BEST SLOUGH MITIGATION BANK Prospectus

Yuba County, California



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Submitted by:

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Attachment ABiological Resources Report, Best Slough, Yuba County, CaliforniaAttachment BPreliminary Title Report for Overall Property and Property Assessment

SUMMARY

Bank Applicant:	Wildlands, Inc. 3855 Atherton Road Rocklin, CA 95765 Tel: (916) 435-3555 or (916) 588-6177; Fax: (916) 435-3578 Contact: Mahala Young (myoung@wildlandsinc.com)
Land Owner:	Wildlands owns the mitigation use rights on the proposed 101.4-acre bank. The property is owned in fee title by Yuba Sutter Disposal, Inc.
Purpose of Bank:	To provide regional mitigation for impacts to 404 jurisdictional wetlands and waters, valley oak riparian woodlands, and Swainson's hawk foraging and nesting habitat.
Location:	The proposed bank is located off Jasper Road in the town of Wheatland, Yuba County, California.
Driving Directions:	From Sacramento, take Highway 80 East towards Reno, take Highway 65 north to Wheatland, turn right onto South Beale Road, turn right onto Ostrom Road, and turn right onto Jasper Lane. The site is approximately 0.5 mile on the left, just after crossing Best Slough.
Land Use and Zoning:	Designated as Valley Agriculture / Landfill by the Yuba County General Plan; zoning is "AE-80", Exclusive Agricultural, 80-acre minimum parcel size.
Size of Bank:	101.4 acres
Wetland Acreage:	Total of 7.88 acres, including 3.18 acres of wetlands and 4.7 acres of the intermittent stream Best Slough.
Site Description:	The site is located within the Bear River watershed and within critical habitat for spring-run Chinook salmon. The majority of this property currently supports irrigated pasture used for livestock grazing; Best Slough meanders across the site flowing east to west.
Bank Goals:	Create and restore an incised stream channel and riparian and seasonal wetlands within its floodplain; enhance aquatic habitat for Chinook salmon, and preserve foraging habitat for Swainson's hawk.
Proposed Credits:	Riparian and seasonal wetland creation; unvegetated streambed restoration; Chinook salmon habitat enhancement; Swainson's hawk foraging habitat preservation
Service Areas:	Seasonal and Riparian Wetland Creation/Stream Service Area = Lower Bear, Lower Feather and Lower Yuba Hydrologic Unit Codes (HUC);
	Swainson's Hawk Service Area = known foraging area in Yuba, Sutter, and Placer counties; and
	Steelhead and Salmon Service Area = Central Valley Steelhead ESU and the Central Valley Spring-run ESU, and designated critical habitat for both species.

1.1 BANK CONTACTS

Contact information for the proposed Bank is provided below.

Wildlands, Inc. 3855 Atherton Road Rocklin, CA 95765 Tel: (916) 435-3555 Fax: (916) 435-3578

Primary Contact: Mahala Young Cell: (916) 743-9622 Email: myoung@wildlandsinc.com

Alternate Contacts: Cindy Tambini Cell: (916) 588-6177 Email: ctambini@wildlandsinc.com

Steve Morgan Email: <u>smorgan@wildlandsinc.com</u>

1.2 INTRODUCTION

Wildlands, Inc. (Wildlands), in cooperation with Yuba-Sutter Disposal, Inc. (also known as Norcal Waste Systems) (Property Owner), proposes to develop the Best Slough Mitigation Bank (Bank or Bank Property) on 101.4 acres. The Property Owner owns fee title of approximately 217 acres (Overall Property) located east of Jasper Lane, south of Ostrom Road, and east of Highway 65 in southwestern Yuba County, California (**Figure 1**; all figures are located at the end of this prospectus). Wildlands has entered into a Mitigation Use Rights Purchase Agreement with the Property Owner over approximately 190 acres of the Overall Property, including the proposed Bank.

The proposed Bank lies within the floodplain of Best Slough, a tributary to the Bear River and part of the Lower Feather River Watershed. Specifically, the Bank is located in Sections 15, 16, and 21, Township 14 North, Range 5 East of the Wheatland, California 7.5-minute quadrangle (**Figure 2**). Best Slough meanders across the site, flowing from the east to the west. The Bank is located in a predominantly rural/agricultural part of the county and lies within a larger landscape purchased as buffer by the Property Owner to surround the Ostrom Road Landfill (**Figure 3**).

The proposed Bank is located immediately north of the 88.6-acre Best Slough Preserve (Preserve) (Figure 3), which has been approved by the U.S. Army Corps of Engineers (Corps) to provide wetland mitigation. The Preserve, which will be managed by Wildlands, has been designed to provide mitigation for the loss of vernal pool wetlands and habitat for vernal pool fairy shrimp and vernal pool tadpole shrimp (listed crustaceans) resulting from the Feather River, Bear River, and Western Pacific Interceptor Canal Levee Improvements Project implemented by the Three River Levee Improvements Authority. The Preserve will result in the creation of approximately 9.5 acres of vernal pools and the restoration of grassland in an area that is currently managed as irrigated pasture.

Parcels south of the Bank site and Preserve are currently used for orchard (plum trees) and rice production. The property to the east of the Bank site is also under rice cultivation. Walnut orchards are located west of the Bank site across Jasper Lane. A homestead is located within the Overall Property but outside of the Bank boundaries; an additional rural residence occurs along the western Bank boundary adjacent to Jasper Lane, and a third residential property occurs towards the western edge of the Bank on the north side of Best Slough.

Wildlands proposes to develop the Bank to provide compensatory offsite mitigation that may be required by local, state and federal agencies for impacts to:

- seasonal wetlands,
- riparian wetlands,
- unvegetated streambeds,
- rearing habitat for the federally listed threatened spring-run Chinook salmon, and
- Swainson's hawk foraging habitat.

