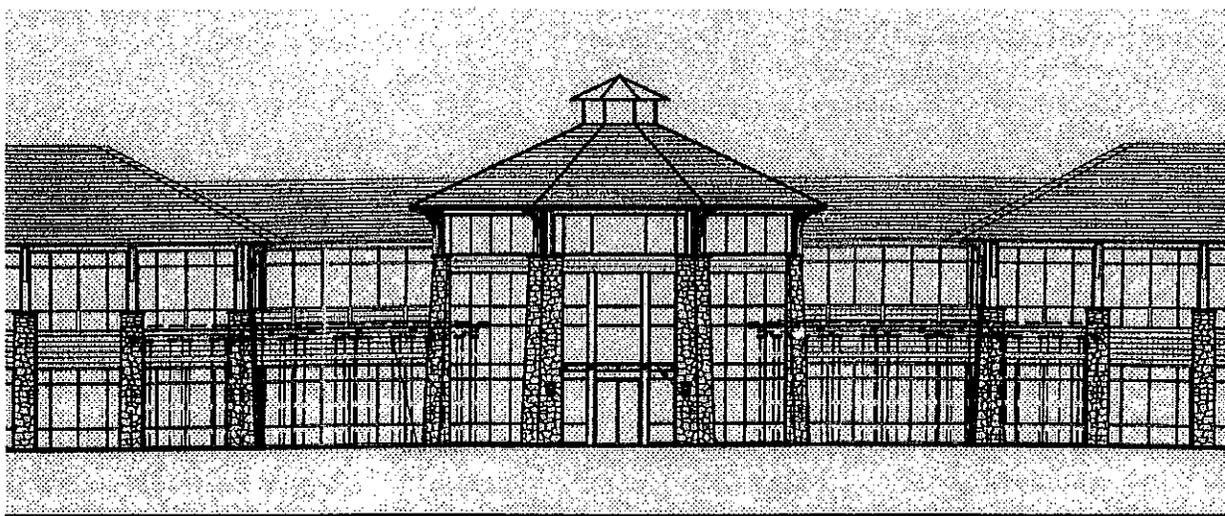


Final Supplemental Environmental Impact Report

Gateway South Office Building and Fire Station



City of Scotts Valley

September 2005

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CITY OF SCOTTS VALLEY

Section 1

Introduction

1.1 BACKGROUND

A Draft Supplemental Environmental Impact Report (DSEIR) was prepared for the City of Scotts Valley to disclose potential environmental effects of the proposed Gateway South Office Building and Fire Station. The DSEIR included a description of the proposed project, an assessment of its potential effects, a description of possible mitigation measures to reduce significant effects that were identified in the Draft EIR, and a consideration of alternatives that could address potential impacts. In accordance with the California Environmental Quality Act (CEQA), the DSEIR was distributed for public review and comments.

The public review period for the DSEIR began March 31, 2004 and ended May 15, 2004, according to the Notice of Completion transmitted to the State Clearinghouse. During this timeframe, the document was reviewed by various state, regional and local agencies, as well as by interested organizations and individuals. Seven comment letters were received. A public meeting was also held in the City of Scotts Valley on May 27, 2004 to obtain oral comments on the DSEIR. During the public meeting, oral comments were received from the City Planning Commissioners. A second public meeting was held on June 16, 2004 before the City of Scotts Valley City Council. Comments were provided by each Councilmember, as well as by a spokesperson from the Monte Fiore subdivision.

This Responses to Comments document includes responses to comments on the DSEIR raised during the public review period, and contains revisions intended to correct, clarify, and amplify the DSEIR. The responses and revisions in this document substantiate and confirm the analyses contained in the DSEIR. No new substantial environmental impact and no increase in the severity of an earlier identified impact have surfaced in responding to the comments; however, based on comments provided by the Scotts Valley Water District, this Responses to Comments document notes that the proposed project could contribute to a trend over the past three years of groundwater storage losses and identifies mitigation measures that should ensure that the project's contribution to this impact is less than cumulatively considerable.

The previously released DSEIR and this Responses to Comments constitute the Final Supplemental Environmental Impact Report (Final SEIR) for the Gateway South Office Building and Fire Station. The City must certify the Final SEIR before action can be taken on the project. Certification requires that the City make findings that the Final SEIR complies with CEQA.

1.2 HOW TO USE THIS REPORT

This document addresses substantive comments received during the public review period and consists of three sections: 1) Introduction; 2) List of Commentors; and 3) Comments and Responses. Section 1

reviews the purpose and contents of this Responses to Comments document. Section 2 lists the public agencies, organizations, and individuals who commented on the DSEIR. Section 3 contains each substantive written or oral comment, the responses to these comments, and staff-initiated changes to the DSEIR. Specific comments within each comment letter have been bracketed and enumerated in the margin of the letter. Responses to each of these comments follow each comment letter. For the most part, the responses and staff-initiated changes provide explanation or additional discussion of text in the DSEIR. In some instances, the response or change supersedes or supplements the text of the DSEIR for accuracy or clarification. New text that has been added to the DSEIR is indicated with underlining. Text that has been deleted is indicated with ~~strikethrough~~.

Section 2

List of Commentors

2.1 COMMENT LETTERS

Letters were received from seven different agencies and organizations, as listed below, during the public review period. The eighth letter was received following the close of the public review period.

1. Association of Monterey Bay Area Governments, Nicolas Papadakis
2. California Historical Resources Information System, Leigh Jordan
3. California Department of Transportation (Caltrans), District 5, Chris Shaffer
4. Monterey Bay Unified Air Pollution Control District, Janet Brennan
5. PG&E, Edmundo Babaran
6. Scotts Valley Water District, Jill Duerig
7. City of Scotts Valley Public Works Department, Majid Yamin and Ken Anderson
8. California Department of Fish and Game, Robert Floerke

2.2 ORAL COMMENTS

Oral comments were received from Planning Commissioners at a public meeting held on May 27, 2004. No members of the public were present to offer comments. Oral comments were also received from Councilmembers at the public meeting held on June 11, 2004. At this hearing, a spokesperson from the Monte Fiore subdivision mentioned that a newly formed committee of the homeowner's association had been convened to form a position on the proposed project and to provide a point of contact for the project sponsor regarding further discussions about the project.

Section 3

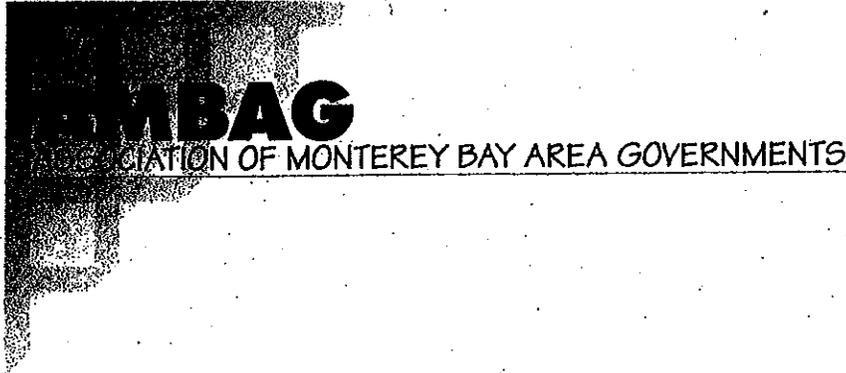
Comments and Responses

3.1 WRITTEN COMMENTS

Written comment letters on the Draft Supplemental Environmental Impact Report (DSEIR) are reproduced in this section, followed immediately by responses. Discrete comments from each letter are denoted in the margin by a vertical line and numbered. Responses follow each comment letter and are enumerated to correspond with the comment number. Response 1.1, for example, refers to the response for the first comment in Comment Letter #1. Comment letters and responses begin on the following page.

APR 16 2004

CITY OF SCOTTS VALLEY



April 15, 2004

Ms. Jackie Young
City of Scotts Valley
One Civic Center Drive
Scotts Valley, CA 95066

Re: **MCH # 040416 – Notice of Completion - Draft Supplemental Impact Report for Gateway South Office Building and Fire Station, La Madrona Drive/Silverwood Drive**

Dear Ms. Young:

AMBAG's Regional Clearinghouse circulated a summary of notice of your environmental document to our member agencies and interested parties for review and comment.

