los Cerritos Wetlands LLC hired ESA to draft the Environmental Impact Report. The City of Long Beach as the lead agency has commenced the CEQA process and has completed public circulation of the Notice of Preparation/Initial Study for the Los Cerritos Wetlands Restoration and Oil Consolidation Environmental Impact Report (Draft EIR), you can find the entire NOP at [http://www.lbds.info/planning/environmental\\_planning/environmental\\_reports.asp](http://www.lbds.info/planning/environmental_planning/environmental_reports.asp).
2. The City of Long Beach proposes the following timeline for the completion of the Los Cerritos Wetlands Restoration and Oil Consolidation Environmental Impact Report: (1) Notice of Preparation/Initial Study completed in June 2016; (2) LCWLLC is in the process of completing all the necessary technical reports for both the OTD Parcel and the LCWLLC properties for incorporation and analysis of the Draft Environmental Impact Report (EIR); and (3) Draft EIR is anticipated for adoption by the City of Long Beach Council in Spring 2017.
3. The LCWA in cooperation with the City of Long Beach serves as the Lead Agency and the Responsible Agency, respectively with the LCWLLC being the Applicant to the City

of Long Beach. The LCWA, the Responsible Agency is described as a public agency that proposes to carry out or approve a project, for which a Lead Agency is preparing or has prepared an EIR or Negative Declaration. For the purposes of CEQA, the term "Responsible Agency" includes all public agencies other than the Lead Agency, which have discretionary approval power over the project. Further, the LCWA will need to determine and inform the City of Long Beach if the LCWA's role as the Co-Applicant, Responsible Agency, or the Lead Agency per the CEQA Guidelines. **Note:** Authority cited: Section 21083, Public Resources Code; Reference: Sections 21002.1, 21069, 21080.1, 21080.3, 21080.4, 21167.2, and 21167.3, Public Resources Code., please see CEQA Guidelines below.

4. The LCWLLC proposes the following construction schedule for their oil production facilities on the LCWA OTD Parcel, as follow:
  - Site Grading
  - Drilling and Construction of 70 oil and water injection wells within 3 cellars
  - 2 tanks: 28,000 barrel oil and 5,000 barrel water injection
  - Associated pipeline system including connection to pumpkin patch and offsite oil and gas shipping pipelines
  - 3 natural gas powered turbines
  - 22-foot high perimeter screen wall and perimeter landscaping
  - Driveway improvement from Studebaker Road and a new driveway from 2<sup>nd</sup> Street
  
5. The LCWLLC proposes the following construction schedule of their properties, as follow:
  - Northerly Portion
    - Restoration of the 77.3-acre tidal wetlands
    - Development of Public Access Trails
  - Southerly Portion
    - Rehabilitation of existing building for the LCWA Education Interpretive Center
    - Construction of parking lot and connector public access trails
    - Abandonment of 35-oil wells and remove associated facilities (pipes, tanks, electric, etc.)
  
6. The LCWLLC proposes the following a Mitigation Bank that will be developed on the LCWLLC Properties, as follows:
  - Mitigation Bank will encompass 77.3 acres on northern portion of LCWLLC Properties
  - IRT = Interagency Review Team will review and approve the Mitigation Bank and will consist of the various regulatory agencies, including US Army Corp of Engineers, US Fish and Wildlife Services, California Department of Fish and Wildlife, National Marine Fisheries, California Coastal Commission, and the Environmental Protection Agency.
  - LCWLLC Mitigation Bank Process:
    - Restoration plan and biological studies are prepared and will be included in Draft Prospectus
    - LCWLLC will develop and traverse the Bank Enabling Instrument (BEI) approval process with IRT
    - Once BEI is approved and all the permits are acquired, then LCWLLC will implement restoration plan
    - LCWA will own the property upon adoption of the Final EIR
    - LCWLLC will fund and manage restoration and 5-year interim management plan

- Upon achievement of all performance standards and dispersal of all credits, bank manger duties will be transferred to the LCWA
  - LCWA will manage and maintain Bank Property in perpetuity in accordance with the long-term management plant
  - LCWA will be provided with an Endowment Fee approved by IRT to maintain the Mitigation Bank in perpetuity
7. The LCWLLC proposes to Revegetation Areas as follows:
- Ongoing oil operations will continue on lower 72 acres of the site. However, upon completion of entitlement effort, approximately 95% of above-ground obsolete pipelines and tank farms will be removed
  - In addition, disturbed areas on the lower 72 acres (not including access roads or active wells) will be revegetated with native habitat
  - As oil operations cease and are removed, all un-vegetated disturbed areas surrounding oil facilities will also be revegetated with native habitat
  - 50% of oil wells will be removed within 20 years of completion of entitlements. The remaining 50% will be removed within the next 20 years
8. Phase I compliance. The term sheet provides that Synergy Oil and Gas Company and the LCWA prepared a Phase I within 90 days after the term sheet agreement was executed on October 12, 2015. The LCWA determined that a Phase I was not required since the DTSC signed-off on the Phase I and II Environmental Site Assessments by CH2MHILL in July 2000 and December 2004 respectively. Further, the OTD Parcel has not been used in any way that would expose it to contamination since the LCWA acquired it in 2007. Lessees have only been authorized to store their non-hazardous materials/equipment and not perform any activities otherwise. Los Cerritos Wetlands LLC completed a new Phase I study for the OTD Parcel. The Phase I is being reviewed by LCWA and LCWLLC counsels.
9. Title Reports completed by Commonwealth Title and Fidelity Title for the OTD Parcel are currently being reviewed since these reports are inconsistent.
10. Southern California Edison counsel is working on the quitclaim deed to the LCWA and the easement to be granted by LCWA to Southern California Edison.