1.2.1 SPONSOR QUALIFICATIONS

Wildlands is a habitat development and land management company dedicated to the restoration and preservation of wetlands and special-status species habitat. Wildlands is one of the first private organizations to establish mitigation and conservation banks, and has been in the business for over 16 years. Wildlands has acquired and now manages over 20,000 acres of mitigation lands.

Wildlands is uniquely suited to provide mitigation solutions, as the company's primary mission is the acquisition, restoration, and management of open space. Wildlands uses its own resources to acquire lands and to develop mitigation banks and preserves. Wildlands has a seasoned team of experts that cover all aspects of mitigation banking and land conservation including stream restoration engineers, geomorphologists, wildlife biologists and botanists, regulatory permitting specialists, land and range managers, conservation planners, licensed landscape architects, economists, GIS analysts, and real estate specialists. Wildlands applies a comprehensive, watershed and ecosystem approach to fulfilling mitigation banking and conservation projects. As a land owner and bank/preserve operator, Wildlands assumes the responsibility for mitigation success.

1.3 BASIS FOR SITE SELECTION

The Bank site is an ideal location for wetland mitigation for several reasons including its location and restoration potential. Site selection factors included the following:

- location along degraded section of stream channel with high potential for stream and riparian restoration;
- adjacency to another conservation parcel (Best Slough Preserve), and location within lands purchased specifically for a buffer, not to be developed;
- o lack of adjacent residential or industrial development;
- o and zoning for agricultural use and open space uses, not development.

1.4 ECOLOGICAL SUITABILITY OF THE SITE

Current and historic land uses on the Bank site have reduced the overall function of Best Slough and its floodplain. The site has been subject to intense grazing regimes, land-leveling and irrigation, and altered hydrology that resulted in an incised stream channel with little to no riparian wetland establishment. Currently, riparian vegetation is restricted to the upper and middle inner banks of Best Slough and is

discontinuous along the length of the channel through the site. Invasive vegetation, including Himalayan blackberry (*Rubus discolor*) has proliferated and choked out native understory species. While there are some lower-lying areas scattered through the Bank site that support seasonal wetlands, the majority of the site has been leveled or otherwise altered to support summer and winter grazing for livestock. Existing site conditions provide an excellent opportunity to restore a stream corridor and its floodplain including riparian and seasonal wetlands.

Prior to land alterations for farming practices, the Bank site likely supported a wide corridor of riparian wetland fringed and contiguous with a mosaic of seasonal and emergent wetlands grading into oak savannah. The earliest historic aerial photograph available from 1951 (**Figure 4**) shows that the site had already been converted for farming use, and there are very few visible changes from the site's condition in the early 1950's to today. Wildlands is proposing to re-align Best Slough and create a stable, meandering stream channel to raise groundwater levels and prevent future channel incision and bank erosion. Higher groundwater levels would support a more extensive riparian corridor and floodplain-associated wetlands.

Throughout the winter of 2007/2008, Wildlands conducted hydrological monitoring across the site using monitoring wells and staff gauge readings of the stream levels to guide the restoration design (**Figure 5**). In addition, detailed topographic surveys and soil investigations were conducted to inform and support planning efforts. Based upon the analysis of all the data collected to date, a conceptual plan was developed that would realign Best Slough and construct approximately 6,000 linear feet (approximately 8 acres) of a meandering steam channel through the middle of the Bank, create/re-establish approximately 35 acres of riparian wetlands, create and enhance approximately 17 acres of seasonal wetlands, and preserve and restore oak savannah and grasslands (41 acres) (**Figure 6**).

1.4.1 SOILS AND TOPOGRAPHY

The Bank is underlain by the Upper Member of the Riverbank Formation. The Upper Member consists of unconsolidated but compact, dark-brown to red alluvium composed of gravel, sand, silt, and minor clay. The Riverbank Formation consists of relatively fine grained materials from a variety of sources and types of parent materials deposited as sand, silt, and/or gravel alluvium between 130 and 450 thousand years ago. Most of the Riverbank Formation was developed from granitic sands and silt from glacial sources in the Sierra Nevada and deposited along the terraces of the larger rivers and creeks. The remainder of the formation consists of metamorphic sediment washed down secondary creeks originating in the Sierra Nevada foothills, as well as redeposited gravelly alluvium washed from local features. The Riverbank Formation typically weathers into sandy loam soils with low relief topography and long low undulations.

The primary soil occurring on the site is Conejo Loam, 0 to 1% slopes, which are very deep, well drained soils found on alluvial fans and stream terraces, throughout the majority of the Bank site (NRCS 2007) (**Figure 7**). In addition, there is a very small area of San Joaquin Loam, 0-1% slopes, which are moderately deep to a duripan, well and moderately well drained soils, along the site's southern boundary.

The topography on the Bank site is nearly level to rolling with elevations ranging from approximately 100 feet above mean sea level (msl) in the southern portion to 92 feet above msl in the northwest (**Figure 8**).

1.4.2 HYDROLOGY

The Bank site is within the Lower Bear Creek Watershed of the Marysville hydrologic unit within the Sacramento River hydrologic region. Best Slough originates in the lower foothills of the Sierras and flows southwest through Beale Air Force Base, where it briefly intersects with Dry Creek, and continues past the Ostrom Road Landfill to the Bank site.

