

EXHIBIT A

EN2 RESOURCES, INC.
PROPOSED SCOPE OF SERVICES, SCHEDULE AND BUDGET
FOR PREPARING
THE EL DORADO COUNTY OAK WOODLAND MANAGEMENT PLAN

In its June 12, 2006 Proposal to Prepare an Integrated Natural Resources Management Plan (INRMP), EN2 Resources, Inc. (in conjunction with Pacific Municipal Consultants, Sycamore Environmental Consultants and others, collectively the OWMP Consultant Team) described an approach, team, scope of services, and schedule for assisting El Dorado County with preparing the INRMP and related tasks. The tasks included preparing an Oak Woodland Management Plan (OWMP), economic analysis, CEQA documentation, General Plan consistency evaluations, and the INRMP in accordance with Habitat Conservation Plan and Natural Community Conservation Plan (HCP/NCCP) Guidelines.

Following review of the OWMP Consultant Team and other proposals, County staff determined that the best approach for completing the scope of services would be to divide the work between two consultant groups that submitted proposals. The OWMP Consultant Team was identified to assist the County with the OWMP and related tasks, including CEQA documentation and General Plan Consistency evaluations. A key objective of this approach is to allow for the OWMP and 2004 General Plan to move forward with the OWMP as the initial component of the INRMP. This approach is consistent with the Settlement Agreement between the County and Petitioners dated April 18, 2006.

This proposed scope of services, schedule and budget: 1) supersedes the OWMP Consultant Team June 12, 2006 proposal, 2) incorporates recent direction from the County on the scoping of tasks including a County Staff Technical Advisory Committee composed of representatives from the Planning, Agriculture, UC Cooperative Extension, and Transportation departments, 3) describes how the OWMP will meet the requirements of the INRMP (as set forth in General Plan Policy 7.4.2.8 as it relates to oak woodlands) for establishing effective habitat preservation and management specific to oak woodlands, and 4) serves as the basis for the Professional Consulting Services Agreement between the County and the OWMP Consultant Team.

In summary, the OWMP Consultant Team's proposed scope of services, schedule and budget address the following major tasks:

- Project Management (Task 1)
- County Staff Technical Advisory Committee Support (Task 2)
- OWMP Grant Assistance (Task 3)
- OWMP Preparation including Policy 7.4.4.5 (Oak Stand Continuity) (Task 4)
- Policy 7.4.4.4 Option B Guidelines, Implementing Ordinance, Funding Mechanism, and Fee Study Preparation (Task 5)
- Policy 7.4.4.4 Option A and Policy 7.4.5.2 Oak Tree Ordinance Support to County (Task 6)
- CEQA Documentation, General Plan Consistency Evaluation, and Public Involvement Support (Task 7)

The County has indicated that it will prepare the final guidelines for implementing Policy 7.4.4.4 Option A, prepare the associated Oak Tree Preservation Ordinance, and work with UC Cooperative Extension and the County Agriculture Department to address General Plan agricultural and other policies that relate to the OWMP. The County will also address Policies 7.4.5.1 and 7.4.5.2 that concern oak tree preservation/permitting.

For purposes of this scope, the County and the OWMP Consultant Team understand that CEQA requirements for the OWMP and associated tasks can be satisfied through an Initial Study/Negative Declaration process that is tiered from the County's 2004 General Plan EIR. It is also assumed at this time that National Environmental Policy Act review is not required for this scope of services.

The following task and deliverable descriptions summarize and update the OWMP Consultant Team's June 12, 2006 proposal. For the tasks included in this scope, additional discussion can be found in the proposal.

Estimated costs for many tasks (e.g., periodic meetings and drafts of deliverables) are directly affected by length of schedule and assumed number of County, public, and County Staff Technical Advisory Committee reviews. Therefore, if the OWMP deliverables, timeline, or review processes require substantially longer or a greater number of review iterations beyond those identified in this scope of services, then the OWMP Consultant Team reserves the right to renegotiate the proposed schedule and budget to account for increased time and costs that would be associated with the additional work.

Task 1 – Project Management

- Prepare Detailed Work Plan and Schedule

The OWMP Consultant Team will prepare a detailed work plan and schedule of the proposed process to prepare the OWMP with specific meeting dates and deliverables. The proposed key members of the consultant team have been modified per the County's direction on the revised scope of work. Figure 1 is the revised Project Organization chart. Figure 2 shows the OWMP Consultant Team's work program for the overall process to develop the OWMP.

- Technical Scope/Kick-off Meeting

After receipt of an authorization to proceed, the OWMP Consultant Team will meet with County staff in a kick-off meeting to discuss the proposed process, schedule, and the coordination necessary to prepare the OWMP. The OWMP Consultant Team recommends that the County Staff Technical Advisory Committee participate in the kick-off meeting.

- Prepare and Maintain Document/Data Library

The OWMP Consultant Team will maintain a document/data library that includes reference materials, major work products, meeting agenda and minutes, monthly reports, public and agency comments, map products, and other documents relevant to development of the OWMP and related tasks.