The AMBAG Board of Directors considered the project on **April 14, 2004** and has no comments at this time.

1.1

Thank you for complying with the Clearinghouse process.

Sincerely,

A handwritten signature in black ink, appearing to read "Nicolas Papadakis", is written over a horizontal line. The signature is fluid and cursive.

Nicolas Papadakis
Executive Director

SERVING OUR REGIONAL COMMUNITY SINCE 1968
445 RESERVATION ROAD, SUITE G ♦ P.O. BOX 809 ♦ MARINA, CA 93933-0809
(831) 883-3750 ♦ FAX (831) 883-3755 ♦ www.ambag.org

1. Association of Monterey Bay Area Governments

- 1.1 The City appreciates AMBAG's review of the DSEIR and notes that the agency has no comments at this time.

**CALIFORNIA
HISTORICAL
RESOURCES
INFORMATION
SYSTEM**



ALAMEDA
COLUSA
CONTRA COSTA
LAKE

MARIN
MENDOCINO
MONTEREY
NAPA
SAN BENITO
SAN FRANCISCO

SAN MATEO
SANTA CLARA
SANTA CRUZ
SOLANO
SONOMA
YOLO

Northwest Information Center
Sonoma State University
1303 Maurice Avenue
Rohnert Park, California 94928-3609
Tel: 707.664.0880 • Fax: 707.664.0890
E-mail: nwic@sonoma.edu

7 April 2004

03-SC-16E

Jackie Young, Senior Planner
City of Scotts Valley
Planning Division
One Civic Center Drive
Scotts Valley, CA 95066

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APR 09 2004

CITY OF SCOTTS VALLEY

Re DSEIR for Gateway South Office Building & Fire Station

Dear Jackie Young:

We recently received a copy of the above-mentioned report. There is no mention of cultural historic resources in this document. It is recommended that the EIR include a plan for identification, testing, evaluation, if warranted. Please include information in the EIR and send our office a copy for review.

2.1

Thank you for continued interest in preserving our non-renewable cultural historic resources. Any questions please call: 707-664-0880.

Sincerely

Leigh Jordan
Leigh Jordan
Coordinator

2. California Historical Resources Information System

- 2.1 The commentor notes that the DSEIR makes no mention of cultural resources. The DSEIR is a focused document, discussing only those topics that the City believes warrant additional analyses beyond that presented in the certified EIR for the Gateway South Specific Plan (1995). The determination of which topics merit further consideration in the DSEIR was made in an Initial Study that the City attached to the DSEIR as Appendix A. The Initial Study, beginning on page 16, describes the investigations performed for the Gateway South Specific Plan EIR, including review of the California Inventory of Historical Resources, the California Historical Landmarks, and the National Register of Historic Places, as well as a general surface reconnaissance of all areas that could reasonably be expected to contain visible cultural resources. The Initial Study contains four mitigation measures to address the potential discovery of historical resources, unique archaeological resources, and human remains during project construction.

J Young

From: chris_shaeffer@dot.ca.gov
Sent: Friday, May 14, 2004 5:15 PM
To: jyoung@scottsvally.org
Cc: david_m_murray@dot.ca.gov; roger_d_barnes@dot.ca.gov
Subject: Gateway South Office Building and Fire Station DEIR

Jackie - nice to chat with you this afternoon. Looking forward to the traffic study.

A few comments regarding the traffic portion of the project DEIR:

1. Mt Hermon Road/El Rancho Dr/SR17 northbound ramps (reference pages 3.1-7; 1-8; 1-12; 1-13; 1-15; 1-16; 1-20 and tables 3.1-4; 3.1-6; 3.1-9; 3.1-11)

There appears to be inconsistency in the LOS for this intersection between the textual narrative and the tables. The text indicates the LOS drops from E to F and in other places discusses a LOS of D. The tables indicate LOS is D until cumulative conditions are met, at which point it drops to E in the AM peak.

3.1

Throughout the textual discussion, this intersection is characterized as operating at an unacceptable LOS, which incrementally is made worse by the project. However there is no discussion of mitigation. On page 3.1-20 the text discusses that because signal warrants are not met in cumulative conditions than impacts are less than significant and no mitigation is required. However, the DEIR does indicate the project contributes delay. Are there other improvements - besides a signal - such as ramp widening or the mid town interchange - that can mitigate these project impacts? If so they are not discussed.

2. TR-5.1 Warning devices on La Madrona: How will the emergency vehicles interact with the signal at Mt Hermon/La Madrona/SR17 off ramp?

3.2

3. TR-9.3 The addition of the separate right turn lane from Mt Hermon onto Glen Canyon Dr should be thoroughly discussed with Caltrans traffic and electrical operations staff. Weave and merge movements and signal timings could be challenging.

3.3

4. TR 1.1 - As discussed, the geometrics textual discussion should be consistent with figure 3.1-2. A shared left-through on the La Madrona Road approach is inconsistent with the facing southbound off ramp.

3.4

Thank you for considerations of these comments. I can be reached at 805.542.4751 if you have any questions.

Chris Shaeffer
Dev Review

3. California Department of Transportation (Caltrans), District 5

- 3.1 The commentor identifies a typographical error in the DSEIR regarding the level of service at Mt. Hermon Road/El Rancho Drive/SR-17 northbound ramps. The level of service presented in the tables is accurate; the text indicating that the level of service drops from E to F is incorrect. In recognition of this error, the text on page 3.1-12, paragraph 4, sentence 4 and continuing onto the next page is revised as follows:

The unsignalized study intersection of Mt. Hermon Road/El Rancho Dr-SR-17 northbound ramps is projected to continue to operate at LOS D ~~degrade from LOS E to LOS F~~ during the AM and PM peak hours under Background Conditions. ~~Even though this intersection degrades to LOS F, a~~ review of the peak hour traffic volumes at this intersection under Background Conditions shows that the minimum volume threshold for the Caltrans peak hour volume signal warrant (Warrant #11) is not exceeded during either peak hour under Background Conditions.

As noted by the commentor, mitigation is not presented for this intersection under Project Conditions, because the project would not result in a significant effect at this location. As seen on page 3.1-11, the significance criterion applied in the DSEIR for unsignalized intersections is based on whether project traffic adds to an intersection already operating at unacceptable conditions under the existing scenario *and* the Caltrans Peak Hour Volume Warrant for signalization of intersections is satisfied. Under Cumulative Conditions, the project would contribute to delay but the projected volumes are not sufficient to merit a signal per Caltrans signal warrants. Accordingly, while there would be impacts at this intersection under Cumulative Conditions, they do not rise to a level of significance under the SEIR and do not require mitigation.

Furthermore, as pointed out by the commentor, future completion of the mid-town interchange would be expected to relieve some of the traffic that currently uses the Mt. Hermon Road/El Rancho Drive-SR-17 intersection. This future shift in traffic would thus reduce the impact identified in the DSEIR for this intersection, since the DSEIR traffic analysis did not assume the mid-town improvement.

- 3.2 Emergency vehicles would interact with traffic at the signal at Mt. Hermon/La Madrona-SR-17 off-ramp in the same fashion that they could at other signalized intersections. At signalized intersections, an emergency preemption device can be installed so emergency vehicles have the ability to interrupt the progression of the signal and give priority to the emergency vehicle. In fact, the City in its comments in Comment Letter #7 recommends the installation of an optical system at the signalized intersection to allow the fire trucks to preempt traffic. Mitigation Measure TR-5.1 on page 3.1-18 recommends the installation of warning devices on La Madrona Drive and not at the signalized intersection of Mt. Hermon Road/La Madrona-SR-17.