**CEQA GUIDELINES**  
**California Code of Regulations, Title 14, Division 6, Chapter 3,**

**Article 4. Lead Agency. (Sections 15050-15053) Section 15050. Lead Agency Concept.**

(a) Where a project is to be carried out or approved by more than one public agency, one public agency shall be responsible for preparing an EIR or negative declaration for the project. This agency shall be called the lead agency.

(b) Except as provided in subdivision (c), the decisionmaking body of each responsible agency shall consider the lead agency's EIR or negative declaration prior to acting upon or approving the project. Each responsible agency shall certify that its decisionmaking body reviewed and considered the information contained in the EIR or negative declaration on the project.

(c) The determination of the lead agency of whether to prepare an EIR or a negative declaration shall be final and conclusive for all persons, including responsible agencies, unless:

(1) The decision is successfully challenged as provided in Section 21167 of the Public Resources Code,

(2) Circumstances or conditions change as provided in Section 15162, or

(3) A responsible agency becomes a lead agency under Section 15052.

**Section 15051. Criteria for Identifying the Lead Agency.**

Where two or more public agencies will be involved with a project, the determination of which agency will be the lead agency shall be governed by the following criteria:

(a) If the project will be carried out by a public agency, that agency shall be the lead agency even if the project would be located within the jurisdiction of another public agency.

(b) If the project is to be carried out by a nongovernmental person or entity, the lead agency shall be the public agency with the greatest responsibility for supervising or approving the project as a whole.

(1) The lead agency will normally be the agency with general governmental powers, such as a city or county, rather than an agency with a single or limited purpose such as an air pollution control district or a district which will provide a public service or public utility to the project.

(2) Where a city prezones an area, the city will be the appropriate lead agency for any subsequent annexation of the area and should prepare the appropriate environmental document at the time of the rezoning. The local agency formation commission shall act as a responsible agency.

(c) Where more than one public agency equally meet the criteria in subdivision (b), the agency which will act first on the project in question shall be the lead agency.

(d) Where the provisions of subdivisions (a), (b), and (c) leave two or more public agencies with a substantial claim to be the lead agency, the public agencies may by agreement designate an agency as the lead agency. An agreement may also provide for cooperative efforts by two or more agencies by contract, joint exercise of powers, or similar devices.

**Section 15052. Shift in Lead Agency Designation**

(a) Where a responsible agency is called on to grant an approval for a project subject to CEQA for which another public agency was the appropriate lead agency, the responsible agency shall assume the role of the lead agency when any of the following conditions occur:

(1) The lead agency did not prepare any environmental documents for the project, and the statute of limitations has expired for a challenge to the action of the appropriate lead agency.

(2) The lead agency prepared environmental documents for the project, but the following conditions occur:

(A) A subsequent EIR is required pursuant to Section 15162,

(B) The lead agency has granted a final approval for the project, and

(C) The statute of limitations for challenging the lead agency's action under CEQA has expired.

(3) The lead agency prepared inadequate environmental documents without consulting with the responsible agency as required by Sections 15072 or 15082, and the statute of limitations has expired for a challenge to the action of the appropriate lead agency.

(b) When a responsible agency assumes the duties of a lead agency under this section, the time limits applicable to a lead agency shall apply to the actions of the agency assuming the lead agency duties.

**Section 15053. Designation of Lead Agency by the Office of Planning and Research.**

(a) If there is a dispute over which of several agencies should be the lead agency for a project, the disputing agencies should consult with each other in an effort to resolve the dispute prior to submitting it to the Office of Planning and Research. If an agreement cannot be reached, any of the disputing public agencies, or the applicant if a private project is involved, may submit the dispute to the Office of Planning and Research for resolution. (b) For purposes of this section, a "dispute" means a contested, active difference of opinion between two or more public agencies as to which of those agencies shall prepare any necessary environmental document. A dispute exists where each of those agencies claims that it either has or does not have the obligation to prepare that environmental document. (c) The Office of Planning and Research shall designate a lead agency within 21 days after receiving a completed request to resolve a dispute. The Office of Planning and Research shall not designate a lead agency in the absence of a dispute. (d) Regulations adopted by the Office of Planning and Research for resolving lead agency disputes may be found in Title 14, California Code of Regulations, Sections 16000 et seq. (e) Designation of a lead agency by the Office of Planning and Research shall be based on consideration of the criteria in Section 15051 as well as the capacity of the agency to adequately fulfill the requirements of CEQA.







LCWA Study Session

**LOS CERRITOS WETLANDS  
RESTORATION AND  
OIL CONSOLIDATION PROJECT**

July 6<sup>th</sup> 2016

# Presentation Overview

- **Land Exchange**
  - Acquisition History
  - Property Comparisons
  - Benefits/Obligations
  - Timeline
- **CEQA Update**
  - Involved Parties
  - Proposed Developments
  - Timeline
- **Mitigation Bank**
  - Banking Process
  - Timeline
  - Restoration Plan
- **LCWA's Roles and Responsibilities**



# LCWA Acquisition History

**Mission:** to provide for a comprehensive program of acquisition, protection, conservation, restoration, maintenance and operation and environmental enhancement of the Los Cerritos Wetlands area consistent with the goals of flood protection, habitat protection and restoration, and improved water supply, water quality, groundwater recharge, and water conservation