Oak Woodland Management Plan Project Organization

Figure 1

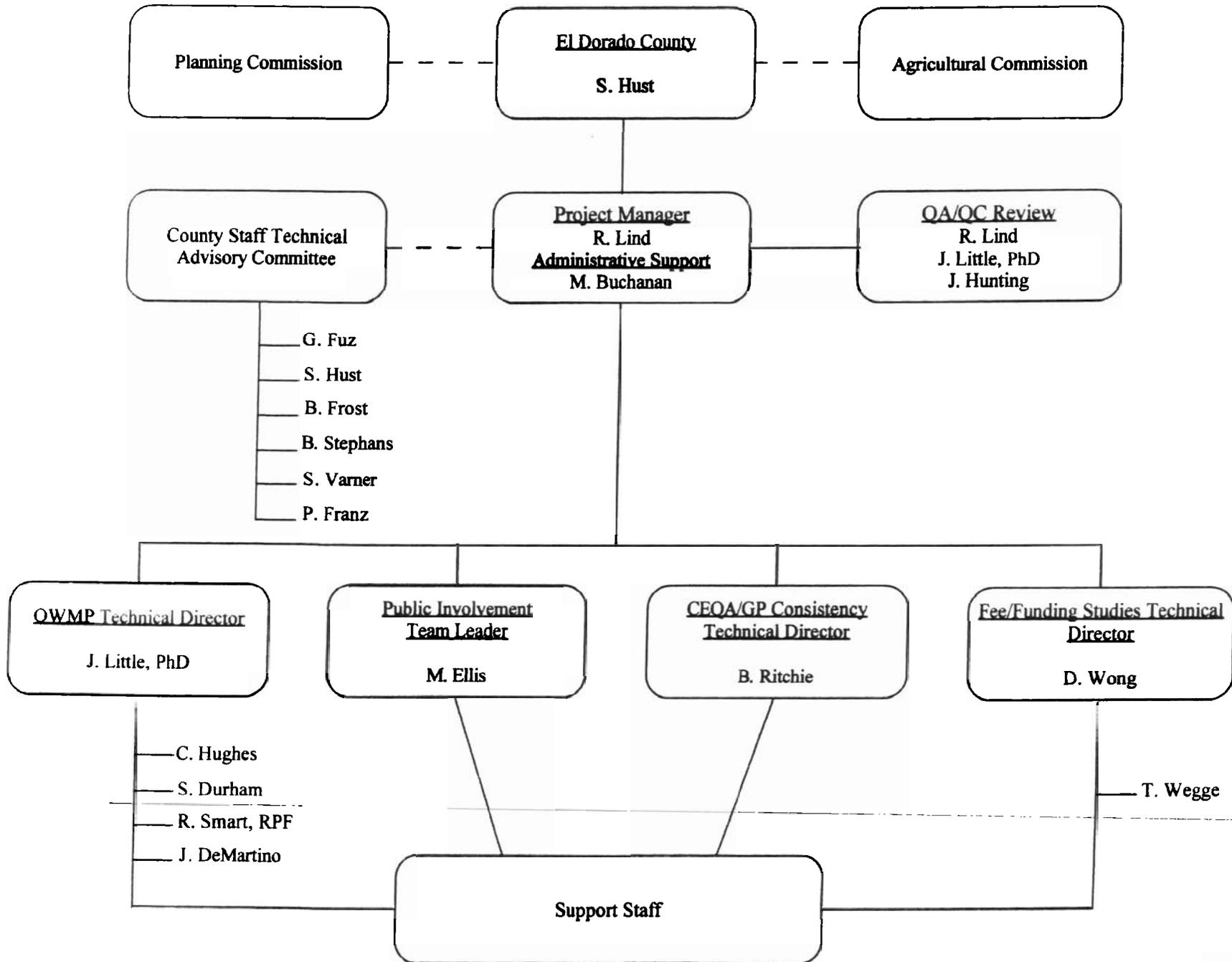
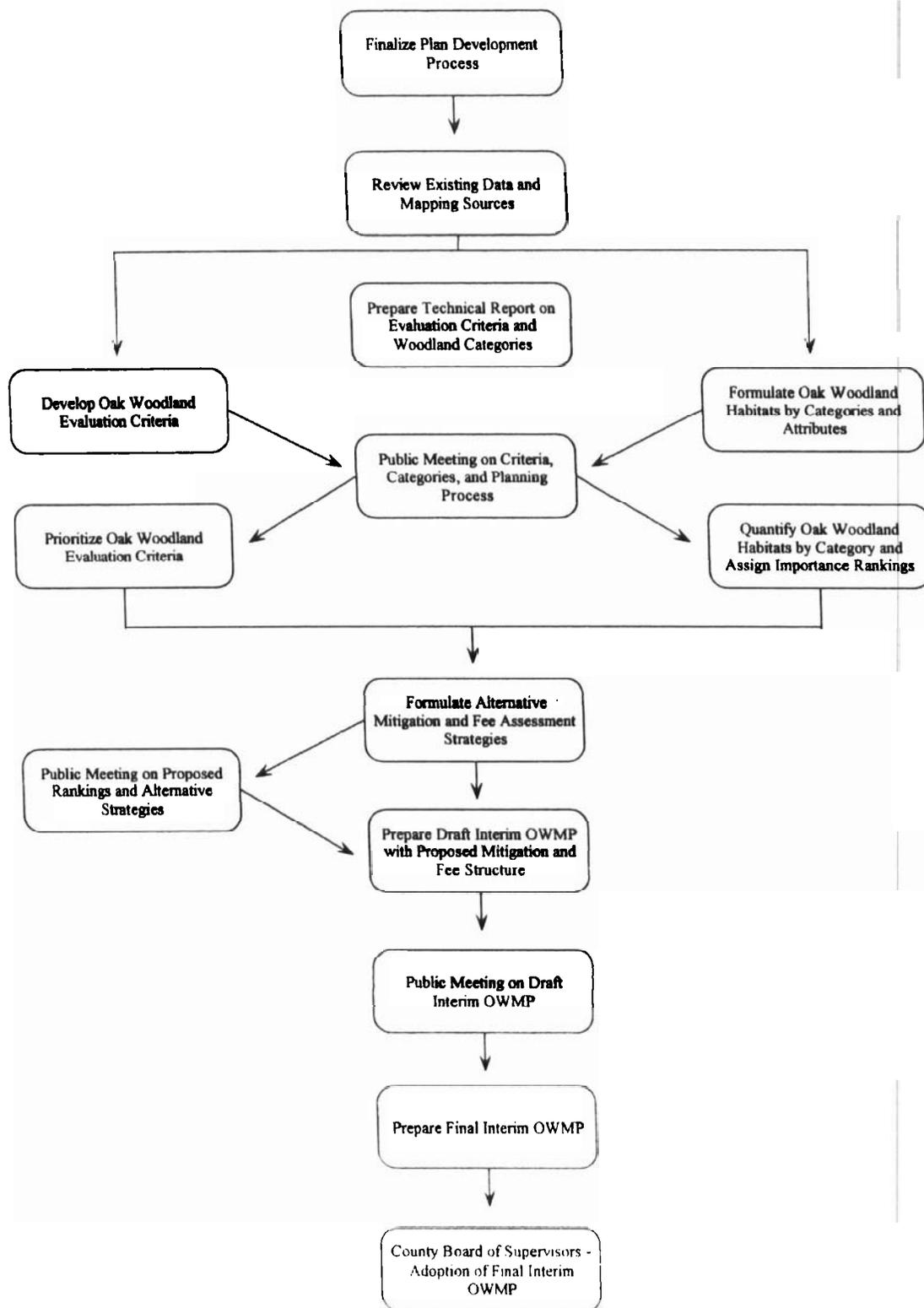


Figure 2

PROCESS FOR DEVELOPING OAK WOODLAND MANAGEMENT PLAN (OWMP)*



* General steps as presented in June 12, 2006 proposal. The final scope of work is similar, but has been modified to incorporate Planning Commission and Agricultural Commission public workshops and other changes.

