



COUNTY OF PLACER
Community Development/Resource Agency

**PLANNING SERVICES
DIVISION**

Michael J. Johnson, AICP
Agency Director

Paul Thompson, Deputy Director

MEMORANDUM

TO: Honorable Board of Supervisors
FROM: Michael Johnson, Agency Director
DATE: August 9, 2011
SUBJECT: **EASTERN PLACER COUNTY BIOMASS PROJECT (PCPA20100194)**

ACTION REQUESTED:

Based upon the Tahoe Regional Planning Agency's formal decision to remove the Kings Beach biomass facility site from further consideration in the joint TRPA/Placer County EIR/EIS, staff requests that the Board provide direction pertaining to ceasing consideration of the Kings Beach location as a potential site for the proposed biomass facility and confirm subsequent steps regarding the Cabin Creek site.

BACKGROUND:

As previously reported to your Board on July 26, 2011, the environmental analysis performed to date for the Eastern Placer County Biomass Project has identified a noise impact that cannot be mitigated at the proposed Kings Beach location. The proposed project would exceed average noise levels at the north and east property lines and this impact cannot be brought below the TRPA noise threshold established by the Martis Peak Conservation Plan Area Statement (019-Martis Peak), even when all potential mitigation measures are considered.

On July 20, 2011, the Tahoe Regional Planning Agency (TRPA) Executive Director stated in her report to the TRPA Governing Board, "As it is within my discretion under TRPA's Rules of Procedure, I have recommended to Placer County that the Kings Beach site not be analyzed in detail in the EIR/EIS and be identified as 'an alternative considered but rejected.'" At the TRPA Governing Board meeting on July 27, 2011, the TRPA Executive Director again stated her decision to remove the Kings Beach biomass facility site from further consideration and asked the Governing Board if any members had concerns with such a decision. No Governing Board members expressed concerns with the decision. On August 4, 2011, Placer County received a letter from the Executive Director of TRPA (Attachment 1) that formally confirmed TRPA's decision to remove the Kings Beach biomass facility site from further consideration in the joint TRPA/Placer County EIR/EIS document being prepared for the Eastern Placer County biomass project.

ANALYSIS:

At the July 26, 2011 Board of Supervisors hearing, staff was directed to return to the Board in August with options for proceeding with the biomass project in light of the TRPA Executive Director's position. Staff has determined that there are essentially two options available, only one of which appears feasible.

The first option would be to proceed with the existing joint EIR/EIS with the understanding that the Kings Beach site would ultimately be identified as infeasible and the Cabin Creek site would be identified as an environmentally superior alternative. However, because the project site of Kings Beach, which is within the Tahoe Basin, was the project site identified in the NOP, it would still need to be part of the analysis, and a joint County/TRPA document would still need to be prepared. Based upon the August 4, 2011 letter from the TRPA executive Director, staff has concluded that this option is no longer feasible given TRPA's formal decision to remove the Kings Beach biomass facility site from further consideration in the joint TRPA/Placer County EIS/EIR.

The second option is to cease analysis of the Kings Beach site and begin preparation of a new environmental document that would identify Cabin Creek as the project site utilizing existing studies and analyses to the greatest extent possible in the preparation of that document which would identify the Kings Beach site as an alternative considered but rejected. Because this site is outside the Tahoe Basin, the County could proceed with its own environmental document that does not include TRPA, and identifies the Kings Beach site as an alternative that was considered but rejected as infeasible, thereby requiring no additional analysis. The County's environmental consultant has indicated that completion of an administrative draft EIR for the Cabin Creek site would take approximately six months. However, a cost analysis is not available at this time.

FISCAL IMPACT:

Some of the federal grants for the project are tied to project performance and milestones. While the extent or existence of the possible funding impacts is unknown, staff will prepare a work program to present to the Board at a future hearing. The work program will also identify the proposed cost of a new environmental document.

STAFF RECOMMENDATION:

Staff recommends the Board provide the following direction:

- Cease the environmental analysis and any further consideration of Kings Beach as a potential site for a biomass power facility and direct staff to withdraw from TRPA the County's application for a biomass facility in Kings Beach.
- Notify TRPA to terminate the existing Consultant Services Agreement between Placer County, Ascent Environmental, and TRPA.
- Terminate the existing Reimbursement Agreement with TRPA.
- Prepare a new contract for an EIR/EA, which identifies the Eastern Regional Landfill site as the proposed location for a biomass to energy facility, and direct staff to return

to the Board to present cost estimates associated with the environmental review for a biomass facility at the Eastern Regional Landfill site (Cabin Creek).

Attachment 1: Letter from Joanne Marchetta to Michael Johnson, dated August 4, 2011, formally confirming TRPA's decision to remove the Kings Beach biomass facility site from consideration.

cc: Tom Miller - CEO
Scott Finley, Supervising Deputy County Counsel



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August 4, 2011

Michael J. Johnson, AICP
Agency Director
Placer County
3091 County Center Drive, Suite 280
Auburn, CA 95603

Dear Michael:

I understand that the Placer County Board of Supervisors may be considering taking an action related to the County's biomass facility proposal at its August 9, 2011 meeting. At your request, I am sending you this letter formally confirming TRPA's decision to remove the Kings Beach biomass facility site from further consideration in the joint TRPA/Placer County Environmental Impact Statement/Environmental Impact Report (EIS/EIR). As a result, TRPA will not be proceeding with the environmental analysis of the proposed biomass facility in Kings Beach.

This decision leaves open the possibility to consider biomass utilization as a strategy for disposal of excess forest fuels as well as allowing consideration of other appropriate project locations.

Please let me know if I can answer any questions or be of any further assistance. I can be reached at 775-589-5226.

Sincerely,

A handwritten signature in black ink, appearing to read "Joanne S. Marchetta".

Joanne S. Marchetta
Executive Director

cc: Norma Santiago, TRPA Board Chair

ATTACHMENT 1
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