Candace Andersen

Chair
Contra Costa County Board of Supervisors
District Two



309 Diablo Road Danville, CA 94526

Office: (925) 957-8860 Fax: (925) 820-3785 Cell: (925) 768-2163

candace.andersen@bos.cccounty.us

June 16, 2016

Honorable Steve Glazer Member of the Senate State Capitol, Room 4082 Sacramento, CA 95814

Honorable Loni Hancock Member of the Senate State Capitol, Room 2082

Honorable Lois Wolk Member of the Senate State Capitol, Room 5114 Honorable Catharine Baker Member of the Assembly State Capitol, Room 4153

Honorable Susan Bonilla Member of the Assembly State Capitol, Room 4140

Honorable Jim Frazier Member of the Assembly State Capitol, Room 3091

Honorable Tony Thurmond Member of the Assembly State Capitol, Room 5150

RE: AB 1611 (Assembly Budget Committee) & SB 839 (Senate Budget Committee)

Public Resources Budget Trailer Bills

California Endangered Species Act Permit Application Fees – OPPOSE Unless

Amended

Dear Senators Glazer, Hancock, and Wolk and Assembly Members Baker, Bonilla, Frazier, and Thurmond:

I am writing as the Chair of the Contra Costa County Board of Supervisors regarding the new proposed fees for Section 2081 Incidental Take Permits under the California Endangered Species Act (CESA). As you may know, counties are required to comply with CESA by obtaining incidental take permits for a number of county projects including land use, general planning, flood control, and water management activities. The proposed fees are brand new, not proposed for a phase-in, and would range in cost from \$7,500 to \$30,000. The proposed fee also gives the Department of Fish and Wildlife (CDFW) the authority to charge an additional fee of up to \$10,000 if the original fees are deemed to be insufficient.

While I understand the importance of local and state agencies having the ability to raise revenue to cover the costs of the services they provide, the fees proposed by CDFW are excessive and could result in counties having to defer important public projects due to cost issues. Therefore, I ask for your consideration in developing a more reasonable fee that is tied to the anticipated level of species habitat impact rather than project cost.

My concerns are as follows:

1. The proposed fees are very high. Although we recognize that more staff at CDFW must be involved in issuance of an Incidental Take Permit than are involved in issuance of a Streambed Alteration Agreement, the proposed fees for an Incidental Take Permit are up to roughly eight times the cost of a Streambed Alteration Agreement. A comparison of fees is as follows:

Project Cost	Streambed Alteration Agreement Fee*	Proposed 2081 Incidental Take Permit Fee
<\$100k	\$921 (or less)	\$7,500
\$100k to <\$500K	\$2,763 (or less)	\$15,000
\$500k or more	\$4,912	\$30,000

^{*}these fees are linked to work occurring in the stream channel

- 2. The fee proposal comes with no clear basis for the fee rates. With the proposed fees as high as \$30,000 for an initial application, up to an additional \$10,000 if CDFW staff deems the original application fee insufficient, and up to \$15,000 for a major permit amendment, an individual County infrastructure project could cost upwards of \$50,000 just to apply for a permit through CDFW. When asked by CSAC staff to provide a budget line item to process 2081 permits, CDFW staff was unable to provide that information. Without CDFW having the costs of the 2081 program available to applicants, the foundation and justification for these very high fees is unclear.
- 3. The proposed permit fee structure does not take into account the scale of actual impacts. Many County infrastructure projects may have high project construction costs yet have relatively low habitat impact because they occur in road rights of way or highly managed channels where sensitive species may sometimes occur but impacts to them would be expected to be quite limited on a project-by-project basis. The new fee structure is based on project cost rather than the project's anticipated impacts; therefore, very low impact projects may cost the maximum amount to permit.

Establishing a reasonable fee structure is not objectionable, but these fees are unreasonably high and established without any technical basis or other rationale. Contra Costa County would be happy to work with CDFW to develop a more reasonable fee schedule. Should you have any questions, please contact Leigh Chavez at (925) 313-2366 or leigh.chavez@pw.cccounty.us.

Sincerely,

CANDACE K. ANDERSEN Chair, Board of Supervisors

cc: Members, Board of Supervisors
David Twa, County Administrator

Leigh Chavez, Public Works Department Cathy Christian, Nielsen Merksamer CSAC