- Prepare Monthly Progress, Schedule, and Budget Reports and Weekly ‘Running’ Actions List

The OWMP Consultant Team will prepare monthly reports to County staff on the progress of the OWMP and related tasks, adherence to the schedule, and budget tracking. A monthly tabulation will be prepared on all hours and dollars spent by person by task.

The monthly progress reports will address work accomplished, meetings held, products delivered, outstanding issues, items or decisions needed from the County (see ‘running’ actions list described below), and projections of future work. The monthly progress reports will be transmitted to the County contract administrator by approximately the tenth of each month and will include a summary that County staff can use for updating County management and elected officials.

In addition to monthly progress reports, the OWMP Consultant Team will prepare and maintain a ‘running’ actions list of OWMP Consultant Team, County Technical Advisory Committee, and others’ responsibilities that are identified as meetings are held and work is produced. The actions list will be updated weekly and transmitted to the County’s contract manager. To assist with document management and information dissemination, an OWMP team distribution list will also be prepared and maintained that tracks resource, communication, OWMP deliverable, and progress/budget status documents that are circulated to County staff and OWMP Consultant Team members.

- Sub-Consultant Administration

The OWMP Consultant Team will prepare, execute and track sub-consultant activities through sub-consulting agreements. Monthly billings and progress reports will be required from each sub-consultant. Regular team communications will be scheduled throughout the Project, and more frequently during sub-consultant preparation of key work products, to coordinate and monitor progress.

- Perform QA/QC Reviews

The QA/QC Team will perform quality assurance/quality control reviews of technical memos, technical reports, and major work products (i.e., Draft and Final OWMP, Draft and Final Mitigation Fee, Administrative and Public Draft CEQA documents). In addition, they will review and comment on the County Draft Option A Retention and Replacement Standards and Oak Tree Preservation Ordinance.

Task 1 Deliverables: Work Plan and Schedule
Monthly Progress, Schedule, and Budget Reports
Weekly ‘Running’ Actions List

Task 2 – County Staff Technical Advisory Committee Support

- Participate in Bi-monthly Meetings

The County Staff Technical Advisory Committee (TAC) will be composed of County Planning, Agriculture, UC Cooperative Extension, and Transportation department representatives and will meet twice a month on a schedule agreed upon in advance by the members of the Committee. The OWMP Consultant Team Project Manager will attend all meetings and certain technical members of the OWMP Consultant Team will participate in selected meetings to discuss technical approach, analyses, and results of the OWMP and related economic analyses.

Figure 3 shows the anticipated steps for County and County Staff TAC review of major draft and final deliverables. As noted in the figure, certain draft deliverables will also be presented at the public workshops that will be held concurrently with Planning Commission and joint meetings of the Planning/Agricultural commissions.

- Prepare Meeting Agendas and Minutes

The OWMP Consultant Team Project Manager will consult with the County contract manager and prepare and distribute agendas to the County Staff TAC prior to each meeting, and then prepare and distribute summary minutes to the Committee members subsequent to each meeting.

Task 2 Deliverables: Technical Advisory Committee Meeting Agendas and Minutes

Task 3 – OWMP Grant

- Prepare and Process WCB Grant Application

Funding assistance for preparing and implementing the OWMP is available from the 2001 State Oak Woodlands Conservation Act administered by the Wildlife Conservation Board. The OWMP Consultant Team will assist the County in applying for a grant pursuant to the Oak Woodlands Conservation Act to prepare the oak protection ordinance and oak woodland management plan.

Task 3 Deliverable: WCB grant application for partial funding of OWMP preparation

Task 4 – OWMP Preparation Including Policy 7.4.4.5

The OWMP will be prepared consistent with Senate Bill 1334, Kuehl (2001 Oak Woodlands Conservation Act), which led to the California Oak Woodlands Conservation Law (PRC 21083.4), and will be consistent with, and serve to implement, El Dorado County General Plan Policies 7.4.4.4, 7.4.4.5, and 7.4.2.8. The OWMP will address the need to provide for reasonable use while conserving and restoring oak woodlands, maintaining connectivity, and minimizing fragmentation.

As the mapping, technical criteria, analyses and OWMP are developed, an emphasis will be placed on the five important habitats identified in Policy 7.4.2.8: 1) habitats that support special status species, 2) aquatic environments that include streams, rivers, and lakes, 3) wetland and riparian habitats, 4) important habitat for migratory deer herds, and 5) large expanses of native vegetation.

The OWMP will also address input from: the County Staff Technical Advisory Committee; the public and agency comments that will be received during the Planning Commission and joint Planning/Agricultural commissions meetings; and, INRMP public and agency involvement processes.

Data and literature sources for the OWMP mapping, oak woodlands criteria, site assessment methodology, alternative mitigation and restoration strategies, and maintenance and monitoring will include the Integrated Hardwood Range Management Program publications, UC Cooperative Extension guidelines, El Dorado County soil survey, "Guidelines for Developing and Evaluating Tree Ordinances" (from the phytosphere website), and the Range Management Advisory Committee's "Oak Woodland Policy Recommendations".

- Mapping and Database Management

The first draft of the OWMP will be based on 2002 Fire Resource and Assessment Program (FRAP) data for El Dorado County. The FRAP data is currently being updated for 2005, but the completion date is uncertain; once the 2005 FRAP data is completed, the County will evaluate the best approach for updating the OWMP. An optional task is presented in this scope of services for integrating the 2005 FRAP data into the OWMP if the data/mapping become available during the OWMP Consultant Team's process and the County authorizes the additional work.