- June 1, 2006 - 66 acres (Bryant) transferred from Trust Public Lands
- February 2, 2007 – 5.1 acres transferred through ‘offer to dedicate’ from SoCal Edison via Coastal Conservancy
- December 28, 2010 – 100 acres of deed restricted wetlands purchased for \$5.1 million from Hellman Properties, LLC
- August 14, 2012 – 5 acres through 10-year lease with State Lands Commission
- August 12, 2015 – **Signed term sheet w/ Los Cerritos Wetlands, LLC for land exchange to acquire 150+ acre Synergy Site**

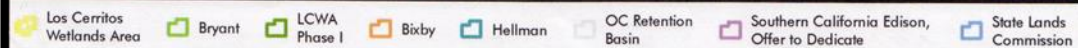


# Los Cerritos Wetlands Authority

## Los Cerritos Wetlands Area

The Los Cerritos Wetlands Authority is a joint powers authority of the City of Long Beach, City of Seal Beach, State Coastal Conservancy, and the Rivers and Mountains Conservancy

Original  
Conservation  
Area Map  
Circa 2006





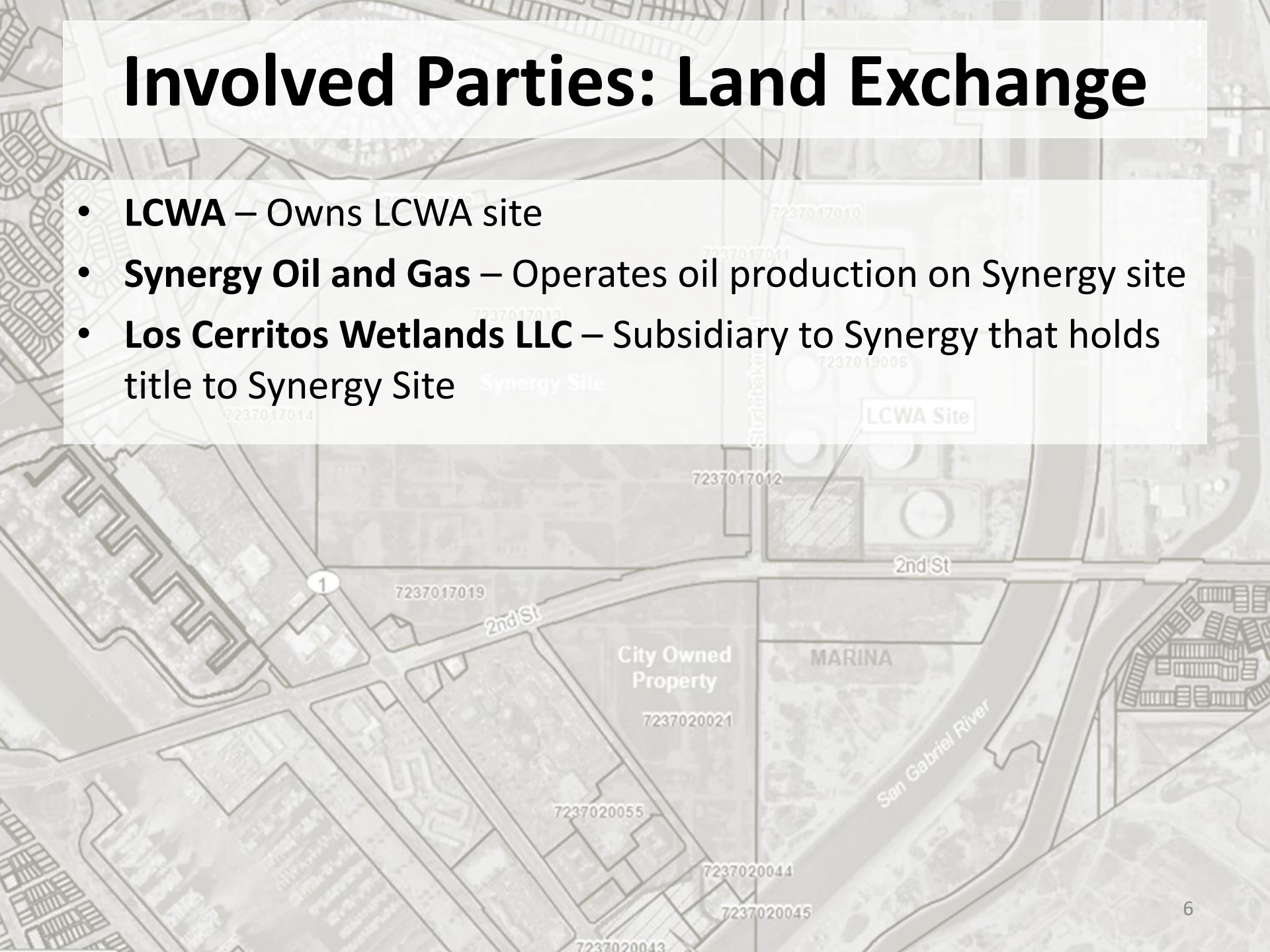
# Los Cerritos Wetlands Complex



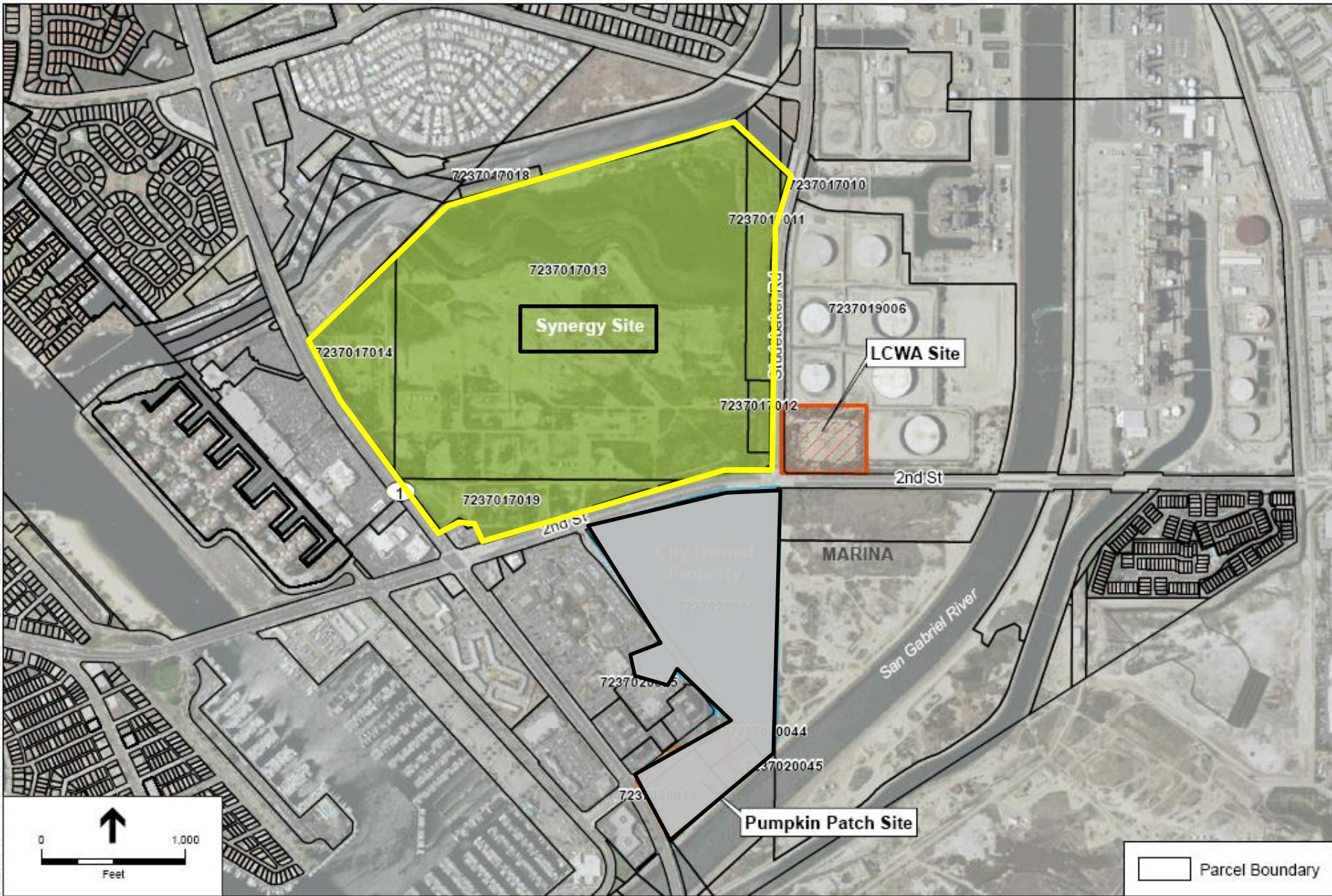


# Involved Parties: Land Exchange

- **LCWA** – Owns LCWA site
- **Synergy Oil and Gas** – Operates oil production on Synergy site
- **Los Cerritos Wetlands LLC** – Subsidiary to Synergy that holds title to Synergy Site







**Proposed Land Exchange: Synergy Site for LCWA Site** 7



# Property Comparisons



Owner: LCWA  