Overall, surface water on the Bank site drains toward Best Slough, which flows from east to west towards its confluence with Algodon Slough and the Bear River approximately 13 miles downstream. Best Slough enters the site at the northeast corner and the channel meanders from north to south through the property to the northwest corner. This intermittent stream is primarily precipitation driven, and typically becomes dry during the summer months. However, the channel is also used as an irrigation return channel and often holds water intermittently during the summer months. Based upon data collected from the monitoring wells, the groundwater table ranges from approximately from less than 1 foot to greater than 10 feet below the ground surface from December through May and groundwater flows generally towards the west. According to the Soil Survey for Yuba County (NRCS 2007), groundwater ranges from 5 to 15 feet below the soil surface and fluctuates seasonally.

1.4.3 HABITATS

The dominant habitat on the Bank site is irrigated pasture used for livestock grazing. The irrigated pasture is dominated by non-native grasses and forbs. Other habitats that occur include annual grassland, vernal pools/swales, seasonal wetlands/swales, irrigated pasture wetland, and intermittent drainage. Prior to land alterations for farming practices, the Bank site likely supported more extensive riparian marsh habitat along Best Slough that transitioned to valley oak woodland and grasslands. A copy of the Biological Resources Report prepared for the proposed Bank site and the Preserve area is provided as **Attachment A**.

Riparian corridors are important habitat for most common animal species and are critical for migration and dispersal. The limited riparian corridor along Best Slough has potential to support several specialstatus animal species including nesting/perching habitat for Swainson's hawk (*Buteo swainsoni*), cover for northwestern pond turtle (*Actinemys marmorata marmorata*) and western pond turtle (*Actinemys marmorata*), nesting/perching habitat for northern harrier (*Circus cyaneus*), and habitat for valley elderberry longhorn beetle (*Desmocerus californicus dimorphus*).

The spring-run Chinook salmon (*Oncorhynchus tshawytscha*) is federally and state-listed as threatened. The Bear River, which is within the Lower Bear Creek Watershed, was designated as critical habitat for the Chinook salmon by the National Marine Fisheries Service (NMFS) on September 2, 2005. Best Slough, a tributary to Bear River, was a historic Chinook salmon migration route and important nonnatal rearing habitat (Federal Register 2005), an important and unique life-history trait that is essential to the conservation of the species. Two populations of the spring-run Chinook salmon use this stretch of the lower Bear River, the Feather River subpopulation and the Yuba River subpopulation. This region has been identified by NMFS as having high conservation value, and has a high potential for improvement and restoration projects (Federal Register 2005). The stream is also located within critical habitat for the federally threatened Central Valley steelhead (*Oncorhynchus mykiss*) and is likely habitat for the special-status fall-run Chinook salmon.

While there is potential habitat for listed vernal pool crustaceans, initial sampling results and habitat conditions (very shallow pools that hold water for short durations) make it unlikely that the Bank would be able to provide preservation credits for these species. However, if protocol-level sampling conducted in the winter of 2008/2009 documents the presence of these species, the Bank documents would be amended to include preservation credits for listed vernal pool crustaceans.

1.4.4 EXISTING WETLAND AND AQUATIC FEATURES

Best Slough is the dominant aquatic feature on the Banks site. The limited riparian corridor established along the upper edge of some stream segments is dominated by scattered willow (*Salix* spp.), Fremont cottonwood (*Populus fremontii*), Oregon ash (*Fraxinus latifolia*), and valley oak (*Ouercus lobata*) with a sporadic understory of Santa Barbara sedge (*Carex barbarae*). Vegetation found in Best Slough is

sporadic and includes seasonal marsh-type species such as Baltic rush (*Juncus balticus*) and smartweed (*Polygonum* sp.) and floating aquatic vegetation including mosquito fern (*Azolla filliculoides*) and parrot's feather (*Myriophyllum aquaticum*). Limited segments of the stream are lined by thickets of the invasive non-native plant, Himalayan blackberry.

The wetland delineation map (dated July 10, 2008) submitted by Wildlands on the entire 190-acre mitigation use area was verified by the Corps on August 19, 2008 (SPK-2007-02220) (**Figure 9**). The extent of jurisdictional features within the Bank site totals 7.88 acres, which is comprised of 3.18 acres of wetlands and 4.7 acres of the intermittent stream Best Slough. Wetlands include 2.01 acres of seasonal wetlands, 0.30 acre of seasonal wetland swales, 0.37 acre of irrigated pasture wetlands, 0.48 acre of vernal pools, and 0.02 acre of vernal swales.

1.4.5 ASSURANCE OF WATER RIGHTS

The proposed restoration, creation, and enhancement activities will all be supported by natural hydrology. The wetlands will be supported by direct precipitation and groundwater, which will be raised following the restoration of the stream channel. Riparian water rights run with the property and Wildlands has acquired these rights along with the mitigation use rights. These rights guarantee unencumbered flow within the stream channel at current levels; therefore, any potential project upstream of the Bank site would need to ensure that the amount of water flowing through the stream channel proposed for restoration is owned by Yuba Sutter Disposal, and they have approved of the proposed actions.

1.5 ANTICIPATION OF NEED AND PROJECT FEASIBILITY

The proposed Bank will be the first mitigation bank established in Yuba County. The Bank will provide high quality mitigation for impacts to both wetlands and streams. There are currently several development projects in the planning process that will require mitigation for Corps-jurisdictional features, and Yuba County is currently updating their General Plan, which allows for increased development and the construction of associated infrastructure. It is anticipated that the proposed projects for Yuba County would result in impacts to wetlands and special-status species habitat.

Wildlands has spent over a year studying the Bank site and monitoring hydrology to ensure that the restoration of the stream and re-establishment/creation of floodplain wetlands was technically feasible. Over 20 soils pits were investigated and detailed topography was collected to further refine the conceptual design. Our team of hydrologists is beginning to develop a model to further refine the design, and studies will assess the potential for the proposed project to affect onsite and downstream flooding conditions and flow velocities.