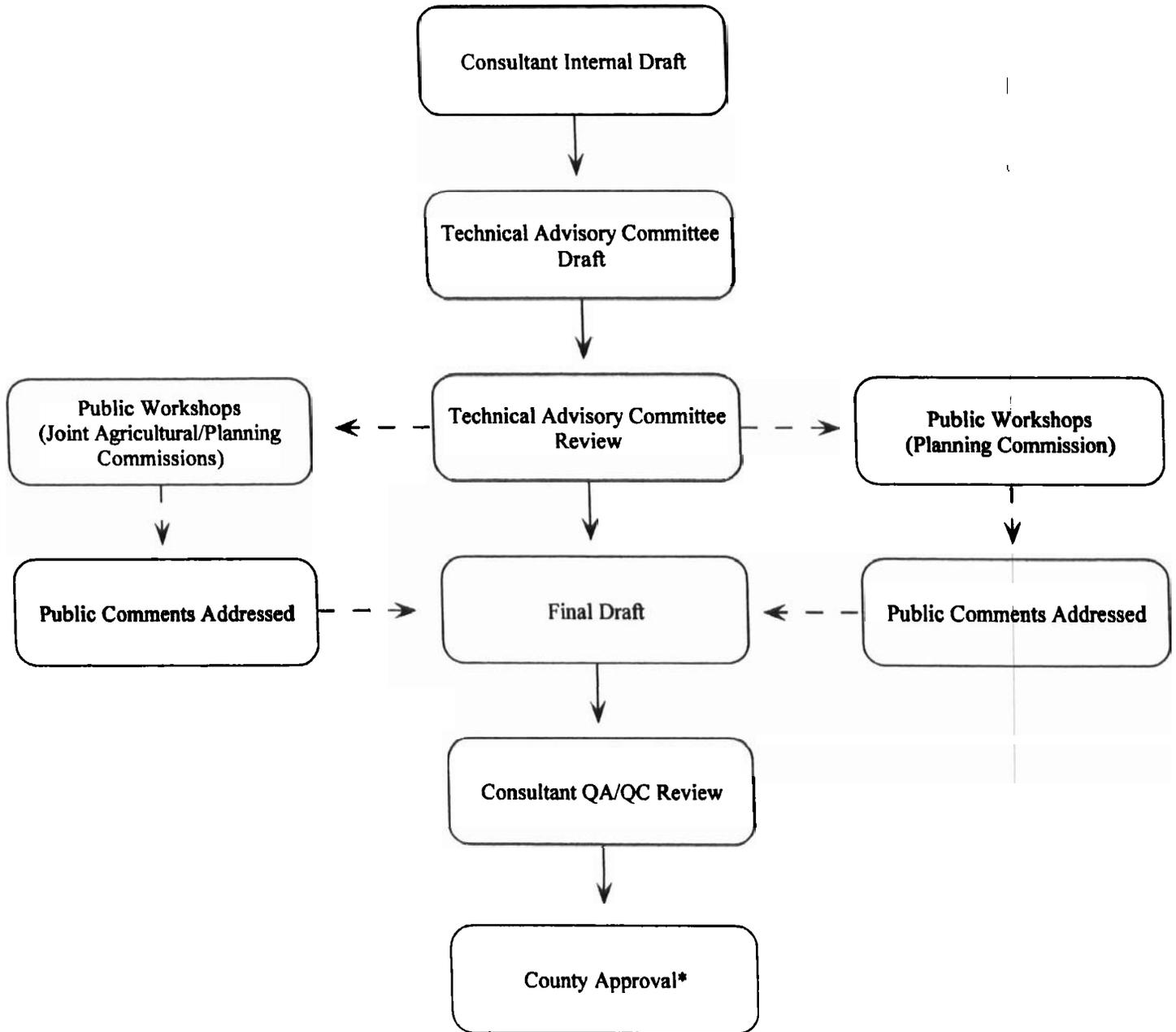
Using the FRAP, County, and other GIS data, the OWMP Consultant Team will develop a distinct database to produce maps for the OWMP, technical memos and reports, and public workshops as needed. The OWMP Consultant Team, in consultation with a County mapping advisory group, will assess whether any additional GIS overlays or other relevant mapping data need to be obtained or developed.

GIS layers that could help evaluate fragmentation and other important oak woodland characteristics include land use and ownership designations, wildlife corridors, water bodies, special status species habitats and other important biological resources, wetland and riparian habitat, migratory deer herds, and soils. Additional GIS data layers to be considered include the El Dorado Irrigation District existing and projected sphere of influence and the County's existing and potential agricultural districts.

Figure 3

Oak Woodland Management Plan

Major Work Products Review Process



*County approval may require several steps including staff, management, and Agricultural/Planning commissions/ Board of Supervisors review. Four Planning Commission and two joint Agricultural/Planning commissions public workshops are planned.

- **Technical Report on Classification Criteria and Categories of Oak Woodland Habitats**

Under this task, the OWMP Consultant Team will prepare a technical report summarizing proposed classification criteria and categories of oak woodland habitat in El Dorado County. The technical report will compare County General Plan Policies 7.4.4.4, 7.4.4.5, and 7.4.2.8 with the classification criteria and oak woodland habitat categories to ensure that the OWMP implements the General Plan policies. Other relevant policies or guidelines from the County General Plan and other sources, e.g., PRC 21083.4, will also be considered. The focus will be to determine which oak woodlands would best serve to address the policies and goals of the General Plan (including Policy 7.4.2.8).

This task addresses the need to develop classification criteria for oak woodland habitats, formulate oak woodland habitat categories, and assign importance rankings to the categories during the early development of the OWMP. Each item is discussed more thoroughly in the following sections. Mitigation strategies developed under the “Policy 7.4.4.4 Option B Guidelines, Implementing Ordinance, Funding Mechanism, and Fee Study Preparation” task will incorporate elements of this task.

Develop and Prioritize Proposed Oak Woodland Classification Criteria

Numerous databases and references are available that provide information needed to develop oak woodland classification criteria. Existing data sources include published and unpublished data and reports as well as websites maintained by state, federal, and private entities. An example of a public website that provides data or links to other sites is the Integrated Hardwood Range Management Program. Unpublished reports prepared for the County include the 1998 “Oak Woodland Assets and Guidelines for El Dorado County”. Proposed classification criteria will be developed based on the best available information and then prioritized by category (e.g., high, moderate, and low priority).

Categorize and Quantify Oak Woodland Habitats and Assign Importance Rankings

As described above, the first draft of the OWMP will be based on 2002 Fire Resource and Assessment Program (FRAP) data for El Dorado County. The FRAP data is currently being updated for 2005, but the completion date is uncertain; once the 2005 FRAP data is completed, the County will evaluate the best approach for updating the OWMP. An optional task is presented in this scope of services for integrating the 2005 FRAP data into the OWMP if the data/mapping become available during the OWMP Consultant Team’s process and the County authorizes the additional work.