 Zoning: Industrial  
 Current Use: Leased for Storage  
 Habitat Value: Low  
 Est. Cost to Restore: \$3.5 million\*  
 Appraised Value: \$3.1 million (2010)\*^  
 Endowment: None  
 Structures: None



Owner: Los Cerritos Wetlands, LLC  
 Zoning: Residential/Wetlands (uncertified)  
 Current Use: Oil Production  
 Habitat Value: High  
 Est Cost to Restore: \$7 million  
 Appraised Value: \$12 million (2015)^  
 Endowment: Required  
 Structures: Historic Bixby Ranch House

\*Estimates from 2010 OTD Parcel Feasibility Study; ^Updated appraisals are required



# OTD Parcel Wetlands Feasibility Study

May 15, 2010

Prepared for:



*Los Cerritos Wetlands Authority*

100 N. Old San Gabriel Canyon Road  
Azusa, CA 91702

Prepared by:



1340 E. Florida St.  
Long Beach, Ca 90802

Eric Forest Zahn, M.S.  
Co-Principal  
858-353-6113  
[Eric@Tidalinfluence.com](mailto:Eric@Tidalinfluence.com)

Taylor Parker  
Co-Principal  
562-331-0226  
[Taylor@Tidalinfluence.com](mailto:Taylor@Tidalinfluence.com)



# Land Use Alternatives

- Alternative #1 – Sell Property
- Alternative #2 – Exclusive Wetlands Restoration
- Alternative #3 – Restoration Staging Area
- Alternative #4 – Limited Public Use Facility
- Alternative #5 – Wetlands Interpretive Center
- Multifaceted Alternative – Phased Land Use