The proposed concept design relocates and reconstructs a stable channel form for the entire length of the Bank site by creating a natural dimension, pattern, and profile. This channel will be elevated and "reconnect" with the surrounding property to provide an active floodplain, thereby increasing the quantity of riparian habitat and seasonal wetland areas. A more stable channel form will reduce bank erosion, improve flow characteristics, and improve downstream water quality. Additional habitat will be added through instream habitat structures, aeration areas and pool formation, and bank plantings. The activated floodplain would receive flood flows at a return interval approximately equal to the 1.0-1.2 year storm and greater. Overbank flood flows will improve off channel hydrology while channel bed elevation adjustment will increase local ground water elevation. In conjunction, these design components will create soil moisture conditions that favorable to establishing a strong riparian wetland corridor. Abandoned channel areas will be used to create oxbow type seasonal wetlands that receive water during large overbank events and through groundwater interaction.

1.6 CONSISTENCY WITH ADJACENT LAND USES

Land uses surrounding the Bank site are primarily agricultural including irrigated pasture for livestock grazing, rice production, and orchards. Single-family residential uses are located immediately north and south of the project site. The Ostrom Road Landfill is located approximately one-half mile to the northeast. Scattered rural residential uses are located in the project area. The proposed Bank would be consistent with the uses of the adjacent parcels as it will retain its undeveloped and rural character, and will continue to act as a buffer for the landfill, which is the primary purpose of the overall property.

The Bank site is designated Valley Agriculture / Landfill by the Yuba County General Plan. The zoning is "AE-80", Exclusive Agricultural, 80-acre minimum parcel size. The proposed project is consistent with the General Plan and zoning, as it will remain as open space and undeveloped.

1.7 BANK ESTABLISHMENT

The proposed Bank would be established upon signature of the Bank Enabling Instrument (BEI) by all participating members of the interagency review team, recordation of an approved form of conservation easement, and establishment of the required financial assurances. Four types of financial assurances would be provided for the Bank:

- A Construction Security shall be established prior to the release of any credits to provide assurance that the proposed habitat restoration is constructed appropriately and meets established performance criteria.
- A Performance Security shall be established concurrent with the sale of the first credits to provide financial assurances that any necessary remedial actions will be funded.
- Interim Management Security shall be established concurrent with the transfer of the first credit.
- An Endowment Fund shall be established to fund long-term maintenance and monitoring, as will be identified in the Long-Term Operations and Management Plan. The Endowment Fund shall be funded concurrent with the sale of credits.

The conservation easement recorded over the 101.4-acre property will exclude any easement areas that allow uses incompatible with conservation. A preliminary title report is enclosed as **Attachment B** along with a written assessment of all exceptions and how they may affect bank operation or habitat values. The title report covers the entire 190-acre Overall Property, but the exceptions described in the property assessment cover the entire property. As assessed, there are no exceptions that would affect the Bank, and there are no other known restrictions on the property. Another title report and property assessment will be prepared for just the Bank area. If any exceptions are identified as incompatible with habitat or conservation values by the interagency review team at a later date, these areas will be excluded from the conservation lands as defined by Section 65965 of the California Government Code.

1.7.1 GOALS AND OBJECTIVES

Restoration will return a mosaic of riparian and seasonal wetland habitat along Best Slough that would transition to valley oak savannah and annual grassland uplands. Overall, the project goal is to enhance stream and floodplain function for the benefit of water quality and wildlife. The preliminary objectives of the Bank project are as follows:

- o Restore a complex of riparian and seasonal wetlands within the Best Slough floodplain;
- Provide a wide, active floodplain for peak discharge attenuation, storage volume, and contact treatment by riparian vegetation;
- Improve bank stability;
- o Raise channel bed elevations to increase the rate and duration of floodplain inundation;
- Improve water quality by decreasing erosion and channel incision rates, eliminating livestock access, and constructing wetlands designed for primary treatment of agricultural runoff;
- Provide in-stream habitat and bedform diversity via scour pools and riffles;
- Increase dissolved oxygen using riffles and drops for aeration;
- Establish a native riparian buffer for stream shading to improve temperature control, to filter storm water before runoff enters the waterway, and to provide terrestrial habitat;
- o Promote the natural establishment and recruitment of native plant communities; and
- Restore a stream and riparian ecosystem to provide habitat for several special-status animal species, including
 - nesting/perching habitat for Swainson's hawk
 - cover for northwestern pond turtle and western pond turtle
 - nesting/perching habitat for northern harrier
 - habitat for valley elderberry longhorn beetle, and
 - juvenile rearing habitat for Chinook salmon.

1.7.2 PROPOSED SERVICE AREA

Wildlands is proposing the following service areas for the Bank:

- a Seasonal Wetland, Riparian Wetland, and Stream Service Area (**Figure 10**) which corresponds to the Lower Bear, Lower Feather and Lower Yuba Hydrologic Unit Codes (HUC),
- a Swainson's Hawk Service Area (**Figure 11**) which corresponds to the Swainson's hawk known foraging area in Yuba, Sutter, and Placer counties; and
- a Steelhead and Salmon Service Area (Figure 12), which corresponds to the Central Valley Spring-run Chinook Salmon ESU and designated critical habitat and the Central Valley Steelhead ESU and designated critical habitat.

The service area for the wetlands and stream is proposed based on the project site's adjacency to the Lower Feather river watershed and the small size of the Lower Bear River Watershed. Wildlands will prepare alternative scenarios based on smaller watersheds, looking at similar habitat types, and provide these alternatives for discussion at the interagency review team meeting.