- 3.3 Mitigation Measure TR-9.3 calls for the project sponsor to contribute a fair share to intersection improvements that would mitigate significant cumulative impacts. However, during discussions with City staff following the release of the Draft SEIR, the intersection for which this mitigation measure was intended (i.e., Mt. Hermon Road and Glen Canyon Drive) was determined to operate acceptably. The revised Table 3.1 -11 indicating that the AM and PM LOS would remain unchanged between Cumulative No Project Conditions and Cumulative Plus Project Conditions is presented at the end of this section under the heading "Staff Initiated Text Changes." Although the improvements at Mt. Hermon Road/Glen Canyon Drive are no longer necessary, the comment made by Caltrans regarding the need to coordinate with the Caltrans traffic and electrical operations staff is acknowledged.
- 3.4 Mitigation Measure TR-1.1, as noted by the commentor, does not present the correct lane configuration for the intersection at Mt. Hermon Road/La Madrona/SR-17 Southbound off-ramp. In addition, the proposed improvements identified by the corrected Mitigation Measure TR-1.1 are currently being implemented as mitigation for the approved Schilling project across La Madrona Drive from the proposed Gateway South Office Building and north of the teardrop parcel proposed to house the future fire station. Accordingly, the mitigation measure is revised to require the project sponsor to contribute to the improvements being made by the Schilling project sponsor. The correct intersection improvements are shown in Figure 3.1-2 (presented later in this section after the heading "Staff Initiated Text Changes") and the text is revised as follows:

TR-1.1 Contribute to Improvements at the Mt. Hermon Road/La Madrona Drive-SR-17 Southbound Off-Ramp. The La Madrona Drive leg of the Mt. Hermon Road/La Madrona Drive-SR-17 Southbound off-ramp intersection is being improved with two separate left-turn lanes, one separate left-turn lane, one shared left-through-lane, and one right-turn lane with an overlap phase as mitigation for another approved project in the vicinity. The project sponsors for the Gateway South Office Building and fire station shall reimburse the City, based on a reimbursement agreement to be negotiated among the City, the project sponsor undertaking the improvement, and the office building project sponsor. A draft agreement for Council consideration is attached on the following page and derives reimbursement costs based on the trip generation of each contributing use, the percentage contribution in terms of total weekday trips, and estimates of the improvements.

DRAFT

Property (APN):	Use:	Daily Weekday Trip Generation Factor:	Daily Weekday Trips:	Percentage of Total Weekday Trips:	Reimbursement Cost
21-141-17	Scotts Valley Office Building				
	Building 1 (Approved):				
	4,964 sf high turn-over restaurant w/ seating and w/o drive-thru	0.13034 trips/gross sf (ITE)	647	21.04%	\$41,602.42
	2,000 sf day spa (specialty retail)	0.04067 trips/gross sf (ITE)	81	2.63%	\$5,208.34
	Building 2 (Approved):				
	9,000 sf specialty retail	0.04067 trips/gross sf (ITE)	366	11.90%	\$23,533.98
	Grand Total for Scotts Valley Corners:		1094	35.58%	
21-141-20	Fire Station				
	12,000 sf (Proposed)	trips/employee count (see SEIR)	100	3.25%	\$17,360.75
21-141-10	Bay Street High Density Residential				
	Approx. 80,000 sf, with development potential of 20 units (Per current zoning)	10 trips/unit (ITE)	200	6.50%	\$22,600.00
21-141-05	Gateway South Office Building				
	136,000 sf (Proposed)	0.0123 trips/gross sf (see SEIR)	1681	54.67%	\$17,360.75
TOTAL DAILY WEEKDAY TRIPS:					
			3075		
Cost of Intersection Improvements:					\$17,360.75

Note: The above cost allocations are based on use at original occupancy. Changes to use at original occupancy may alter the allocations.



MONTEREY BAY

Unified Air Pollution Control District
serving Monterey, San Benito, and Santa Cruz counties

AIR POLLUTION CONTROL OFFICER
Douglas Quetin

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CITY OF SCOTTS VALLEY

24580 Silver Cloud Court • Monterey, California 93940 • 831/647-9411 • FAX 831/647-8501

April 14, 2004

DISTRICT BOARD MEMBERS

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Del Rey Oaks

VICE CHAIR:
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Monterey County

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San Juan Bautista

John Myers
King City

Ellen Pine
Santa Cruz County

Jackie Young
City of Scotts Valley
One Civic Center Drive
Scotts Valley, CA 95066

SUBJECT: DSEIR FOR GATEWAY SOUTH OFFICE BUILDING AND FIRE STATION

Dear Ms. Young:

Staff has reviewed the referenced document and has the following comments:

1. Page 3.7-2. The text states that ARB monitors air quality conditions with the assistance of the District. The District is responsible for monitoring, not the ARB.] 4.1
2. Page 3.7-5. The document states that EPA approved the 1991 AQMP. The AQMPs adopted since 1991 address only the State ozone standard and not the federal standard. Thus, the AQMPs have been approved by the ARB and not EPA. The applicable SIP document is the 1994 Federal Maintenance Plan approved by EPA in 1997.] 4.2
3. The DSEIR does not address diesel exhaust emissions during construction. District staff should be contacted regarding whether or not a diesel exhaust risk assessment should be undertaken.] 4.3
4. Page 3.7-8. The 550 lbs/day of CO applies only to stationary source emissions. The threshold of significance the mobile source CO emissions is reduction of LOS (District CEQA Air Quality Guidelines, Table 5-3). Nevertheless, the CALINE analysis verifies that the project will not cause CO violations.] 4.4

Thank you for the opportunity to review the documents. Please do not hesitate to call if you have any questions.

Sincerely,

Janet Brennan
Supervising Planner
Planning and Air Monitoring Division

4. Monterey Bay Unified Air Pollution Control District

- 4.1 In acknowledgment of the comment to correct the reference that the ARB monitors air quality conditions, the text on page 3.7-2, paragraph 4, sentence 1 is revised as follows:

With the assistance of the MBUAPCD, the California Air Resources Board (CARB) compiles inventories and projections of emissions of the major pollutants and ~~monitors air quality conditions.~~

- 4.2 In acknowledgment of the comment to correct the reference to the ARB's approval of the 1991 Air Quality Management Plan and to the applicable SIP document, the text on page 3.7-5, paragraph 4, sentence 2 is revised to read:

~~EPA's approval of the 1991 Air Quality Plan for the Monterey Bay Region or Air Quality Management Plan (AQMP), which indicates how MBUAPCD will implement State air quality requirements, was approved by the CARB. resulted in the 1991 Plan being incorporated into the State Implementation Plan. A 1994 Federal Maintenance Plan to address attainment of federal standards was approved by EPA in 1997 and incorporated into the State Implementation Plan....~~

- 4.3 Diesel exhaust emissions due to the use of heavy construction equipment of the project are identified as a potentially significant impact under Impact AQ-1. In regard to potential health hazards due to the diesel exhaust, the building developer will, at the time of construction planning, examine the potential health risks, using MBUAPCD approved methods, associated with the specific construction equipment to be used on site and nearby receptors to determine if there is a health risk greater than 1. The following mitigation measure is inserted on page 3.7.8 of the DSEIR to reduce the health risks associated with diesel exhaust emissions, during construction, below the specified threshold.

MITIGATION MEASURE. Implementation of Mitigation Measure 8 from the *Gateway South Specific Plan EIR* (listed on p. 3.7-6), plus the additional measure below, would reduce potential construction-related air quality impacts, including health risks associated with diesel exhaust emissions, to a less-than-significant level.

AQ-1.1 Incorporate Pollution Control Devices with Construction Equipment. The building developer will, in conjunction with the MBUAPCD, utilize appropriate pollution control devices, such as diesel particulate filters or diesel oxidation catalysts, to reduce the diesel exhaust emissions from construction equipment such that the health risk to nearby receptors is less than 1. If calculation of health risks to nearby receptors are determined to be less than 1, then pollution control devices would not be required for diesel exhaust on construction equipment.

4.4 In acknowledgment of the comment to correct the discussion of CO emissions, the text on page 3.7-8, paragraph 2 under Impact AQ-2, sentence 1 is revised as follows:

~~In contrast to the above pollutants, CO emissions would not be expected to exceed the adopted threshold emission of 550 pounds per day (lb/day) for stationary source emissions. Because the project is anticipated to exceed the 550 lbs/day significance threshold based on the URBEMIS 2001 modeling results, MBUAPCD recommends further modeling (i.e., CALINE4)~~CALINE4 is applied to assess if the project would cause a substantial contribution to the exceedance of the 1-hour or 8-hour CO Ambient Air Quality Standards (AAQS).

