



STATE OF CALIFORNIA • NATURAL RESOURCES AGENCY

Gavin Newsom, Governor

DEPARTMENT OF FISH AND WILDLIFE

Charlton H. Bonham, Director

North Central Region

1701 Nimbus Road | Rancho Cordova, CA 95670

August 21, 2023

Jack Larriviere
Westervelt Ecological Services
3636 American River Drive, Suite 120
Sacramento, CA 95864
jlarriviere@westervelt.com

SUBJECT: PROSPECTUS NOT COMPLETE FOR JOHNSON COSUMNES MITIGATION BANK (TRACKING NUMBER 1798-2023-01-R2)

Dear Jack Larriviere:

The California Department of Fish and Wildlife (Department) has completed its review of your prospectus, dated July 2023, for Johnson Cosumnes Mitigation Bank (Bank). The Department has determined that the prospectus received on July 24, 2023, is not complete because the information listed below is either missing or insufficient. To complete your prospectus, please provide the following information to the Department.

- Business Entity Verification and Authorizations
 - The "Transaction Approval" provided in the prospectus is from the Chief Executive Officer of Westervelt Ecological Services, LLC (WES). Per the Operating Agreement, The Westervelt Company, as the sole Member, controls WES. Please provide either:
 - ✓ An authorizing resolution from The Westervelt Company (as the Member) authorizing WES to enter into this transaction; or
 - ✓ Per section 6.4 of the Operating Agreement, authorization from The Westervelt Company (as the Member) authorizing any officer of WES to enter into the Transaction.

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- Credit Evaluation and Credit Release Schedule
 - The prospectus proposes salmonid essential fish habitat credits. Please clarify the covered species credits by the specific salmonid evolutionary significant unit.
 - The prospectus has proposed Swainson's hawk nest tree and Swainson's hawk nest buffer credits. The prospectus is clear on when and how the Swainson's nest tree credit will be determined; however, the prospectus has not discussed how the nest buffer credits are being determined especially since there are no documented active Swainson's hawk nests on the Bank property. Please clarify how the nest buffer credits will be determined.
- Service Area
 - Service area maps were provided; however, the maps do not include sufficient detail to be able to determine the boundaries. Please update the maps to include landmarks, such as roads, on all sides of the boundary.
- Baseline Site Conditions
 - The prospectus includes a section for baseline site conditions; however, not all subsections discuss the actual conditions of the Bank property. For example, the riparian habitat is described as the typical riparian habitat occurring in the Sacramento Valley in general instead of discussing actual observations of riparian habitat occurring on the Bank property. Please include a discussion of the actual conditions on the Bank property.
 - A mineral assessment report was included with the submission of the prospectus which identified stockpiles of sand from excavation activities completed within the Cosumnes River; however, there is no discussion about the excavation or sand disposition in the prospectus' site history. Please describe, in the baseline site conditions, the sand removal activities that took place on the property and the current status of the sand stockpiles.
 - The conceptual development plan includes over bank flows via notching of the berms; however, there is no discussion on the proposed hydroperiod of the Bank property. Please include clarification on the seasonal depth, duration, and timing of inundation and/or saturation for the Bank property.

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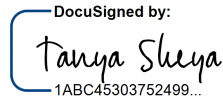
- Real Estate Records
 - The prospectus identified WES as the property owner; however, the preliminary (title) report identifies the property owned by several individuals. Per the Interagency Review Team Meeting on August 7, 2023, WES staff stated that they were working on a lot line adjustment and the property was in escrow. Please provide a preliminary report that identifies WES as the property owner with working hyperlinks for each encumbrance.
 - Although the prospectus contained figures, a map is required that depicts all improvements to the Bank property. Per photographs, there are dirt roads within the Bank Property not identified in the figures. Please provide an updated map that includes all improvements to the Bank Property.
 - The prospectus needs to describe the rights and obligations of each encumbrance listed in the preliminary report. The prospectus does include a table that identifies each encumbrance; however, the table does not elaborate on what each of the encumbrance entails and how it may or may not affect the Bank property. Please provide information on each encumbrance and how it may or may not affect the Bank property.
 - Please provide a preliminary report within the mineral assessment report.
 - The mineral assessment report did not include a stamp from the California-Licensed Professional Geologist or their signature. Please provide a mineral assessment report that includes the stamp and their signature.
 - Please clarify in the prospectus why the mineral assessment report states that the mineral rights are severed from the surface estate (found under the section labeled purpose) while the preliminary report does not identify the rights as being severed.

The prospectus may be made complete with the submission of the above document(s). The Department will have 30 days to review the resubmitted prospectus to determine if it is complete. The Department will provide you written notification of its determination, which is distinct from any determination by another signatory agency.

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For further assistance on the banking process please visit the Department's web site at <https://www.wildlife.ca.gov/Conservation/Planning/Banking>. If you have questions regarding this letter or the bank review process, please contact Stephanie Buss, Senior Environmental Scientist (Specialist) at (916) 406-4311 or stephanie.buss@wildlife.ca.gov.

Sincerely,

DocuSigned by:

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Tanya Sheya
Environmental Program Manager

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