The existing data will be reviewed to determine the most appropriate categories of oak woodland habitats (e.g., Blue oak woodland, 30-60% canopy cover) to use in mapping the habitats for El Dorado County. The defining attributes of each category of oak woodland habitat will be described. These descriptions are necessary for future development application or oak tree removal sites to be placed in the appropriate category. Once the proposed categories are formulated, the amount of oak woodland habitat in each category will be quantified. An importance ranking will be assigned based upon the acreage and attributes of each category within the County. The effort described above will largely be a GIS task using existing data as much as possible. Given the shortened timeline for completion of the OWMP, aerial photography interpretation and field verification will not be included in the effort.

Final Oak Woodland Classification Criteria and Oak Woodland Habitat Categories

Input received from the County based on the Technical Report on Classification Criteria and Oak Woodland Habitat Categories and from the public and County following the early public workshops will be summarized and evaluated. The first goal of this task is to refine the proposed classification criteria and the priority rankings (e.g., high, moderate, and low) that will be assigned to each category. The second goal of this task is to refine the oak woodland habitat categories, quantify oak woodland habitat in the County by each category, and assign importance rankings. A proposed Final Oak Woodland Habitat Categories and Classification Criteria report will be prepared. Subsequent to consulting with County staff, the final oak woodland habitat categories and classification criteria will be incorporated into the Draft OWMP.

The classification criteria piece of this task contributes to the formulation of alternative mitigation and fee assessment strategies and to the draft checklist of oak woodland habitat attributes that will be the Site Assessment Form. The oak woodland habitat importance rankings would be applied to Mitigation Option B under Policy 7.4.4.4.

- Prepare OWMP

The OWMP Consultant Team will develop components of the Draft OWMP concurrently with the classification criteria, oak woodland habitat categories, and mitigation fee study. Input from the public, other stakeholders, and the County Staff Technical Advisory Committee based on technical memos, technical reports, and public workshops will be identified and addressed in the Draft OWMP. Option A and the Oak Tree Preservation Ordinance, which the County will complete with input from the OWMP Consultant Team, will be included in Appendices within the OWMP.

The OWMP will address the following:

- Mitigation standards outlined in Policy 7.4.4.4;
- Thresholds of significance for the loss of oak woodlands;
- Potentially conflicting County policies such as Fire Safe Plans;
- Requirements for tree surveys and mitigation plans for discretionary projects;
- Replanting and replacement standards;
- Heritage/landmark tree protection standards; and
- An Oak Tree Preservation Ordinance as outlined in Policies 7.4.5.1 and 7.4.5.2. (developed by County staff with input from OWMP Consultant Team)

The proposed outline for the Draft OWMP, which is based largely on requirements of the 2001 Oak Woodlands Conservation Act, is as follows:

- I. Purpose and Objectives of the OWMP
 - A. Purpose – Comply with 2004 County General Plan Requirements
 - B. Objectives
 1. Fulfill General Plan Policy 7.4.4.4 and Measure CO-P
 2. Fulfill Requirements of California Oak Woodlands Conservation Act
 3. Provide Guidance to Landowners, Developers, and County Planners
 4. Qualify for Funding from Wildlife Conservation Board
- II. Conservation Goals of the OWMP

- III. Natural Resource Values of Oak Woodland Habitats
 - A. Grazing
 - B. Wildlife
 - C. Special-status Species
 - D. Recreation
 - E. Effects on Habitat from Loss of Oak Woodland Habitats
- IV. Economic Value of Oak Woodland Habitats
 - A. Land Values
 - B. Harvesting of Oak Trees
- V. Oak Woodland Habitats in El Dorado County
 - A. Types of Oak Species in County
 - B. Oak Communities in County
- VI. County Participation in Oak Woodland Habitats Conservation Program
 - A. Support for Private Landowner Participation in the OWCP
 - B. Support for Landowners
 - C. Education and Outreach
- VII. Best Management Practices for Oak Woodland Habitats
- VIII. Mitigation for Loss of Oak Woodland Habitats
- IX. Guidelines for Maintenance, Restoration, and Rehabilitation of Oak Woodlands
- X. Monitoring and Reporting
- XI. Integration with INRMP

APPENDICES

- Appendix A Option A – Tree Canopy Retention and Replacement Standards
- Appendix B Option B – Mitigation Fee
- Appendix C Oak Tree Preservation Ordinance

The draft and final OWMP will be prepared concurrently with the Option B Guidelines, ordinance, funding mechanism, and fee method studies. The draft and final OWMP will be closely coordinated with the CEQA Initial Study and General Plan consistency evaluations. The relative timing of these activities will be scheduled during the OWMP Consultant Team's preparation of the detailed work plan and schedule.

The OWMP Consultant Team and County Staff Technical Advisory Committee will review comments received following the public workshop and review period on the Draft OWMP. Substantive and non-substantive comments will be compiled and indexed for consideration by the appropriate technical specialists. Substantive comments will be further evaluated and discussed with County staff to determine treatment and disposition of the comments. A summary matrix will be prepared that identifies the locations in the OWMP where the eight core requirements of the INRMP are addressed.

The OWMP Consultant Team will also work with County staff to identify necessary modifications to the OWMP, and assess whether new, significant issues or information should be brought to the attention of County management, the Planning/Agricultural commissions, or others. Thereafter, the Final OWMP will be prepared, presented to the Planning/Agricultural commissions for consideration, and then submitted with other (e.g., Option B fee method) General Plan OWMP elements for County Board of Supervisors approval.

- Oak Tree/Woodland Mitigation Programs

Several counties have developed tree mitigation programs. Programs will be reviewed by the OWMP Consultant Team for relevant information and for consideration in developing mitigation fees as described under “Policy 7.4.4.4 Option B Guidelines, Implementing Ordinance, Funding Mechanism, and Fee Study Preparation”. Examples of three existing programs that will be evaluated for El Dorado County are listed below:

- Placer County Native Tree Mitigation Policy Report
- Santa Barbara County Oak Woodland Inventory and Monitoring Program
- San Luis Obispo Oak Woodlands Management Plan

On-site and off-site mitigation options will be identified and evaluated. Mitigation banking alternatives through governmental and non-governmental organizations will also be identified and evaluated. Literature reviews of and inquiries into existing programs will be included in the OWMP Consultant Team’s evaluation. The OWMP Consultant Team will investigate establishing a native tree nursery by a public or non-governmental organization. Such a nursery could provide local ecotypes of oak trees and acorns specific to El Dorado County’s west slope.