Pacific Gas and Electric Company
Santa Cruz Division

615 7th Avenue
Santa Cruz, CA 95062

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APR 12 2004
CITY OF SCOTTS VALLEY

Date: April 6, 2004



Ms. Debra Stein
GCA Strategies
655 Montgomery St, 17th Floor
San Francisco, CA 94111

RE: Gateway South Office Building and Fire Station, Scotts Valley, CA.
Santa Cruz County

This letter is being written to satisfy your request of a Will Serve Letter to the referenced subdivision: (copy of vicinity map enclosed for your use).

Pacific Gas & Electric will be designing and providing the requested utilities per the standard application process and under the correct Tariff rules set forth by the California Public Utilities Commission.

5.1

Application, contract, right-of-way, and moneys are due prior to construction. Be certain to keep in close contact with your PG&E Representative. This will insure that any changes or delays in your plans will not affect PG&E's ability to design and construct your service facilities in a manner that best meets your needs.

Please call if there are any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Edmundo Babaran', is written over the typed name.

Edmundo Babaran
Industrial Power Engineer
831-479-3165

5. Pacific Gas & Electric

- 5.1 The comment letter provides the project sponsor with a “will serve” letter indicating PG&E’s ability to meet the gas and electric needs of the proposed project. The commentor further explains that the project sponsor will need to submit an application to PG&E prior to construction. The City recognizes that consultation with PG&E is a necessary step in the development/construction of a land development project. The project sponsor will need to demonstrate to the City that it has secured the necessary approvals from PG&E prior to receiving a building permit from the City.

Scotts Valley Water District

P.O. BOX 660006 • SCOTTS VALLEY, CALIFORNIA 95067-0006
(831) 438-2363 • FAX (831) 438-6235
EMAIL: svwd@aol.com



Office Address:
2 CIVIC CENTER DR.
SCOTTS VALLEY, CA

Board of Directors:

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Vice President

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WILLIAM KASSIS

DAVID HODGIN

JILL DUERIG
General Manager

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APR 29 2004

CITY OF SCOTTS VALLEY

April 27, 2004

VIA FACSIMILE AND U.S. MAIL

Jackie Young, Sr. Principal Planner
City of Scotts Valley
One Civic Center Drive
Scotts Valley, CA 95067

Subject: **Gateway South Office Building And Fire Station, January 2004 SEIP**

Dear Ms. Young:

The Scotts Valley Water District thanks you for the opportunity to comment on the January 2004 Supplemental Environmental Impact Report for the above-named project ("SEIR"). The District has the following comments based on the October 2003 Annual Report of the Groundwater Management Program prepared by Todd Engineers for the District ("2003 Annual Report"), including Todd's recommendations for long-term capital planning to manage the groundwater basin.

The 2003 Annual Report describes a groundwater basin that historically has been pumped in excess of its Safe Yield. As a result, Todd strongly recommends expanding the distribution of recycled water as a form of in-lieu recharge to the groundwater basin not only to compensate for historical overdraft but also to minimize additional pumping for non-potable purposes.

Given the proposed landscaping of the project along with the EIR's second proposed mitigation alternative for impacts to groundwater quality (i.e., on page 3.5-4, "off-site artificial recharge through direct participation by developers in off-site recharge projects or by financial contribution to recharge projects"), the District would like to see such a plan applied to the recycled water system in the water service agreement with the developer or as a Condition of Approval for the project. However, this planning alternative was not included in the SEIR's discussion of mitigation measures proposed under HY-2 and HY-4, beginning on page 3.5-7. It is unclear why this approach was dropped in the SEIR but we would strongly urge its reincorporation.

6.1

W.F. #385

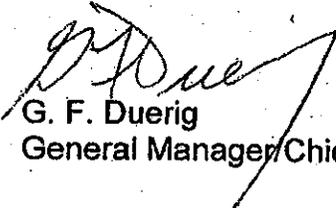
April 27, 2004
Page 2

It is also difficult to justify the comment that the consultant has made that "no impacts to water supply are anticipated" from the project (see page 3.5-10). If the building will house approximately 495 employees (see "Notice of Completion" enclosed in review package) and the Fire Station will have its own water demands, clearly there **IS** an anticipated impact on water supply. While previous financial contributions to the Gateway South Assessment District may have addressed infrastructure such as transmission and storage facilities and effectively pre-purchased a portion of 28 meter equivalents (see 8/30/01 "Will Serve" letter which expired after one year but was enclosed in the SEIR by way of explanation), the new facts concerning the groundwater basin suggest that the water supply is at risk. Again, drastic measures need to be taken to protect the water supply from the anticipated impact of this development and contributions to an off-site in-lieu recharge project seem to have a better potential to satisfactorily mitigate this newly-reported groundwater supply issue than any of the listed alternatives.

6.1

We hope that these comments are useful. Please feel free to call me if you have any questions.

Sincerely,
SCOTTS VALLEY WATER DISTRICT


G. F. Duerig
General Manager/Chief Engineer

cc: Bill O'Brien
Shary Greene

6. Scotts Valley Water District

- 6.1 The DSEIR on page 3.5-2 acknowledges that there has been a historical groundwater overdraft problem with the Scotts Valley groundwater basin. Furthermore, the DSEIR on page 3.5-4 reports recommended mitigation measures from the Gateway South Specific Plan EIR to require project proponents of individual development projects to prepare a plan for artificial recharge of the groundwater basin.

The Scotts Valley Water District (District) has identified in a 2003 groundwater investigation that the groundwater overdraft is significant and continued pumping from the aquifer will contribute to further groundwater storage loss. Two possible project-related impacts are identified by the District: 1) loss of groundwater recharge, and 2) water consumption that exacerbates the groundwater overdraft conditions.

With respect to the first impact, loss of groundwater recharge area, the DSEIR explains on page 3.5-10 under Impact HY-4 that the project site is a groundwater “discharge” area, rather than a “recharge” area. The site lies within the area designated by the General Plan as a recharge area; however, the information relied upon in the General Plan to make this determination is generalized and appropriate for planning purposes. The project sponsor has had site-specific geotechnical investigations, including borings, performed by Treadwell & Rollo that yield much more detailed and refined information than is available for a General Plan effort. The more detailed data reveal that impervious strata that preclude recharge at the site underlie the site. At the public hearing, the City’s Community Development Director affirmed the absence of recharge opportunities in the area, citing recent roadway projects as evidence of the shallow underlying impervious rock formation. Accordingly, site development and construction of impervious surfaces, in the form of parking lots, buildings, and roadways, would not result in a net loss of groundwater recharge at the project site.

With respect to the second impact, the District had issued a “will serve” letter to the project sponsor indicating its ability to provide potable water for the proposed project. This letter is included as Appendix G of the DSEIR and suggests that the water agency has sufficient supplies to meet the demands of the project and that the project would not by itself create a significant water supply impact. However, to the extent that the project contributes a cumulatively considerable demand for water, there could be a potentially significant cumulative impact. Under this scenario, the project sponsor could be asked to contribute its fair share for mitigation.

Concurrent with the preparation of the DSEIR, the District had received a grant from the State Department of Water Resources to conduct a hydrogeologic investigation of the Santa Margarita Groundwater Basin in the vicinity of Scotts Valley. This report was not available until after the release of the DSEIR, but results of the study were known by the District when it was requested to comment on preliminary versions of the DSEIR. As a result, there were substantive changes made to the preliminary discussions of groundwater supply. The

groundwater report, now available from the District, indicates that the last three years have been marked by groundwater storage declines, a trend identified in the late 1980s and early 1990s that prompted a number of management actions by the District. The report concludes that "over the long term, storage losses may have been underestimated if groundwater level declines have affected not only the vicinity of pumping wells, but also intervening areas where monitoring wells are absent." In other words, the proposed project, if approved, could contribute to the trend of groundwater storage losses.

One of the actions taken by the District to arrest the groundwater storage losses and to preserve the groundwater supply was inauguration of the Scotts Valley Water Recycling project in May 2002. A Recycled Water Treatment Plant, owned by the City of Scotts Valley, was designed to produce 1.0 million gallons per day (1,120 acre-feet per year) of highly treated recycled water from the City's wastewater reclamation plant effluent. The recycled water is being used to irrigate landscaping and the Sky Park soccer field. Current usage of recycled water is 60,000 gallons per day, according to Mark Henderson of the District. Projected use is estimated to be about 160,000 gallons per day. Potential users are located along the distribution lines that run along Scotts Valley Drive and along Mt. Hermon Road, west of Scotts Valley Drive.

