From:

Jorge Leon

To:

Alpert, Mark; Taylor, Elizabeth

Date:

8/1/2008 4:50 PM

Subject:

Re: Escondido draft proposal

Ms. Taylor: Thank you. We will review and contact you.

Jorge A. Leon Senior Staff Counsel Office of Enforcement State Water Resources Control Board 1001 I St., Sacramento, CA 95814 Phone: (916) 341-5180

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>>> "Elizabeth Taylor" <etaylor@brownandwinters.com> 8/1/2008 4:40 PM >>>

Hello Mr. Leon and Mr. Alpert,Attached please find a draft outline for the proposed structure of the City's SEP agreement with TECC and SD Coastkeeper. Please let me know should you desire any additional information. Thank you. Elizabeth M. TaylorAttorneyBrown & Winters120 Birmingham Drive, Suite 110Cardiff-By-The-Sea, CA 92007-1737T: (760) 633-4485F: (760) 633-4427etaylor@brownandwinters.com This message is intended only for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law, including under the litigation exemptions of the Brown Act. If this message is a transmission error, was sent to an incorrect party or for any other reason is received or viewed by an unauthorized or unintended person, please advise immediately by phone at (760) 633-4485 or e-mail reply, delete any such unauthorized receipt and return any hard copy by U.S. mail to the address shown above. Thank you. Before you print this email or attachments, please consider the negative environmental impacts associated with printing.

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August 1, 2008

Jorge A. Leon
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## VIA EMAIL ONLY

RE: City of Escondido SEP Proposal

RWQCB Order No. R9-2006-0095; SWRCB Order WQ 2007-0010

Dear Mr. Leon:

The City of Escondido, with the assistance of Brown & Winters, is currently negotiating an agreement with The Escondido Creek Conservancy ("TECC") and San Diego Coastkeeper for a proposed Supplemental Environmental Project. The precise terms of the project are still being determined, but the anticipated provisions will likely include something along the following lines:

- 1. With the contribution of an agreed-upon amount, the funds would be utilized to purchase land as mitigation for the violations that are the subject of the Regional Board's Order.
- 2. Any acquired lands would be set aside as open space. The land would be managed as an open space. TECC would manage the acquired property. TECC could also become the owner of the property.

Jorge A. Leon, Senior Staff Counsel City of Escondido SEP Proposal August 1, 2008 Page 2

- 3. The City and/or TECC might also be the holders of a conservation easement over the land, to ensure that it is managed as open space in perpetuity.
- 4. Some amount of funding would be necessary to create an endowment in order to ensure adequate management of the acquired property. The particular amount of the endowment would be determined by TECC, as manager of the property.
- 5. A prioritization of acquisition would be established for the parcels discussed. Recognizing that the funds from the City would not cover all of the acquisition and management costs in every instance, some time would be necessary to allow for acquisition to occur. The agreement should provide that acquisition would occur within 18 months to two years. In the event that acquisition does not occur within the designated timeframe, the funds would revert to the State Water Resources Control Board.
- 6. Funds could be held by TECC while the acquisition opportunities are being pursued, or they might be held in escrow if the parties so desire.

We look forward to discussing this matter with you further. Please do not hesitate to contact me should you have any questions.

Very truly yours,

Elizabeth M. Taylor

EMT:afs

cc: Mark Alpert