Wildlands will work with public and private entities to serve development and infrastructure projects, within these service areas, which require mitigation credits.

1.8 BANK OPERATION

The existing condition of the Bank will be described in a Development/Restoration Plan and a Biological Resources Report. The crediting and debiting procedures and the long-term management strategy for the operation of the bank are described below.

1.8.1 CREDITING AND DEBITING PROCEDURES

Wildlands is proposing that credits be allocated using a one-to-one credit-per-acre ratio for riparian and seasonal wetland creation and preservation of Swainson's hawk habitat on site. The final amount of riparian and seasonal wetland credits will be allocated based upon wetland area, as determined by a U.S. Army Corps of Engineers (Corps) verified wetland delineation.

It is proposed that the streambed restoration be allocated using a one-to-one linear foot ratio for Corps mitigation, but they could also be calculated based upon acreage similar to wetland habitats.

Credits for Chinook salmon would be based upon a measurement of ecological services value (dSAYS, or discounted service-acre years), which is based upon acreage and net benefit.

The proposed release schedule for created and restored habitat (riparian, seasonal wetlands, and unvegetated streambed), preserved Swainson's hawk foraging habitat, and enhanced Chinook salmon habitat is staggered based on performance criteria as shown in **Table 1**.

		Table 1.			
Proposed Credit Release Schedule					
Credit Type and Number	Credits Released	Credit Release Schedule			
	15%	Upon Execution of Bank Agreement and Recordation of Conservation Easement			
PreservationSwainson's hawk	25%	Upon funding of 15% of the Endowment Principal			
foraging habitat = 44.7 • Chinook salmon =	15%	Upon funding of 40% of the Endowment Principal			
to be determined with Agencies	15%	Upon funding of at least 70% of the Endowment Principal			
	30%	Upon full funding of the Endowment Principal			
Creation/Restoration Riparian/seasonal 	15%	Upon Execution of Bank Agreement and Recordation of Conservation Easement			
 wetland = 51.6 Unvegetated streambed/Chinook 	25%	Upon submission of As-builts and 15% of Endowment Principal funded			
salmon habitat = 6,000 (based on	15%	Upon attainment of Year 2 performance criteria and 40% of Endowment Principal funded			

Table 1. Proposed Credit Release Schedule					
Credit Type and Number	Credits Released	Credit Release Schedule			
linear feet) or 7.7 (based on acreage)	15%	Upon attainment of Year 3 performance criteria and a verified wetland delineation and 70% of Endowment Principal funded			
	15%	Upon attainment of Year 4 performance criteria and 100% of Endowment Principal funded			
	15%	Upon attainment of Year 5 performance criteria and a verified wetland delineation			

The interagency review team will be notified of any credit transfers. The BEI will include a credit transfer ledger to account for all debits, which will track the total number of each type of credit, the dates of transfer, the types of credits sold, and the credit balance.

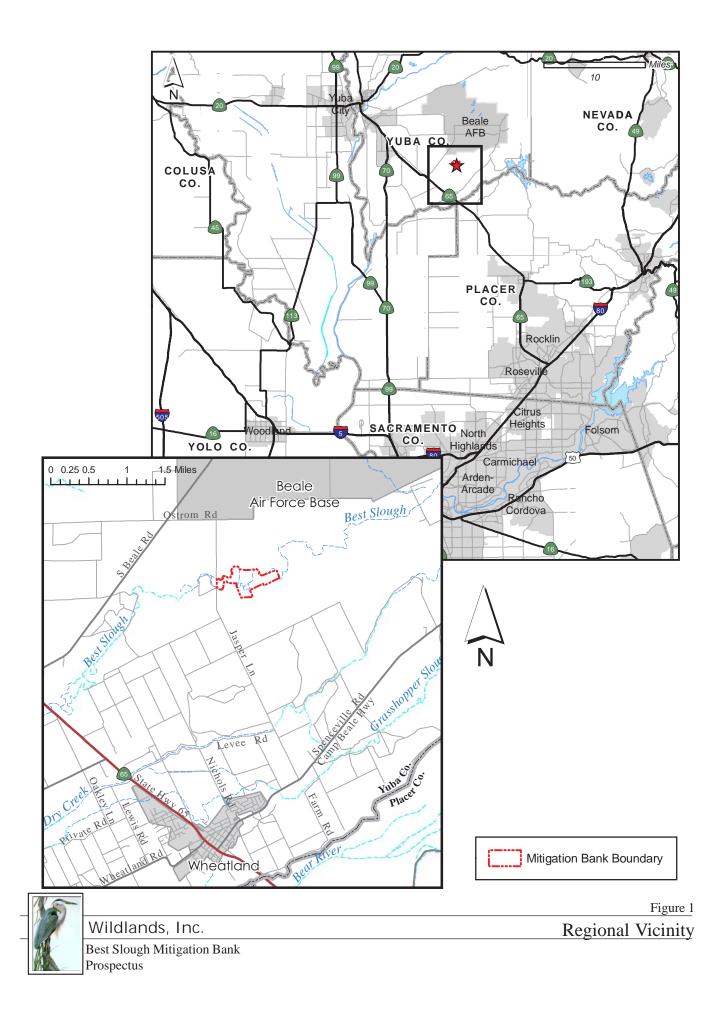
1.8.2 OWNERSHIP AND LONG-TERM MANAGEMENT STRATEGY

Wildlands will continue to manage the Bank property and maintain all the values associated with the mitigation use rights agreement; Yuba Sutter Disposal will continue to own the land in fee title. The mechanisms for preserving and managing habitat and conservation values will be described in an Interim Management Plan and Long-term Operations and Management Plan which will be reviewed and approved by the interagency review team prior to Bank approval. These plans will include a description of baseline conditions and overall management, maintenance, and monitoring goals with specific tasks and timing of implementation. All habitat and conservation values of the Bank will be protected in perpetuity by execution of a permanent conservation easement. Perpetual stewardship of the proposed Bank will be financed by an endowment account dedicated to the monitoring, management, and maintenance of the proposed Bank.