Extension of the recycled water program to the Gateway South Specific Plan Area is considered to be infeasible by the City and the project sponsor. According to the City Community Development Director, the cost of extending pipes and the installation of the necessary pumps to deliver recycled water to the Specific Plan area is prohibitive and the actual recycled water use would be minimal because of the limited landscaping in the Specific Plan area. Nevertheless, there may be other ways to reduce the project's water demand and effect on the groundwater storage declines, which should be identified in the SEIR.

In light of the above, the following discussion is added to page 3.5-10, prior to the heading "Comparison of Impacts and Mitigation Measures Between EIR and SEIR."

Cumulative Conditions

HY-5. Implementation of the project along with other future development in Scotts Valley could contribute to continuing groundwater storage losses. (PS)

In October 2003, the District completed a groundwater investigation of the Santa Margarita Groundwater Basin. The study, funded by a State Department of Water Resources grant, reveals that groundwater storage declined between spring 2002 and spring 2003 despite average rainfall. Furthermore, "the last three years have been characterized by a resumption of groundwater storage declines." The report explains that "the groundwater level declines are significant, not only indicating net depletion of groundwater storage...but also resulting in loss of well yield and productivity and increased energy costs for lifting pumped water."

The groundwater report underscores the importance of the District's management actions, including:

- Initiation of a cooperative water recycling program with the City of Scotts Valley;
- Redistribution of pumping;
- Exploration of artificial recharge options; and
- Water conservation measures, including ordinances and regulations to prevent water waste and to conserve water during drought.

These measures are consistent with the mitigation measures described in the Gateway South Specific Plan EIR that suggested on-site artificial recharge or off-site artificial recharge through direct participation by developers in off-site recharge projects or by financial contribution to recharge projects. Augmenting the recharge options, the District inaugurated a water recycling program in May 2002. Use of recycled water for landscape irrigation would reduce the demand for groundwater. The City will be producing 1 million gallons per day of recycled water that can be used to irrigate landscaping. Application of the recycled water, however, is not an option in the Gateway South Specific Plan Area, as the distribution lines do not extend to the area and to do so would be cost prohibitive.

The proposed project has secured the rights to an equivalent of 28 five-eighths inch by three-quarters inch water meters from the Scotts Valley Water District. The proposed project represents a small portion of the water consumed from the Santa Margarita Groundwater Basin. For the period October 2002 through June 2003, 2,583 acre-feet of water was pumped from the groundwater basin, with the Scotts Valley Water District accounting for 1,365 acre-feet, according to the 2002-2003 Annual Report of the District's Groundwater Management Program. It could be argued that the project's contribution to the groundwater conditions would be less than cumulatively considerable and therefore less than significant. Nevertheless, mitigation measures are recommended to ensure that the project does not substantially contribute to overdraft conditions in the groundwater basin.

MITIGATION MEASURES. The following measures would ensure that the proposed project's contribution to groundwater storage losses is less than cumulatively considerable. (LTS)

HY-5.1 Incorporate Low-Water Demand Landscaping Plans. The project sponsors shall develop landscape plans that foster water conservation. The plans shall be reviewed with the Scotts Valley Water District and emphasize low-water demand species and water-conserving irrigation

techniques. If feasible, the project sponsors shall consider the use of stormwater from the detention facilities, recommended by Mitigation Measure HY-2.1, for on-site landscape irrigation.

HY-5.2 Collaborate with the Scotts Valley Water District in Promoting Off-Site Use of Recycled Water or Off-Site Artificial Recharge. The project site is not in an area that is suitable for groundwater recharge or for use of recycled water. In order to mitigate the project's use of groundwater, the project sponsors shall negotiate with the Scotts Valley Water District to arrive at a mutually acceptable contribution to support off-site use of recycled water or off-site recharge projects. The contribution shall reflect replenishment fees adopted on July 1, 2005 that call for \$66,764 per 2" water meter. A reasonable mitigation for the proposed project would be one 2" meter for domestic water use and one 2" meter for landscape use. Although the project site is not within the district boundaries, it is served through a service agreement. This agreement functions as an adopted program with specifics to be negotiated among the parties.

J Young

From: Majid Yamin [myamin@scottsville.org]
Sent: Thursday, May 20, 2004 1:07 PM
To: Jackie Young
Subject: FW: DSEIR GWS Office, Draft

Hi Jackie,

Here are my comments:

Mitigated LOS for the studied intersections are not in a table, with time of delay, for easier comparison. Mid-town interchange is not considered by this study. Thus, traffic volumes on Mt. Hermon Road have not been adjusted accordingly. Significant improvement in LOS for the traffic on Mt. Hermon Road is expected to be realized under cumulative condition once this interchange is built. Significant impact discussion related to V/C is used by some jurisdictions; however, I believe it has yet to be adopted as a standard.] 7.2

TR-1.1: Installation of Optical system (pre-empting for the fire trucks) is not addressed.] 7.3

TR-2: Needs Caltrans response on the need for traffic signal at this location.] 7.4

TR-9.1: No discussion of how the proposed phasing changes would impact Mt. Hermon Rd's traffic signals coordination. The proposed phasing would appear to have minor improvement in the operations. However, it would produce some improvements in V/C ratio.] 7.5

TR9.3: Westbound Mt. Hermon Road already has a dedicated right-turn lane, albeit, it somewhat narrower than desired. Glen Canyon Road has another dedicated left-turn lane. Figure 3.1-2's north arrow implies that Mt. Hermon Road is more of north-south roadway than an east-west as presented by the author.] 7.6

See Ken's comments below. I also concur with Caltrans comments.

Majid

-----Original Message-----

From: ken anderson [mailto:kanderson@scottsville.org]
Sent: Tuesday, May 18, 2004 1:55 PM
To: Majid Yamin
Subject: DSEIR GWS Office

Majid I have no technical comments on the DSEIR for the Gateway South Office Building, however I do have a comment on the cost sharing mitigation proposed.]

The applicant offers as mitigation for signal degradation below acceptable levels, paying their fair share based on their traffic contribution. The percent share proposed as part of each mitigation is based on the ratio of project traffic to the total volume under cumulative plus project conditions (pg 3.1-21 pgf 3). Collection of fees for traffic improvements associated with each future project is already provided for in the traffic mitigation impact fee. That fee covers each projects fair share of the identified improvements. The traffic report identifies additional improvements necessary. The costs of those improvements beyond those identified in the impact fee project schedule, should be shared only by those projects increasing their traffic impacts not those who develop according to their current zoning. This project should be required to fund all costs of improvements beyond those identified in the impact fee project list, shared only by those projects who modify their zoning with the effect of increasing their traffic generation.] 7.1

7. Ken Anderson/Majid Yamin

7.1 Regarding the proposed cumulative mitigation measures in Section 3.1, Transportation, of the DSEIR, the mitigations must bear a reasonable relationship to the impacts triggered by the proposed project. Also, CEQA case law suggests that reliance on a fee program as mitigation for projects' contribution to significant cumulative impacts is legitimate where there is a reasonable expectation that the fee collected will actually be spent on mitigation. In the case of cumulative impacts for large transportation improvements, this principle is applied by requiring project applicants to contribute only their fair share to the cost of the agreed upon mitigation. There are various strategies for arriving at a project's fair share, but one of the more common approaches – and the one used in the DSEIR for informational purposes – is to estimate the proportion of project-related trips to total trips during the AM and PM peak hours. The actual formula for deriving a fair share, and the mechanism for collecting the fees, for designing and engineering the improvement, and for awarding a bid for its implementation are the responsibility of the City. It is noted that the City already collects an impact fee and applies the collected amounts against transportation improvements identified in the City's capital improvement project list. The amount to be levied against the project sponsors could be derived in the same manner that the City used to derive its current impact fee. Information in the DSEIR for Mitigation Measures TR-9.1 and TR-9.2 identifies improvements that could reduce the project's contribution to future cumulatively significant impacts to less than significant, and the contribution of the project to the cumulative impact. Based on this information, the City can negotiate an appropriate and fair share for the project sponsors to contribute to future improvements.