The most feasible mitigation banking options will be identified considering cost, administration, past success in similar settings, and other program management criteria. Mitigation banking programs that focus on public ownership, oak woodland values applicable to El Dorado County (e.g., connectivity and large expanses of native vegetation) meet high priority objectives.

Possible designs, elements, and management of conservation easements will be addressed in the OWMP, including conditions for short-term and long-term retention of oak woodland values. The potential use and reported success of existing programs will be reviewed including The Williamson Act. Other public tax credit, non-governmental organization, and individual landowner options will also be considered in the OWMP Consultant Team’s evaluation of mitigation programs. During the mapping task, the OWMP Consultant Team will identify and recommend the highest priority areas for conservation and restoration activities.

- Site Assessment Methodology and Form

To assist biologists and other qualified individuals with future field assessments, the OWMP Consultant Team will prepare a site assessment methodology checklist. The checklist will include various oak woodland and related attributes to be evaluated. These attributes may include estimated cover of oak tree species, connectivity with adjacent woodlands and large expanses of native vegetation, presence of habitat for special-status plant or wildlife species, presence of associated plant communities, presence of permanent or intermittent water bodies, presence of wetland and riparian communities, and presence of wildlife corridors. The need for pre- and post-development site assessments will be evaluated relative to options for monitoring and reporting and also to adjust fee assessments over time based on achieved oak woodland values. A scoring system will be developed based on the number of selected oak woodland attributes present and their priority, that when tallied, will yield a score. This score would be used with other factors to determine fee assessments per Mitigation Option B under Policy 7.4.4.4.

- Monitoring and Reporting Program

The OWMP Consultant Team will develop a monitoring and reporting program designed to help ensure that mitigation obligations are being fulfilled and that mitigation is meeting the resource conservation goals of the OWMP and policies of the County. Options including self-reporting, governmental and non-governmental monitoring, reporting and database management will be evaluated. Guidelines and performance measures (for oak woodland mitigation) for the County-selected monitoring and reporting program will be outlined. Existing field and monitoring/reporting programs used for tree plantations (e.g., U. S. Forest Service) and restoration work will be considered. Funding for this program will be researched as described under the monitoring and management section of “Policy 7.4.4.4 Option B Guidelines, Implementing Ordinance, Funding Mechanism, and Fee Study Preparation”.

- Integration with Remainder of INRMP

The County’s approach is to prepare the OWMP, which is the initial component of the INRMP, consistently with General Plan Policies 7.4.4.4, 7.4.4.5, and 7.4.2.8 during the first six months of the INRMP process. The OWMP Consultant Team will work with the INRMP consultant team to help ensure that all requirements of Policy 7.4.2.8 (the INRMP) are being met in the OWMP. Public and agency input from the initial INRMP process will be considered as the OWMP is prepared. The OWMP Consultant Team’s goal is to develop the OWMP as the initial element of the INRMP.

Task 4 Deliverables: Mapping Technical Memo
 Technical Reports on Classification Criteria and Oak
 Woodland Habitat Categories
 Draft Oak Woodland Management Plan
 Site Assessment Form
 Matrix of OWMP Compliance with INRMP Policy Requirements
 Final Oak Woodland Management Plan

Task 5 – Policy 7.4.4.4 Option B Guidelines, Implementing Ordinance, Funding Mechanism, and Fee Study Preparation

The flow chart in Figure 2 shows the proposed process to formulate the mitigation and fee assessment structure. Information that will be used to determine alternative mitigation and fee assessment strategies will include: environmental, economic, and implementation issues of each alternative mitigation and fee assessment strategy; costs of acquisition, restoration, and management of oak woodland; and evaluation of incentives such as grant funding, leasing of development rights, and reduced taxes. Potential grant funding options include the Wildlife Conservation Board and the Sierra Nevada Conservancy. Examples of tax incentives include state programs such as The Williamson Act and County tax code provisions for designated land uses. Administrative programs for fee collection, disbursement for program objectives, long-term program monitoring, management, and mitigation tracking will be investigated.

- Prepare Draft Option B Guidelines, Mitigation Fee, and Ordinance

Few jurisdictions have successfully developed and implemented a defensible mitigation fee for oak woodlands. The OWMP Consultant Team will work closely with County staff to identify the inputs and the formulas for calculating a fee that is intended to capture the full cost of mitigation. Options for reducing mitigation costs will be developed as part of the fee methodology to encourage development plans and practices that enhance on-site oak woodland habitat values. Pre- and post-development site assessments will be structured to allow for fee adjustments (refunds or additional fees) based on exceedance or non-attainment of oak woodland value targets.

Different mitigation options will be considered for different types of development. For example, developers could contribute lands with targeted oak woodland values to mitigation banks or pay into funds for conservation easements. Full mitigation would include costs associated with acquisition, restoration, and management of the habitat protection, plus the value of lost ecosystem services from the replacement of a mature oak tree or group of oaks with newly planted trees until maturity. We will also review the County's mitigation ratio of 2:1 and clarify the basis of how this ratio will apply to the mitigation. The following areas will be researched and reviewed in developing the oak woodland mitigation fee:

Develop cost estimates for acquisition, restoration and management of habitat protection.

Acquisition - Research will be completed on current land acquisition costs, which can take the form of an outright purchase of land through fee title. Options to purchase include lease-purchase and leaseback agreements between the public agency and private landowner. Additional acquisition strategies include forming mitigation banks, land trusts, donations of land and other tax incentives for developer and landowner participation in habitat acquisition. The OWMP Consultant Team will review comparable sales data in the plan area (for example, from Pine Hill Preserve) as well as recent acquisitions such as in Solano, Placer, Nevada and Yolo counties that have been made regarding conservation land holdings.