ALTERNATIVE 1: Sell/Swap Property



ALTERNATIVE 4: Limited Public Access Facility



ALTERNATIVE 2: Exclusive Wetlands Habitat



ALTERNATIVE 3: Restoration Staging Area



ALTERNATIVE 5: Wetlands Interpretive Center



# Los Cerritos Wetlands Authority

## OTD PARCEL CONCEPTUAL DESIGNS



**ALTERNATIVE 1: Sell/Swap Property**

**Score: 31/50**

Los Cerritos  
Wetlands  
Authority  
OTD PARCEL  
CONCEPTUAL  
DESIGNS

Tidal Influence



BlueGreen  
CONSULTING

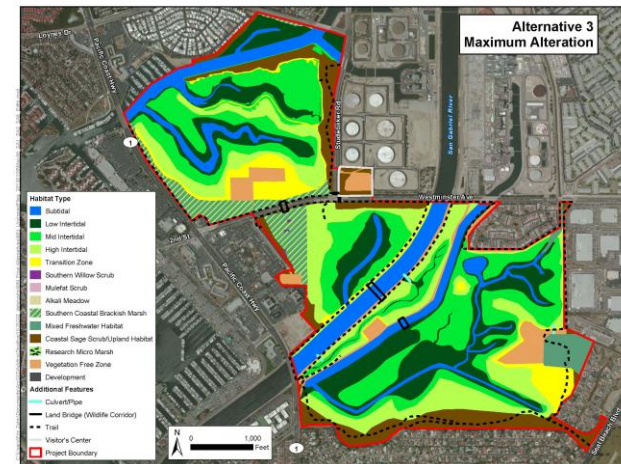
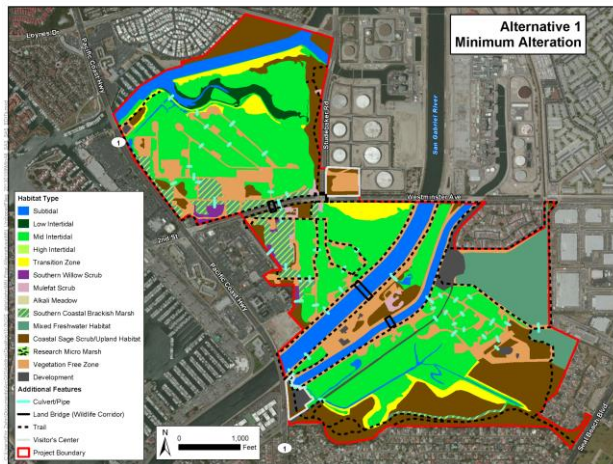


Evaluation Categories	Alt 1	Alt 2	Alt 3	Alt 4	Alt 5	Multi
Estimated Cost	9	4	10	4	1	9
Beneficial Uses	1	7	2	8	10	10
Wildlife Habitat Value	3	10	6	8	7	9
Environmental Constraints	8	3	9	4	2	2
Equivalent Suitable Land	10	2	7	3	5	9
<b>TOTAL</b>	<b>31</b>	<b>26</b>	<b>34</b>	<b>27</b>	<b>25</b>	<b>39</b>



# Conceptual Restoration Plan

Approved by the LCWA board on August 12, 2015



- All 3 conceptual restoration alternatives recommend:**
- 1. The LCWA Site as an interpretive center**
  - 2. The Synergy Site as restored tidal wetlands and oil operations (Alts 2& 3 with on-site consolidation)**
  - 3. The Synergy Site building retained**