7.2 To improve the readability of the SEIR, tables indicating significant LOS impacts resulting from approval of the proposed project have been modified to show the intersection LOS after the recommended mitigation. These revised tables are presented in the section titled "Staff Initiated Text Changes." The commentor's point regarding the mid-town interchange is very important. As correctly noted, the traffic analysis for the DSEIR did not assume implementation of the mid-town interchange. With this future improvement, it can be reasonably expected that some of the traffic projected to use the Mt. Hermon Road/La Madrona Drive-SR-17 intersection would instead use the mid-town interchange. As a result, the impacts identified for this intersection, as well as at Mt. Hermon Road/El Rancho Drive-SR-17 and along Mt. Hermon Road, are overestimated. In recognition of this point, a sentence is added to the end of paragraph 2 on page 3.1-19 as follows:

It is important to note that the planned roadway network for Year 2025 does not include the mid-town interchange which the City currently has on its capital improvement list and for which the City is collecting fees. The implementation of the mid-town interchange would shift some of the traffic demand projected from the Mt. Hermon Road connections to SR-17 and alleviate some of the traffic volumes projected for Mt. Hermon Road. As a result, the impacts identified in this cumulative analysis are conservative (i.e., overestimated).

- 7.3 The installation of an optical system to enable fire trucks to pre-empt traffic is an improvement that the City can elect to impose as a condition of project approval. For public safety and emergency response, pre-emption of traffic by the emergency vehicle is a common practice.
- 7.4 Regarding Impact TR-2, the commentor requests Caltrans' response to the need for a traffic signal at the intersection of Mt. Hermon Road/El Rancho Drive-SR-17. Caltrans did submit comments on the DSEIR and on this intersection specifically (see Comment Letter #3). Caltrans notes there might be other improvements – besides a signal – such as ramp widening or the mid-town interchange that can mitigate the project's effects. Thus, both the commentor and Caltrans have reported that the future construction of the mid-town interchange would reduce impacts at the Mt. Hermon Road connections to SR-17 and text has been added to the SEIR to acknowledge this comment (see Response 7.2, above).
- 7.5 Any improvement at a localized intersection has the potential to affect the roadway system, including signals "upstream and downstream" of the improved intersection. Operations with the mitigation measures identified in the EIR were calculated to include coordination on Mt. Hermon Road using the SYNCHRO software. As noted in "Staff Initiated Text Changes," Mitigation Measure TR-9.1 has been revised. In addition, the project should contribute a fair share to adjusting traffic signals at the following intersections along Mt. Hermon Road to account for the increase in traffic from the office building: La Madrona Drive, Glen Canyon Drive, Scotts Valley Drive at Bean Creek, Spring Lakes, King's Village Road, Skypark Drive, Lockhart Gulch Road and Kmart.
- 7.6 Mitigation Measure TR-9.3 is no longer necessary based on re-evaluation of the impacts; therefore, the corrections to the figure for this intersection are no longer relevant.

DEPARTMENT OF FISH AND GAME

<http://www.dfg.ca.gov>

5/27/04 PC MTG

POST OFFICE BOX 47
YOUNTVILLE, CALIFORNIA 94599
(707) 944-5500

April 9, 2004

clerk
5-17-04
e

RECEIVED
APR 13 2004
STATE CLEARING HOUSE

Ms. Jackie Young
City of Scotts Valley
One Civic Center Drive
Scotts Valley, CA 95066

RECEIVED
MAY 21 2004

Dear Ms. Young:

CITY OF SCOTTS VALLEY

Gateway South Office Building and Fire Station
Draft Supplemental Environmental Impact Report
City of Scotts Valley, Santa Cruz County
SCH 2002102003

The Department of Fish and Game (DFG) has reviewed the document for the subject project. We do not have specific comments regarding the proposed project and its effects on biological resources. Please be advised this project may result in changes to fish and wildlife resources as described in the California Code of Regulations, Title 14, Section 753.5(d)(1)(A)-(G)¹. Therefore, if you are preparing an Environmental Impact Report for this project, an environmental filing fee as required under Fish and Game Code Section 711.4(d) should be paid to the Santa Cruz County Clerk on or before filing of the Notice of Determination for this project.

8.1

If you have any questions, please contact Scott Wilson, Habitat Conservation Supervisor, at (707) 944-5584

Sincerely,

Robert W. Floerke
Robert W. Floerke
Regional Manager
Central Coast Region

cc: State Clearinghouse

¹ <http://ccr.oal.ca.gov/>. Find California Code of Regulations, Title 14 Natural Resources, Division 1, Section 753

8. California Department of Fish and Game

- 8.1 The commentor does not have any specific comments regarding the proposed project and its effects on biological resources. No response is necessary, although the City and the project sponsor are aware of the environmental filing fee required under Fish and Game Code Section 711.4(d).

3.2 ORAL COMMENTS

No members of the public were present during the May 27, 2004 Planning Commission public hearing. The following comments are those made by the Planning Commissioners and not addressed during the public hearing.

1. Can provisions be made for a bus stop along La Madrona?

Response: The DSEIR explains on page 3.1-9 that the Santa Cruz Metropolitan Transit District operates bus service in the City. Three bus routes operate near the project site and no bus stops are located within walking distance of the project site. The District would consider potential ridership opportunities, effects on travel times, and costs, among other factors in determining whether bus service along La Madrona Drive might make sense in the future. The project sponsor will coordinate with the District to determine if provisions for a bus stop are desired.

2. Please make available the traffic counts and other background data used in completing the traffic analysis.

Response: The traffic counts and level of service calculation worksheets for the project have been provided to the City Planning and Building Department and are available for review.

3. Why are there no requirements or provisions for transportation demand management measures, carpools, vanpools, bicycle lockers and other trip reducing measures?

Response: In 1995, the California Legislature enacted a bill (SB 437) to dramatically restrict local governments from requiring employee trip reduction programs. Consequently, local jurisdictions no longer can require such programs to mitigate impacts on air quality or transportation facilities, unless the program recommended by the local government is expressly required by federal law. Although this law severely hampers local governments from imposing commercial and industrial developments from providing space for bike racks, installing showers for employees who walk or ride bicycles to work, or posting transit or rideshare information, Congestion Management Agencies do request project applicants to prepare Transportation Demand Management Plans if their peak hour trip generation exceeds established thresholds, and local governments can require project sponsors to achieve a level of trip reduction, provided that the sponsor/employer has a menu of reasonably practicable measures from which to choose.

4. On page 3.1-8, the DSEIR reports field observations of signal cycle lengths during the AM and PM peak hour that vary between approximately 65 and 140 seconds. If we have these actual observations, why is the derivation of the levels of service based on a cycle length of 100 seconds? This is important because the traffic mitigation measures call for changes in

the signal phasing and the mitigation will vary depending on how the existing signal phasing was established.

Response: The intersection of Mt. Hermon Road and La Madrona Drive is operating as an actuated signal. The signal remains green for the Mt. Hermon Road through traffic volume until traffic from La Madrona Drive or SR 17 southbound ramp activates a call that will give these movements green time. Therefore, the cycle length will vary based on when vehicles arrive on the side streets. The SYNCHRO software used for this study requires identifying one cycle length to analyze the impacts at the intersections. Therefore, a median value was chosen to evaluate typical conditions.

5. Why are the inbound AM peak hour trips so low? Table 3.1-8 indicates that 210 trips are estimated to arrive in the morning peak hour; however, with nearly 500 employees, 210 AM peak hour inbound trips means that only 40 percent of the employees would arrive during the peak hour. Is this right? How applicable are the Institute of Transportation Engineers' trip generation rates?

Response: The trip generation rates used in this analysis were obtained from the Institute of Transportation Engineers (ITE) *Trip Generation Manual*. This manual is an industry standard and provides adequate data to support the trip generation estimates for an office building of this size. The trip estimates may seem low when compared to the number of total employees at the site; however, a number of employees arrive or leave work outside the peak one-hour time period.

