



CITY OF POMONA COUNCIL REPORT

March 2, 2026

To: Honorable Mayor and Members of the City Council

From: Anita D. Scott, City Manager

Submitted By: Chris Diggs, Water Resources Director

**SUBJECT: PURCHASE OF CEQA MITIGATION CREDITS FOR WORKTAG:
PROJECT 81058 - PEDLEY SPREADING GROUNDS – POND
ENHANCEMENTS**

RECOMMENDATION:

It is recommended that the City Council take the following actions:

- 1) Approve entering into an agreement with Land Veritas Corporation for the purchase of CEQA mitigation credits for Worktag: Project 81058 - Pedley Spreading Grounds – Pond Enhancements in the amount of \$332,000; and,
- 2) Authorize the City Manager to execute an agreement with Land Veritas Corporation on behalf of the City and any subsequent documents or amendments, Attachment 1.

EXECUTIVE SUMMARY:

The recommended actions will authorize the City Manager to enter into an agreement for the purchase of 1.95 acres CEQA Riparian Scrub credits with Land Veritas Corporation in the amount of \$332,000 to offset unavoidable impacts to sensitive habitat (mulefat) in conjunction with the construction of the Pedley Spreading Grounds – Pond Enhancements project enabling compliance with California Environmental Quality Act (CEQA) requirements.

SB1439/GOVERNMENT CODE §84308 APPLICABILITY:

When this box is checked, it indicates the agenda item is subject to the Levine Act SB1439 requirements. Councilmembers are reminded to check their campaign contributions and determine whether they have received a campaign contribution of \$500 or more that would require disclosure and/or recusal from discussing or acting on this agenda item. Campaign contributions of \$500 or more made 1) by any person or entity who is identified in the agenda report as the applicant or proposer or 2) on behalf of the applicant or participant, including a parent, subsidiary or otherwise related business entity, or 3) by any person who has a financial interest in the agenda item requires a councilmember to comply with SB1439.

FISCAL IMPACT:

The project was included and adopted in the Capital Improvement Program (CIP) budget for Fiscal Year 2025-26. Approval of this action will award an agreement for the purchase of CEQA mitigation credits in the amount of \$332,000 to Land Veritas Corporation. The following table details the fiscal impact associated with the recommended actions:

Table 1

Category	Fund: FD428 Cost Center: CC8125 Worktag: Project 81058 - Pedley Spreading Grounds – Pond Enhancements
Initial Budget	\$5,604,800
Expenditures/Encumbrances (as of February 17, 2026)	(\$5,165,473)
Contract with Land Veritas Corporation	(\$332,000)
Balance remaining for construction, contingencies, internal costs, and other miscellaneous project costs.	\$107,327

PREVIOUS RELATED ACTIONS:

On January 4, 2021, City Council approved a Transfer Agreement from the Los Angeles Flood Control District (LACFCD) Safe Clean Water Program (SCWP) fund under Measure W in the total amount of \$2,825,900.

On October 4, 2021, City Council approved award of a design contract to Stantec Consulting Services, Inc., for the design of the project.

On May 15, 2023, City Council approved the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program (MMRP) in compliance with the California Environmental Quality Act (CEQA) for the “Pedley Spreading Grounds - Pond Enhancements” Project.

On November 17, 2025, City Council approved award of a public works contract to Environmental Construction, Inc., for construction of the project.

On November 17, 2025, City Council approved award of professional services to Lee & Ro, Inc., for construction management and inspection services during construction of the project.

On November 17, 2025, City Council approved award of professional services to Stantec Consulting Services, Inc., for engineering and environmental services during construction of the project.

ENVIRONMENTAL IMPACT:

Construction of the Pedley Spreading Grounds Pond Enhancements project will include unavoidable permanent impacts to riparian vegetation, specifically mulefat, a sensitive flowering shrub species.

Per project-specific CEQA requirements, where disturbance to the species cannot be avoided, the City will participate in an established mitigation bank program to enable the creation or restoration of off-site habitat to satisfy the environmental impacts of the project through long-term conservation.

Regulatory compliance will be achieved by purchasing pre-approved mitigation credits as quantified by biological survey of the impacted acreage and a replacement ratio set under CEQA guidelines.

DISCUSSION:

The Pedley Spreading Grounds is an existing groundwater recharge facility consisting of three basins that currently receive local stormwater runoff and process water from the onsite Pedley water treatment plant (Plant). At this time the site is being expanded to capture and treat additional stormwater runoff and is being funded in part by the Safe Clean Water Regional Program. Site surveys identified the presence of mulefat (*Baccharis salicifolia*) thickets, a sensitive riparian habitat under CEQA. To mitigate permanent mulefat impacts, Mitigation Measure BR-4 (Riparian Vegetation Removal and Replacement) was defined in the Initial Study/Mitigated Negative Declaration (IS/MND) and adopted as part of the MMRP. BR-4 includes minimizing mulefat removal through avoidance and compensation at a 2:1 replacement ratio for unavoidable permanent impacts to riparian vegetation through participation in an established mitigation bank.

Stated another way, for every acre of disturbed habitat land, two acres of replacement habitat land must be purchased, to ensure the survival of the endangered species. This includes payment of a one-time fee based on the acreage of riparian habitat disturbed. Mulefat impacts were mapped at 0.9745 acres, resulting in 1.95 acres of mitigation required.

Prepared by:

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Senior Water Resources Engineer

ATTACHMENT:

Attachment No. 1 – Agreement with Land Veritas Corporation