LCWA Site Photos



Encampment Near Access Gate

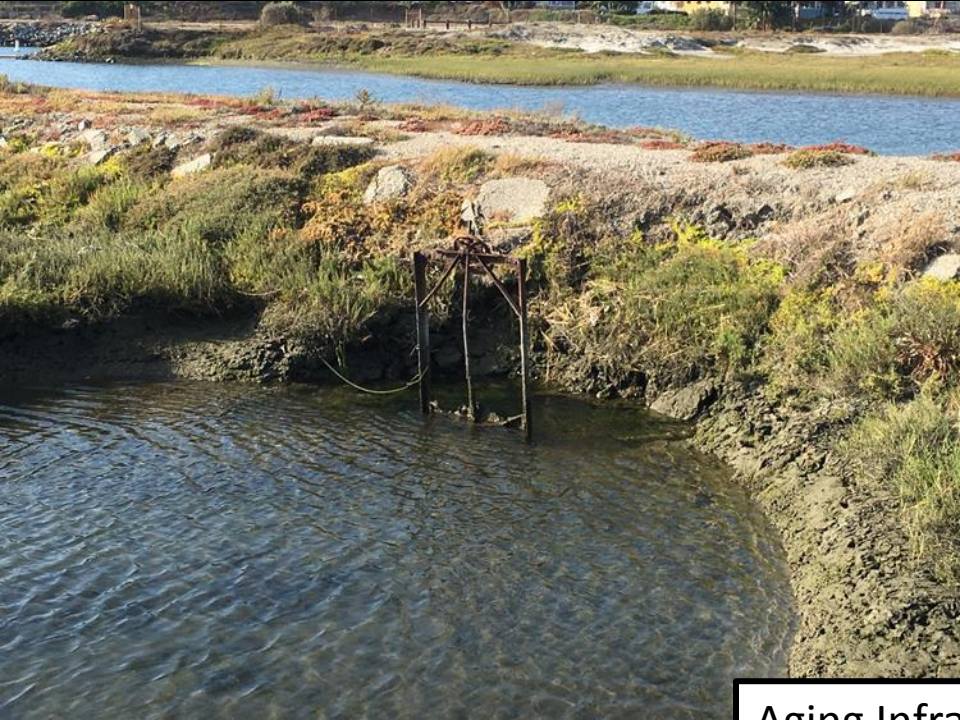




# Synergy Site Photos







Aging Infrastructure







Electrical Fire Hazards







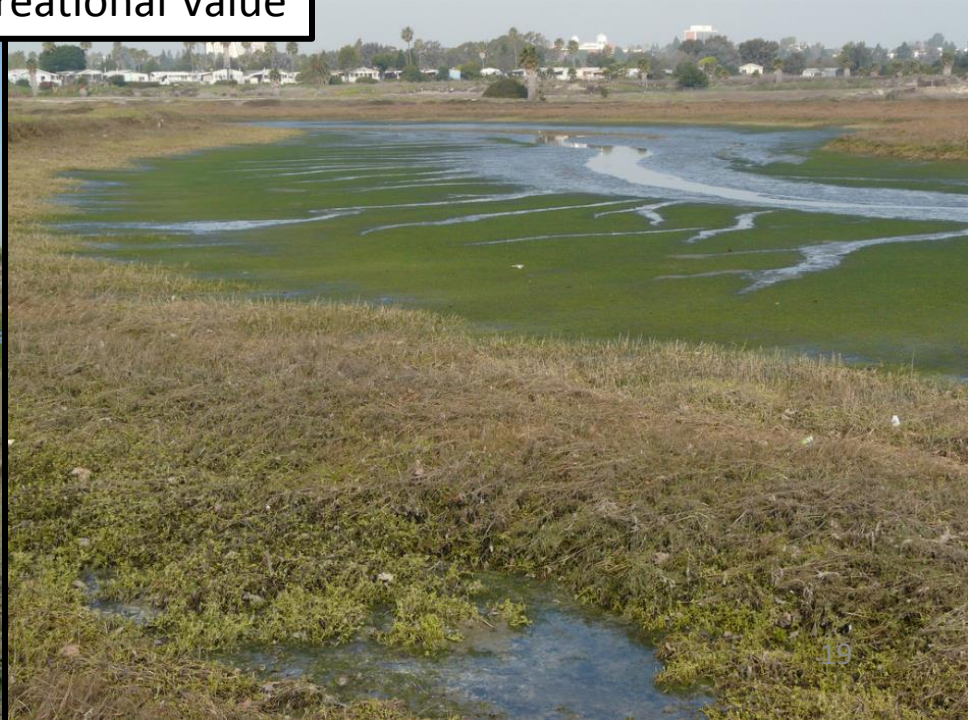
Security Issues







Habitat & Recreational Value





# Benefits of Land Exchange

## LCWA

- Acquire 150 acres of Los Cerritos Wetlands
- Inherit fully-funded 77.3 acre mitigation bank property
- Endowment for long-term management of bank property
- Acquire building for office and visitor center
- Acquire Steam Shovel Slough
- Expand stewardship program opportunities and increase public access

## Los Cerritos Wetlands, LLC /Synergy

- Move operations out of wetlands
- Streamline operations from 105 acres to 9 acres
- Modernized oil production technologies
- New office building
- Receive credits from mitigation bank

# **Los Cerritos Wetlands, LLC: Obligations**

- **Assume risks associated with entitlement time, expense, and uncertainty**
- **Fund mitigation bank and associated wetlands restoration**
- **Fund renovation of interpretive center/construct trail and parking**
- **Removal of oil field equipment**
  - **Eliminate aging infrastructure**
  - **Reduce fire hazards**
  - **Improve security**
  - **Well abandonment**
  - **Clean-up and remediation**
- **Assume risk of costly investment in modern equipment**
- **Assume risk of volatility of oil prices**
- **Assume risk of mitigation bank investment**



# Land Exchange Timeline

- **Upon certification of the EIR: 77.3-acre mitigation bank area transferred**
- **1-2 years after completion of entitlements: Lower 72 acres to be transferred upon removal of obsolete pipelines and tank farms, any necessary remediation, and revegetation**
- **2 years after completion of entitlements: Renovated visitor center, 4-acre parking facility, and trail to be transferred upon completion of new Synergy office facility located at Pumpkin Patch property**

# CEQA Update



Exhibit A

- Synergy Oil Field
- City 33 Acres
- Habitat Restoration Areas
- Steamshovel Slough
- Studebaker Trail
- Concept Plan Location



# Involved Parties: CEQA

- **Beach Oil Minerals Partners** - CEQA Applicant
- **Lyon** - Owns the Pumpkin Patch Site
- **City of Long Beach** – CEQA Lead Agency; Owns 33 acre City Owned Property commonly called Marketplace Marsh
- **LCWA** – Owns LCWA site
- **Synergy Oil and Gas** – Operates oil production on Synergy site and City Owned Property
- **Los Cerritos Wetlands LLC** – Subsidiary to Synergy that holds title to Synergy Site