1.9 REFERENCES

Natural Resources Conservation Service (NRCS). 2007. Web Soil Survey. United States Department of Agriculture. Available online at <u>http://websoilsurvey.nrcs.usda.gov/</u>. Accessed October 2, 2007.

Figures



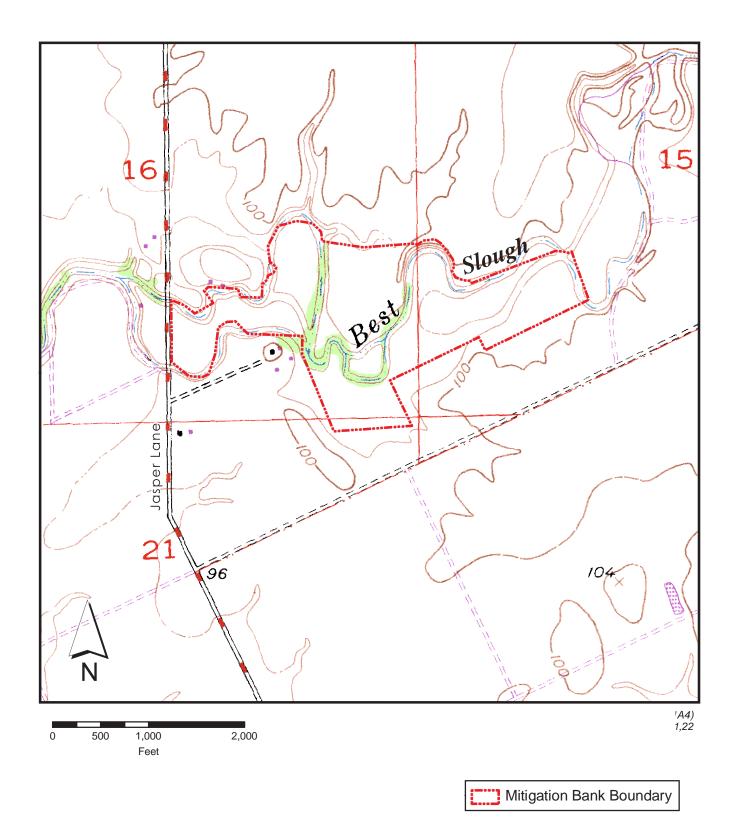
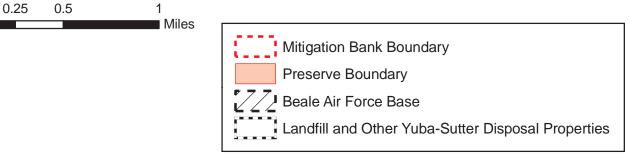




