



COUNTY OF HUMBOLDT

For the meeting of: 5/7/2019

File #: 18-1674

To: Board of Supervisors

From: Public Works

Agenda Section: Consent

SUBJECT:

License Agreement With Humboldt Redwood Company, LLC for the Van Duzen Gravel Bar Surface Mining Site, APN 209-201-010, Highway 36, Carlotta

RECOMMENDATION(S):

That the Board of Supervisors:

1. Grant a waiver of the Nuclear Free Ordinance;
2. Authorize the Chair of the Board to sign, in duplicate, the license agreement between the County of Humboldt and Humboldt Redwood Company, LLC (Attachment 1); and
3. Direct the Clerk of the Board to return both executed License Agreements to the Department of Public Works Land Use Division for further processing.

SOURCE OF FUNDING:

Roads Maintenance 1200325

DISCUSSION:

The county first entered into a license agreement with Pacific Lumber Company for the subject property, APN 209-201-010, in 1986, and has continuously used the site. The parcel is now under ownership of Humboldt Redwood Company, LLC.

The Sept. 27, 2013 license agreement has expired and the Department of Public Works recommends executing a new License Agreement that is consistent with the county's current compensation rates for similar agreements and that includes standard agreement provisions.

The proposed License Agreement includes Humboldt Redwood Company, LLC's "special compliance provisions" (in Section 5(i)), which states that the county shall observe and comply with the terms and provision of:

- (a) that certain Final Environmental Impact Statement/Environmental Impact Report and Habitat Conservation Plan/Sustained Yield Plan for the Headwaters Forest Project, dated January 1999;
- (b) any Implementation Agreement with regard to Habitat Conservation plans for the properties of Humboldt Redwood Company, LLC by and among the United States Fish and Wildlife Service, the

National Marine Fisheries Service, the California Department of Fish and Wildlife (CDFW), the California Department of Forestry and Fire Protection (CAL FIRE) and Humboldt Redwood Company, LLC including those agreements assumed by Humboldt Redwood Company, LLC in the reorganization of the Pacific Lumber Company, Scotia Pacific Lumber Company and Salmon Creek Corporation dated February 1999;

(c) any Habitat Conservation Plan for the properties of Humboldt Redwood Company, LLC including that certain Habitat Conservation plan of February 1999 that was assumed by Humboldt Redwood Company, LLC in the reorganization of Pacific Lumber Company, Scotia Pacific Lumber Company and Salmon Creek Corporation;

(d) any Streambed Alteration Agreement with regard to Humboldt Redwood Company, LLC including that certain Streambed Alteration Agreement with regard to the Pacific Lumber Company, Habitat Conservation Plan, by and among CDFW and Pacific Lumber and Salmon Creek dated February 1999 that was assumed by Humboldt Redwood Company, LLC in the reorganization of Pacific Lumber Company and Salmon Creek Corporation, to the extent any of the above documents bind the logging road and other lands of Humboldt Redwood Company, LLC and are applicable to county's activities on the logging road or other lands of Humboldt Redwood Company, LLC. The county is committed to observing and complying with the terms and provisions of the aforementioned documents.

The new license agreement (Attachment 1) shall commence upon the date of execution and expire on Dec. 31, 2021. The county shall have 60 days beyond the final termination date to remove equipment and stockpiled river-run aggregate from the site.

The new license agreement shall increase the royalty rate of \$1 per cubic yard to \$1.25 per cubic yard for mined material. Royalty payments shall be made in lump sum payment at the conclusion of each annual extraction. Payment shall be based on truck capacity and truck count and verified by copies of truck trip and capacity documentation.

The county-operated surface mining operation has been reviewed and permitted in accordance with the California Environmental Quality Act (CEQA). A Negative Declaration was originally adopted by the Planning Commission, for the approval of the Conditional Use, Surface Mining and Reclamation Plans permits in 1986 and extended in 1997. On August 5, 2010, the Planning Commission adopted a Subsequent Mitigated Negative Declaration pursuant to the provisions of CEQA, extending the existing county-operated surface mining permits for an additional fifteen (15) years. The License Agreement requires the county to obtain, maintain, and comply with all permits and conditions of approval relative to said parcel of land. Furthermore, the License Agreement allows for an annual extraction of Three Thousand (3,000) cubic yards, which is consistent with the current permit.

FINANCIAL IMPACT:

The new license agreement provides for royalty payments to be made payable to Humboldt Redwood Company, LLC. The Roads Maintenance budget 1200325-2121 Rents & Leases - Structures shall bear the cost of all payments. Average royalty payments per year are estimated to be \$3,750. There is no impact to the General Fund.

STRATEGIC FRAMEWORK:

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This item conforms to the Board of Supervisors' Core Role of providing for and maintaining infrastructure.

OTHER AGENCY INVOLVEMENT:

N/A

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose not to execute a new License Agreement. The Department of Public Works recommends executing the new License Agreement because of the county's need for aggregate resource sites located throughout the county's road system. By executing this new agreement, the continued utilization of this aggregate source shall offset expenses associated with importing necessary road construction materials from distant locations.

ATTACHMENTS:

New License Agreement in duplicate

PREVIOUS ACTION/REFERRAL:

Board Order No.: C-7

Meeting of: October 8, 2013

File No.: N/A