SOURCE: ESRI

Long Beach Cerritos Wetland. 150712

**Figure 2**  
Local Vicinity



# **CEQA Process**

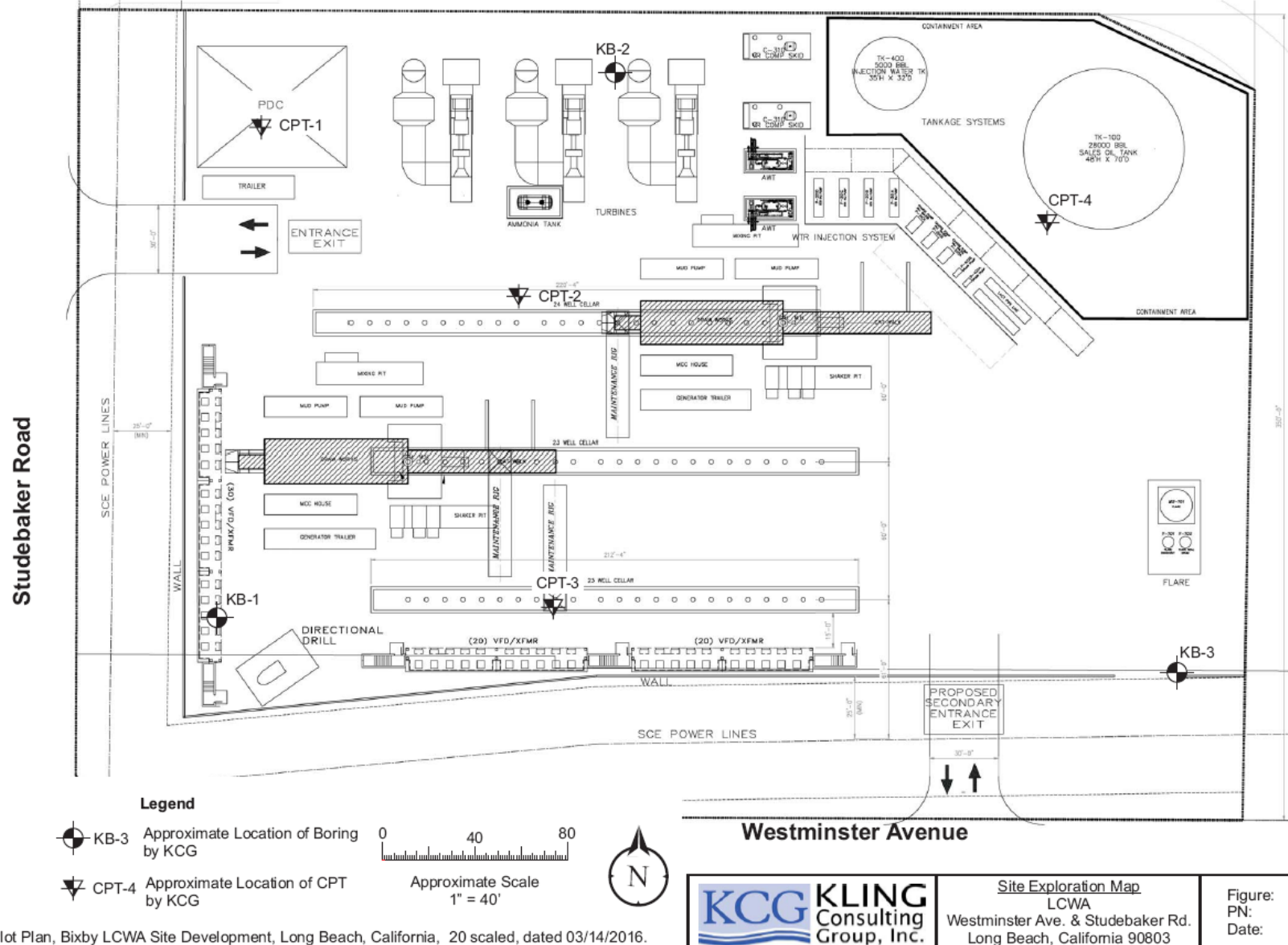
- **City contracted environmental consultant (ESA) for preparation of EIR**
- **Notice of Prep/Initial Study released April 28, 2016**
- **City scoping meeting May 11, 2016**
- **Applicant has submitted technical reports for LCWA and Synergy sites to City for review**
- **City and consultant preparing Draft EIR (DEIR)**
- **Public comment period to follow release of DEIR**
- **Anticipated EIR adoption in Spring 2017**

**Coastal Commission certification process to occur  
after adoption of the EIR**

# Proposed Development on LCWA Site

- **Construction of oil production facilities**
  - **Site Grading**
  - **Drilling and Construction of 70 oil and water injection wells within 3 cellars**
  - **2 tanks: 28,000 barrel oil and 5,000 barrel H2O Injection**
  - **Associated pipeline system including connection to pumpkin patch and offsite oil and gas shipping pipelines**
  - **3 natural gas powered turbines**
  - **22-foot high perimeter screen wall and perimeter landscaping**
  - **Driveway improvement from Studebaker and a new entry from 2nd St**

# Proposed Development on LCWA Site





# Proposed Development on Synergy Site

- **Northerly Portion**
  - 77.3-acre tidal wetlands restoration
  - Public access trail
- **Southerly Portion**
  - Rehabilitation of existing building for interpretive center
  - Construction of parking lot and connector trail
  - Abandon 35 oil wells and remove associated facilities (pipes, tanks, electric, etc.)
    - Occurs after new production sites are operating
    - 50% of wells abandoned after 20 years
    - 100% of wells abandoned after 40 years
    - Abandon any well producing less than 1 barrel/day for 18 mos