6. According to page 3.1-14, trip assignments are based on existing directions of approach and departure. Is there a better source of data that better reflects the type of use proposed at the project site? Would the Borland project provide more accurate data?

Response: The text of the DSEIR on page 3.1-14, last paragraph, sentence 1 is revised to read:

~~Trips generated by the proposed project were assigned to the roadway system based on existing directions of approach and departure.~~ Trip assignments are based on the directions of approach and departure described under trip distribution, above. The trip distribution was based on complementary land uses (proportion of residents in San Jose and Santa Cruz), the 1990 census journey-to-work data, and input from City of Scotts Valley staff.

Consideration of the Borland project to assign trips would provide a single sample but would not necessarily represent the future tenant at the proposed project. Accordingly, it is preferable to use a variety of data sources as described above to derive the trip assignments.

7. Traffic congestion in the future will be awful for residents coming down Altenitas and turning left onto La Madrona Drive. Has this impact been evaluated?

Response: Traffic from the residential area feeding into Althenitas Road and turning left onto La Madrona Drive was considered in deriving the impact at the intersection of La Madrona Drive/Althenitas Road. A comparison of Table 3.1-4, Table 3.1-6, and Table 3.1-11 of the DSEIR acknowledges that, even without the project, during the AM peak hour, the level of service at this intersection would degrade from LOS B to LOS C, with approved projects in the area, and degrade further to LOS F with future background and pending projects. The addition of project traffic would increase delays (Table 3.1-9 shows that delays during the AM peak hour would increase from 15.7 seconds to 25.0 seconds, and Table 3.1-11 shows that delays during the same peak period would increase in the cumulative scenario from 54 seconds to over 100 seconds). The criteria used for this project to determine a significant impact (i.e., whether the overall intersection operations triggered the Caltrans peak-hour volume warrant for a signal) was not satisfied.

8. In Table 3.1-9, explain why the intersection delay at Mt. Hermon Rd./El Rancho Dr-SR-17 northbound ramps *decreases* between Background Conditions and Project Conditions.

Response: The correct delay under Background Conditions should be 27.6 seconds. The 29.6-second delay was incorrect. The corrected table is presented at the end of this section under the heading "Staff Initiated Text Changes."

9. Mitigation Measure TR-1.1 proposes a second left turn lane on the La Madrona Drive approach of the Mt. Hermon Rd./La Madrona Drive-SR-17 southbound off-ramp. That improvement would not appear to address the travel demand from the proposed project, so how does this mitigation measure address the project impacts?

Response: The proposed improvement identified in Mitigation Measure TR-1.1 provides an overall better level of service for the intersection as a whole by reducing green time needed for that movement and providing more for other approaches. This overall improvement in level of service mitigates the project's impact to a less-than-significant level. It should be noted that the mitigation at this intersection of Mt. Hermon Road and La Madrona Drive is already underway as a result of the approved Schilling project. A revised description of the mitigation measure is provided at the end of this section under the heading "Staff Initiated Text Changes."

10. Has Impact TR-4 adequately accounted for the proposed retail business north of the fire station site? When that is combined with the residents coming down Althenitas, it is expected that traffic along La Madrona Drive could affect ingress/egress for the fire station.

Response: Page 3.1-12 in the section titled "Background Traffic Volumes and Roadway Improvements" explicitly identifies the Schilling office and restaurant project as being one of the projects considered in the background traffic analysis. The traffic analysis performed for the DSEIR considered the need for a two-way left-turn lane on La Madrona Drive to access both the office and fire station project sites (see page 3.1-17, paragraph 2 under Impact TR-4). Based on the results of the analysis, the need for this additional lane is not warranted. In

addition, the amber warning lights that are proposed to increase driver awareness of the station should aid ingress/egress for the fire station.

11. On page 3.2-2, there is misleading text that describes the site as being surrounded by development on all sides.

Response: To correct the misleading text, page 3.2-2, paragraph 2, sentence 3 is revised as follows:

The undeveloped site is bounded by ~~surrounded by development on all sides,~~ with the Hilton Hotel development to the north, ~~La Madrona Drive and~~ SR-17 to the east, Silverwood Drive and undeveloped lands to the south, and the Monte Fiore residential subdivision to the west.

12. Would the open space be accessible? It might be worthwhile to consider an employee picnic area where employees could enjoy a quiet, secluded natural setting.

Response: The proposed site plan includes two outdoor employee dining/relaxation areas. Another employee dining/recreation area in the open space area would be possible, but may not be practical. The area is steep terrain, at slopes greater than 40 percent, and is heavily forested. The mixed forest habitat consists of dense stands of coast live oak, coastal redwood, ponderosa pine, Douglas fir, and California bay, with a ground cover of poison oak and fountain miners-lettuce. Creating an employee picnic area, even a relatively small one, would likely require removal of protected trees, be disruptive to the natural habitat, and require ongoing maintenance to protect employees from the poison oaks.

13. Impact BIO-3 says that annual grassland habitat would remain relatively plentiful within the project vicinity, so that impacts on Cooper's hawk would be less than significant. Yet, with the loss of annual grasslands at the project site, the development of the Hilton Hotel, and Monte Fiore, how can the DSEIR say that annual grassland would remain plentiful?

Response: The foraging range of the Cooper's hawk is generally the annual grassland habitat that drains into nearby creeks. For the project site, this area would be the 7.4-square-mile watershed drained by the perennial flowing Carbonera Creek. Thus, the removal of approximately 7 acres of annual grassland on the project site is considered a small percentage of the total grassland habitat within the drainage area. To clarify the text in the DSEIR, page 3.4-10, paragraph 1, sentence 3 is revised as follows:

However, annual grassland habitat would remain relatively plentiful within the larger 7.4-square-mile Carbonera Creek drainage basin, which serves as the primary foraging area for the Cooper's hawk. in the project vicinity

14. Mitigation Measure HY-3.2 says that the project sponsors should pay in-lieu fees to the City for maintenance of the stormwater pollution control facilities installed on site. The City does not currently perform maintenance activities, so it would be the responsibility of the project

sponsors to ensure maintenance of the stormwater pollution control facilities. Accordingly, the text on page 3.5-9, for Mitigation Measure HY-3.2 is revised as follows:

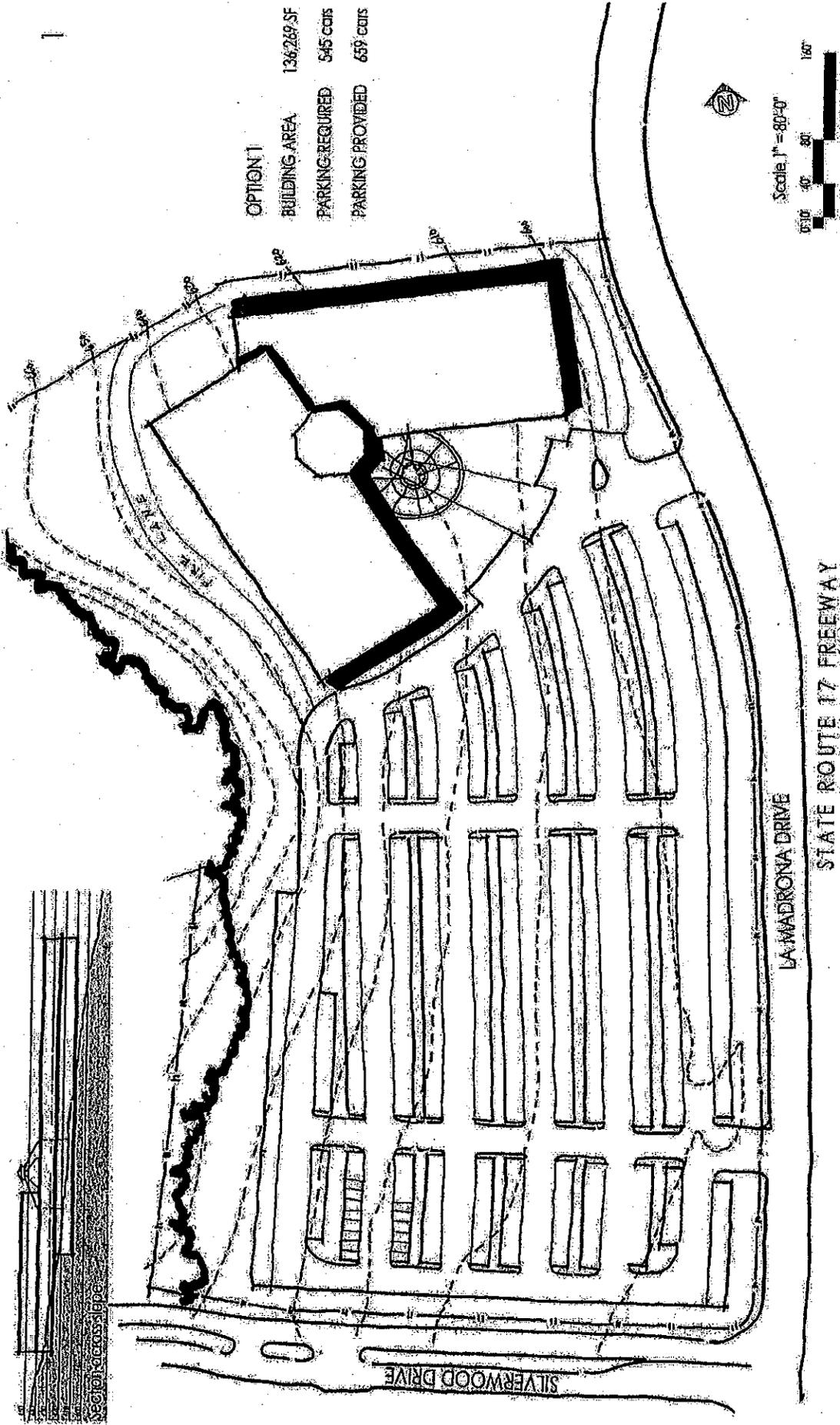
HY-3.2 *Ensure Maintenance of Pollutant Control Devices.* The office building developer and the Scotts Valley Fire District shall ensure maintenance of the facilities ~~through in-lieu fees paid to the City, or by other means~~ identified by the Public Works Department and the Scotts Valley Water District.