Figure 2 Bank Location

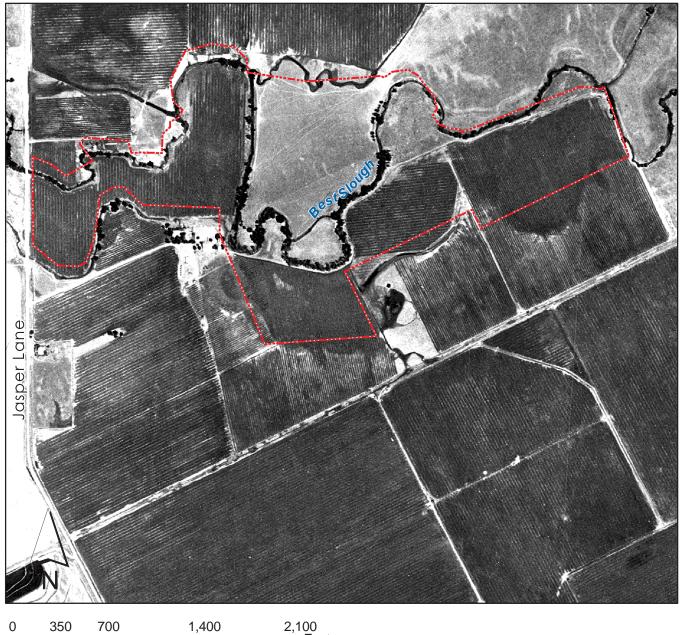


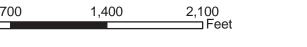






Aerial Photo of Bank and Surrounding Properties

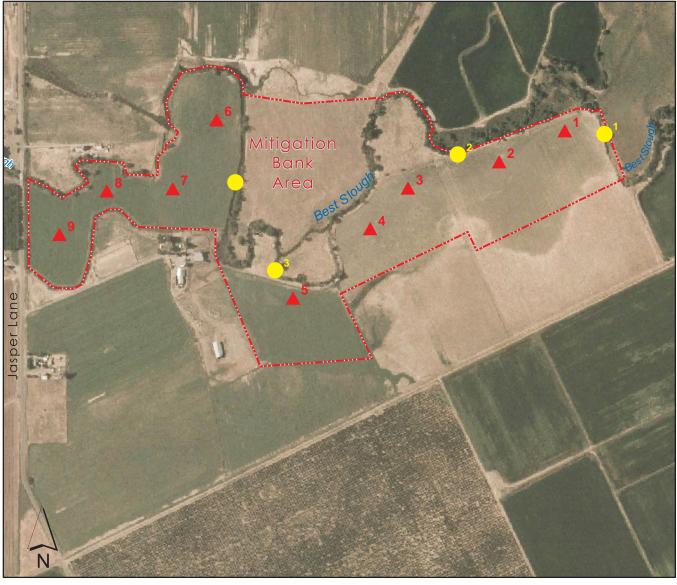




Mitigation	Bank Boundary



Best Slough Mitigation Bank Prospectus Figure 4 1951 Aerial Photograph





Aerial: 2006 National Agriculture Imagery Program





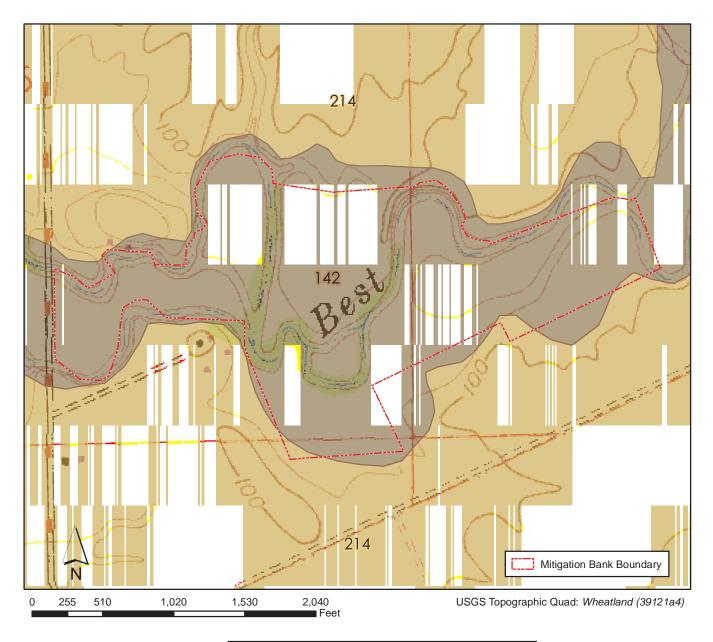
Best Slough Mitigation Bank Prospectus Figure 5 Mitigation Well and Staff Gauge Locations



Wildlands, Inc. Best Slough Mitigation Bank Prospectus



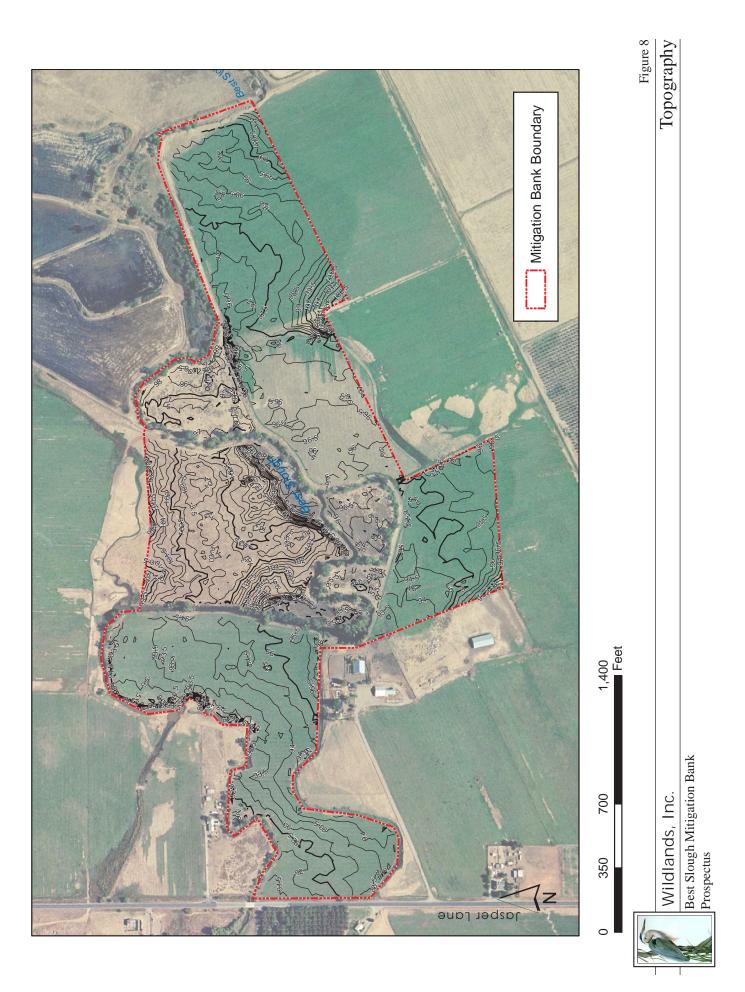
Conceptual Design



Natural Resources Conservation Service (NRCS) Soils		
Soil Units		
142 - Conejo Ioam, 0 to 1 % slopes, occasionally floode	d	
214 - San Joaquin loam, 0 to 1 % slopes		