Conservation Easements – One form of maintaining oak woodland values on private land is through the purchase of development rights or agricultural value. In these instances, the private landowner retains ownership and, depending on contract/easement provisions, agrees to manage the land to retain, restore, or enhance the oak woodland values for a defined period of time. An example of a compatible conservation easement on agricultural lands is the continuation of grazing activities with mutually agreeable stocking rates and season of use. Opportunities may exist on some lands for rehabilitation or restoration of oak woodland and other INRMP values. Temporary agreements for oak woodland mitigation will need to provide for replacement easement or comparable mitigation if the conservation easement expires.

Restoration – Completed restoration projects and research performed on this topic by others will be reviewed to develop cost estimates for a range of general oak woodland restoration activities. These include acquiring and planting trees or acorns, providing irrigation, providing acorn protection and providing other amendments to the land. We will review on-going programs in El Dorado County and also consult with entities that undertake restoration programs. The 1998 oak woodland guidelines for El Dorado County and INRMP guidelines will be reviewed for direction on restoration and planting standards.

Monitoring and Management – Endowments and other methods will be investigated for monitoring in perpetuity. An emphasis will be placed on initial monitoring to ensure success and achievement of targeted oak woodland values. The length and intensity of monitoring requirements will be

evaluated relative to the required fee. For certain mitigation program activities, self-monitoring and reporting may be appropriate as an option to help reduce fees. Penalties and provisions for non-compliance, false reporting, or inability to achieve targeted mitigation will also be addressed.

After defining success criteria, we will develop costs of monitoring and management based on the specified time frame. This might require cost estimates for two phases of monitoring: one to account for more aggressive monitoring during the early stages (e.g., first 7 years), and the second to account for long-term monitoring and/or tracking once the trees are established. We will use Property Analysis Record (PAR), Management Fund Analysis (MFA), or similar software to assist with documenting annual monitoring and management costs. Methods used for similar on-going monitoring programs in El Dorado County will also be reviewed.

Develop cost estimates that capture value of lost ecosystem services.

The primary purpose of the valuation would be to determine the value of lost ecosystem services (as newly planted trees reach maturity) when replacement methods are used. The tasks would include the following: a) Review the existing literature on the incorporation of valuation in determining mitigation fees. b) Identify relevant ecosystem services provided by oak woodland habitat in El Dorado County. These services could include livestock production and habitat for birds, mammals, amphibians, insects and plants. Other ecosystem services could include watershed, air quality, and water quality values. c) Identify zones of importance for relevant ecosystem services provided by oak woodlands, based on a rating of high, medium, and low. d) Conduct a literature review of relevant valuation studies for the ecosystem services provided in El Dorado County. e) Establish per acre values for the different zones of habitat importance, by type of ecosystem service.

Research relevant references and literature for the ecosystem services evaluation. They include:

- TSS Consultants. 2005. Assessment of the Efficacy of the California Bureau of Land Management Community Assistance and Hazardous Fuels Program. Report prepared for the California Bureau of Land Management.
- Wilson, M. and A. Troy, 2005. Accounting for Ecosystem Service Values in a Spatially Explicit Format: Value Transfer and Geographic Information Systems. Paper presented at the *International Workshop on Benefits Transfer and Valuation Databases*, Washington, DC.
- Boyd, J. and S. Banzhaf. 2006. What are Ecosystem Services? The Need for Standardized Environmental Accounting Units. Resources for the Future. Washington D.C.
- National Research Council. 2005. Valuing Ecosystem Services: Toward Better Environmental Decision-Making. Washington D.C.
- Other relevant local sources and documents to El Dorado County, some of which have been provided by County staff.
- Other OWMPs that include a valuation description component such as the San Luis Obispo Voluntary Oak Woodland Management Plan.

Develop Fee Units to be paid by new development.

A full range of variables for developing fee units will be considered. The costs generated from the above tasks might initially be expressed in various units, such as cost per acre, cost per acre by oak woodland category, cost per tree, or a combination of these. For small units, at least two mitigation fee units will be investigated – one as a fee per tree and the second as a fee per inch of diameter measured at breast height (dbh). The fee per tree would account for the acquisition, restoration and monitoring costs, while the fee per inch dbh would account for the value of lost ecosystem services. For larger units, broader landscape values including the five important INRMP habitats and the oak woodland values established through the OWMP process will be primary considerations. In some situations, a combination or hybrid of tree and woodland valuations may be appropriate.

Clarify County Mitigation Ratio Policy

As compensation for impact from habitat loss and fragmentation of oak woodlands from development, the County policy is to establish mitigation at the ratio of 2:1 based on the total woodland acreage onsite directly impacted by habitat loss and indirectly impacted by habitat fragmentation. The OWMP Consultant Team will work with the County to clarify how this ratio applies in the context of conservation funding. This review will be significant and will influence the structure and implementation of the fee program.

Assist in developing staff reports and ordinances.

The OWMP Consultant Team will work with the County staff and TAC to develop the necessary staff reports and ordinances to implement the mitigation fee programs. Information for these documents will be drawn from the technical mitigation fee report and accompanying tables. County staff anticipates that this will be an iterative process as the OWMP and fee methodologies are refined.

- Prepare Final Guidelines, Mitigation Fee, and Ordinance

Input from County staff, Planning and Agricultural commissions, and the public will be incorporated into the Final Guidelines, Mitigation Fee, and Ordinance.

Task 5 Deliverables: Preliminary Alternative Mitigation & Fee Method Strategies Memo including:

- Average costs for mitigation strategies expressed in a standard unit or combination of units.
- Description of an endowment fund that accounts for average monitoring and management costs.
- Per acre values for zones of importance.
- Average cost estimates for land acquisition strategies

Mitigation Fee Methodology

Technical Mitigation Fee Report

Memo clarifying mitigation ratio and its applicability to the fee program.

Resolutions/Ordinances

Task 6 – Policy 7.4.4.4 Option A and Policy 7.4.5.2 Oak Tree Preservation Ordinance Support to County

- Review and Provide Comments on County Draft Guidelines and Ordinance

The OWMP Consultant Team will review and provide comments on the Draft Option A, tree canopy cover retention standards, and Draft Oak Tree Preservation Ordinance that County staff are developing. The phytosphere website “Guidelines for Developing and Evaluating Tree Ordinances” will be reviewed as the County develops its guidelines and ordinance.

- Integrate County Option A Guidelines and Ordinance into OWMP

Option A will be included in Appendix A of the OWMP and the Oak Tree Preservation Ordinance in Appendix C. Text from Option A and the Ordinance will be integrated into the body of the OWMP as appropriate.