# Project Site

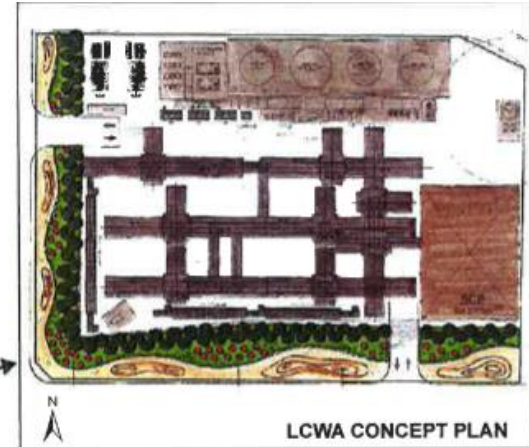


Exhibit A

- Synergy Oil Field
- City 33 Acres
- Habitat Restoration Areas
- Steamshovel Slough
- Studebaker Trail
- Concept Plan Location

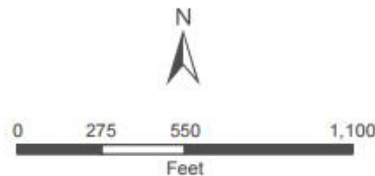


# Mitigation Bank



## Legend

-  Synergy Oil Field Boundary
-  Mitigation Bank Property



**MITIGATION BANK PROPERTY**

GLENN LUKOS ASSOCIATES



# How does a Mitigation Bank Work?

1. Bank Sponsor prepares a Prospectus and Interagency Review Team (IRT) approves with Public Comment
2. Bank Sponsor prepares Bank Enabling Instrument (BEI)
3. IRT approves BEI that is overseen by US Army Corps of Engineers



**US Army Corps  
of Engineers®**



# How does a Mitigation Bank Work?

4. Bank Sponsor performs Restoration Project



5. Credits are provided to Bank Sponsor at milestones



6. Credits can be purchased (Debited) from the bank if a qualifying habitat type is impacted within service area and requires mitigation



## Compensatory Mitigation Rule Timeline for Bank or ILF Instrument Approval\*

	Event	# of Days**	
Phase I	Optional Preliminary Review of Draft Prospectus	30	DE provides copies of draft prospectus to IRT and will provide comments back to the sponsor within 30 days.
	<b>Sponsor Prepares and Submits Prospectus</b> ~DE must notify sponsor of completeness w/in 30 days of submission~		
Phase II	Day 1** Complete Prospectus Received by DE		
	Public notice must be provided within 30 days of receipt of a complete prospectus	30	
	30-Day Public Comment Period	30	
	Day 60 DE must provide the sponsor with an initial evaluation letter within 30 days of the end of the public comment period.	30	DE distributes comments to IRT members and sponsor within 15 days of the close of the public comment period.
Day 90		15	
<b>Sponsor Considers Comments, Prepares and Submits Draft Instrument</b> ~DE must notify sponsor of completeness w/in 30 days of submission~			
Phase III	Day 1 Complete Draft Instrument Received by IRT Members		
	30-day IRT comment period begins 5 days after DE distributes draft instrument to IRT members	30	
	DE discusses comments with IRT and seeks to resolve issues ~ # of days variable~	60	
	Day 90	90	Within 90 days of the receipt of a complete draft instrument by IRT members, the DE must notify the sponsor of the status of the IRT review.
<b>Sponsor Prepares Final Instrument</b> ~Sponsor provides copies to DE and all IRT members~			
Phase IV	Day 1 Final Instrument Received by DE & IRT		
	DE must notify IRT members of intent to approve/not approve instrument within 30 days of receipt.	30	
	Remainder of time for initiation of dispute resolution process by IRT members	15	IRT members have 45 days from submission of final instrument to object to approval of the instrument and initiate the dispute resolution process.
	Day 45		INSTRUMENT APPROVED/NOT APPROVED, or DISPUTE RESOLUTION PROCESS INITIATED

EPA/Corps draft 4/02/08

Total Required Federal Review (Phases II-IV) **≤225 Days**

\*Timeline also applies to amendments

\*\*The timeline in this column uses the maximum number of days allowed for each phase.



# Upper LCW Bank Process

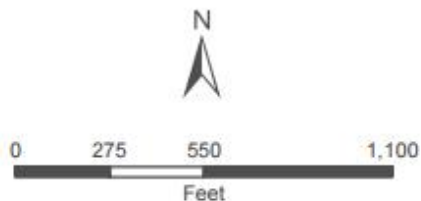
- Acreage: 77.30 acres on northern portion of Synergy oil field
  - IRT = Interagency Review Team = USACE, USFWS, CDFW, EPA, NOAA, CCC
1. Restoration plan and biological studies are prepared and will be included in Draft Prospectus
  2. Synergy will traverse BEI approval process with IRT
  3. Once BEI is approved and all permits acquired, Synergy will implement restoration plan
  4. LCWA will own the property as early as the adoption of the EIR
  5. Synergy will fund and manage restoration and 5-year interim management plan
  6. Upon achievement of all performance standards and dispersal of all credits, bank manager duties will be transferred to the LCWA
  7. LCWA will manage and maintain Bank Property in perpetuity in accordance with the long-term management plan
  8. LCWA will be provided an Endowment approved by IRT





## Legend

- |                                       |                                |
|---------------------------------------|--------------------------------|
| Synergy Oil Field Boundary            | Tidal Marsh Rehabilitation     |
| Sheetpile Wall                        | Upland Buffer Establishment    |
| Trail                                 | Steamshovel Slough Enhancement |
| Tidal Marsh Re-establishment          | Transitional 2 Enhancement     |
| Transitional Wetland Re-establishment | Upland Buffer Enhancement      |
| Transitional 2 Re-establishment       |                                |



## PROPOSED HABITAT RESTORATION PLAN FOR MITIGATION BANK

GLENN LUKOS ASSOCIATES