Best Slough Mitigation Bank Prospectus Figure 7 Soils



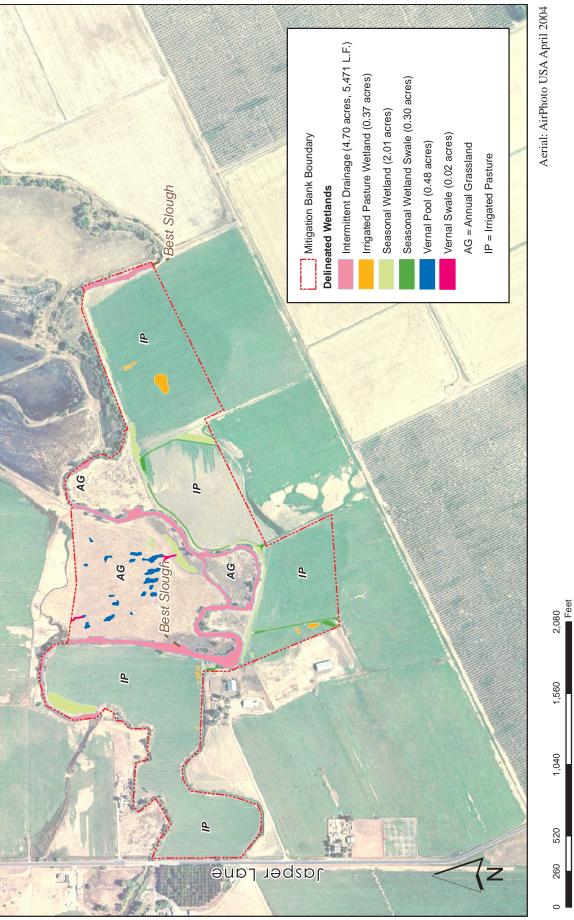




Figure 9 Preliminary Wetland Delineation

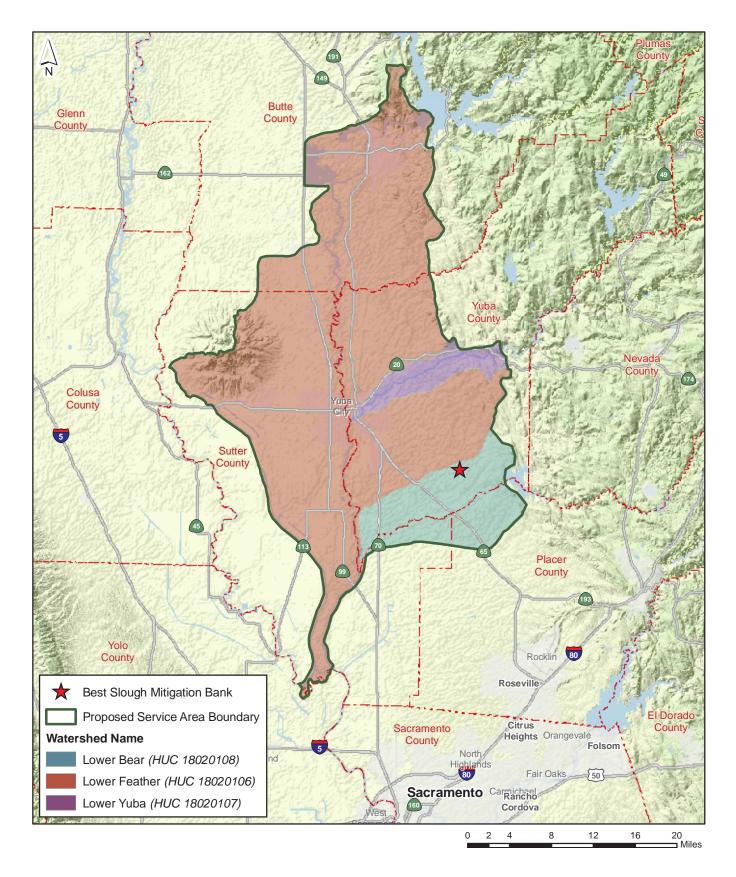
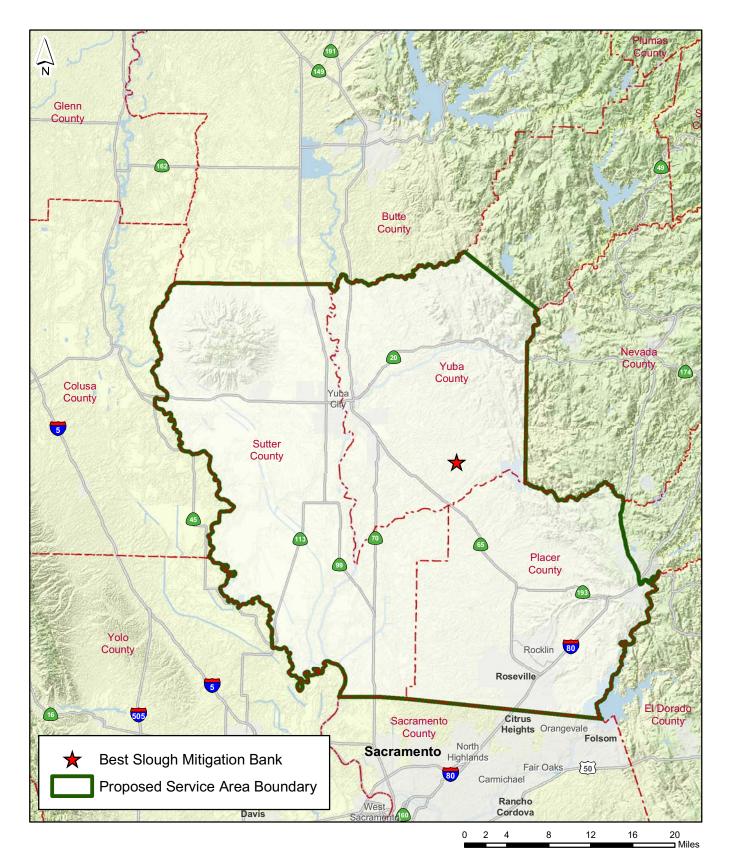




Figure 10 Seasonal Wetland, RiparianWetland, and Stream Service Area





Best Slough Mitigation Bank Prospectus

Figure 11 Swainson's Hawk Service Area





Figure 12 Steelhead and Salmon Service Area

Attachment A Biological Resources Report, Best Slough

Attachment B Preliminary Title Report and Property Assessment