Task 7 – CEQA Documentation, General Plan Consistency Evaluation, and Public Involvement Support

- Planning/Agricultural Commissions Public Workshops/Outreach

Item G of Policy 7.4.2.8 of the Conservation and Open Space Element of the El Dorado County General Plan requires public participation and informal consultations with local, state, and federal agencies during preparation of the INRMP, of which the OWMP is the first component. CEQA also requires public review and participation in the OWMP process.

To meet these requirements, four Planning Commission public workshops and two joint Planning/Agricultural commissions public workshops will be held during the development of the OWMP and related tasks. The purpose of these meetings is to present to and receive comments from the public, stakeholders, and the County on the proposed components of the OWMP as they are developed. In addition to the County Planning/Agricultural commissions’ meeting notices, public notification of the workshops will occur via e-mail and posting notices on the County website prior to each of the public workshops, and will identify the agenda, time, and date of the workshop. The OWMP Consultant Team will organize, prepare materials for, and attend the workshops to obtain input from the public. OWMP Consultant Team member participation in the workshops will be dependent on the focus of each workshop.

- Prepare Administrative Draft CEQA and General Plan Consistency Review

The OWMP Consultant Team will conduct a full environmental analysis of the proposed project in compliance with the California Environmental Quality Act (CEQA). Each element of the Draft OWMP will be analyzed specifically for potential impacts per CEQA requirements, for new or differing impacts relative to the 2004 General Plan EIR, and for consistency with the other elements and policies of the 2004 General Plan. The County’s General Plan oak woodland policies will also

be evaluated for consistency with the California Oak Woodlands Conservation Law (PRC 21083.4). For example, questions have been raised regarding the consistency of Option A with state law.

The OWMP Consultant Team will prepare an Initial Study (IS) for the proposed project, which is anticipated to support a Negative Declaration (ND). The IS/ND will be tiered from the EIR analyses contained in the General Plan EIR and will include references to General Plan policies. The IS/ND will be prepared concurrent with the OWMP.

The OWMP Consultant Team will prepare five (5) copies of the administrative draft IS for El Dorado County to review. The OWMP Consultant Team will address and respond to one set of consolidated and internally consistent comments from the County.

This scope of work assumes that the OWMP will be consistent with the 2004 General Plan, will not result in changes to General Plan land use designations, and will not impose oak tree mitigation requirements substantially different than those identified in the General Plan (specifically Policy 7.4.4.4) and analyzed in the General Plan EIR. This scope of work also assumes that implementation of the OWMP will not result in the disturbance of land within the County beyond what was addressed in the General Plan EIR. This scope of work assumes that no technical reports (e.g., air quality, noise or traffic analyses) will be required to support the IS/ND. As noted above, it is also assumed that the project will not be subject to NEPA.

- Prepare Public Draft CEQA and General Plan Consistency Review

The IS/ND can be completed within approximately two weeks of County finalization of the draft OWMP. Upon completion of any edits/changes, the OWMP Consultant Team will produce up to forty (40) copies of the document for delivery to the State Clearinghouse and for County distribution for public review. The OWMP Consultant Team will prepare the Notice of Completion (NOC) for submittal to the State Clearinghouse concurrent with the IS/ND. The OWMP Consultant Team will also assist County staff with the preparation of a press release for circulation in the Mountain Democrat upon public release of the document. Upon completion of the 30-day public review period, the OWMP Consultant Team will prepare the Notice of Determination (NOD) for submittal to the SCH and County Clerk.

- Participate in Board of Supervisors Hearings

In addition to the six Planning/Agricultural commission workshops described above, the OWMP Consultant Team will attend up to two project hearings with the Board of Supervisors. Additional meetings and hearings can be attended on a time and materials basis.

Task 7 Deliverables: Administrative Draft IS
Public Draft IS/ND
Notice of Completion
Notice of Determination

Optional Task – Economic analysis

- Prepare Draft and Final Economic Analysis

This optional task, if requested by the County, would be developed in consultation with the County Staff TAC. Economic analysis of conservation funding would include assessing the resource amenity values of properties being considered for acquisition or easements, and how a change in intended use of these lands could affect local economic activity. The OWMP Consultant Team proposes to rely on the extensive valuation literature and benefit transfer procedures to evaluate candidate properties. The estimate of economic value can also be expressed as the community's "willingness to pay" for the resource being displaced or fragmented. For evaluating changes in local economic activity, one approach would be to estimate the relative economic impacts of alternative land uses based on relationships in existing regional impact models, such as the IMPLAN input-output model.

Potential economic impacts to commercial, industrial, agricultural, recreation and other uses will also be considered, as mitigation for development results in added costs to conduct business in the region. The OWMP Consultant Team will review the competitive effects of non-residential development by estimating the cost of "doing business" in the County from the standpoint of paying the necessary development fees. In addition, research on existing studies that review property values due to the presence of oak trees and their significance to the community as a landmark or because of size will also be conducted for the analysis. The economic effects of other counties' policies and fee programs will also be investigated, particularly for those counties that have directly or indirectly established oak woodland mitigation strategies.

Input from County staff, Planning and Agricultural commissions, and the public will be incorporated into the Final Economic Analysis.

Optional Task – OWMP Implementation Grant Assistance

- Prepare draft and final application(s) and assist County with processing

The OWMP Consultant Team will focus on grant funding opportunities that relate to oak woodlands and will determine the criteria and eligibility of the grants, including the submittal dates, funding amounts, and funding cycles. Upon completion of the OWMP, additional grants could be submitted to fund acquisition, restoration, or other aspects of the oak woodland program's implementation. The fund could be used for the following conservation programs:

- Grants for the purchase of oak woodland conservation easements
- Grants for land improvement
- Cost-sharing incentive payments to private landowners who enter into long-term conservation agreements that include management practices that benefit oak woodlands and promote the economic sustainability of farming and ranching operations
- Public education and outreach by local governmental entities, park and open-space districts, resource conservation districts, and non-profit organizations

OWMP Schedule

Attached is a revised schedule reflecting the above described scope of services over an accelerated 6-month schedule. This schedule will be further detailed and updated following the County's written notice to proceed.

OWMP Estimated Costs

Attached is the OWMP Consultant Team estimated costs for the above described scope and schedule of services.