15. Please expand the discussion of alternatives. Couldn't there be an alternative that reduces some of the impacts; e.g., reducing the amount of impervious surface, possibly by providing underground parking; locating the building closer to the Hilton Hotel so that the developments are seen as a visually integrated, cohesive unit; and reducing the amount of cut and fill on the site?

Response: The examination of alternatives as required by CEQA Guidelines, Section 15126.6, includes consideration of other ways of feasibly attaining most of the basic objectives of the project and avoiding or substantially lessening any of the significant effects of the project. In response to the comment to explore other development options, the project architects, DES, developed design options based on suggestions from the Commissioners and Councilmembers. These alternatives are summarized below and illustrated in the following figures labeled Option 1 through Option 6.

DES developed six siting options to examine the tradeoffs of moving the proposed office building closer to the neighboring Hilton Hotel and of modifying the building footprint. The six options range from 120,400 to 136,269 square feet, compared to the 136,000-square-foot proposed project. All six options vary the massing of the office space, although all involve multi-story configurations and are sited between 600 and 650 feet above mean sea level at the northern end of the site. Even though the massing and footprint differ among the alternatives and from the proposed project, development at this end of the site would require similar to as much as 35 percent more grading compared to the proposed project because the terrain in this area is steeper. As a result, locating the proposed office building to the north would not result in a substantial reduction in grading or cut and fill impacts.

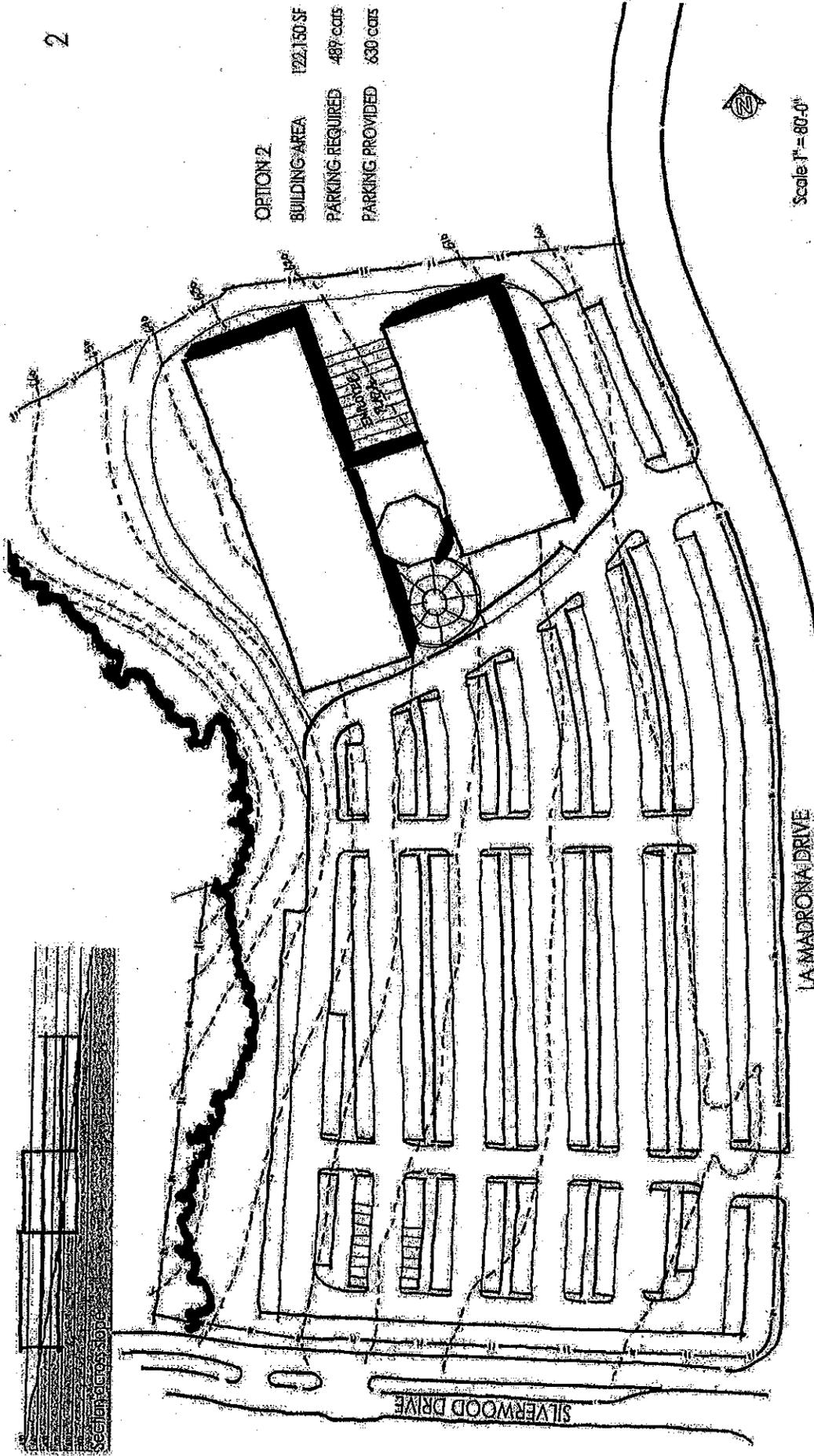
While there are notable planning and design differences among these options (stemming from the variations in massing and the ease of accessibility of the building from the parking areas), they result in similar less-than-significant impacts on visual resources and quality. Those options involving more grading than the proposed project have potentially greater runoff and geoseismic impacts. In addition, development of the proposed office building at the northern end of the site raises greater concerns for two issues: fire hazards and disturbance to protected trees. According to the Fire Department, the options of siting the office building closer to the Hilton Hotel would increase the potential for fire to spread between the buildings and to the surrounding grasslands. The northern end of the site between 640 and



Alternative Site Studies
DES
 ARCHITECTS
 ENGINEERS
 PLANNERS
OPTION 1
 Scale: 1" = 80'-0"
 06/06/2004

GATEWAY SOUTH
 SCOTTS VALLEY, CALIFORNIA

OPTION 2
 BUILDING AREA 122,150 SF
 PARKING REQUIRED 487 CARS
 PARKING PROVIDED 630 CARS



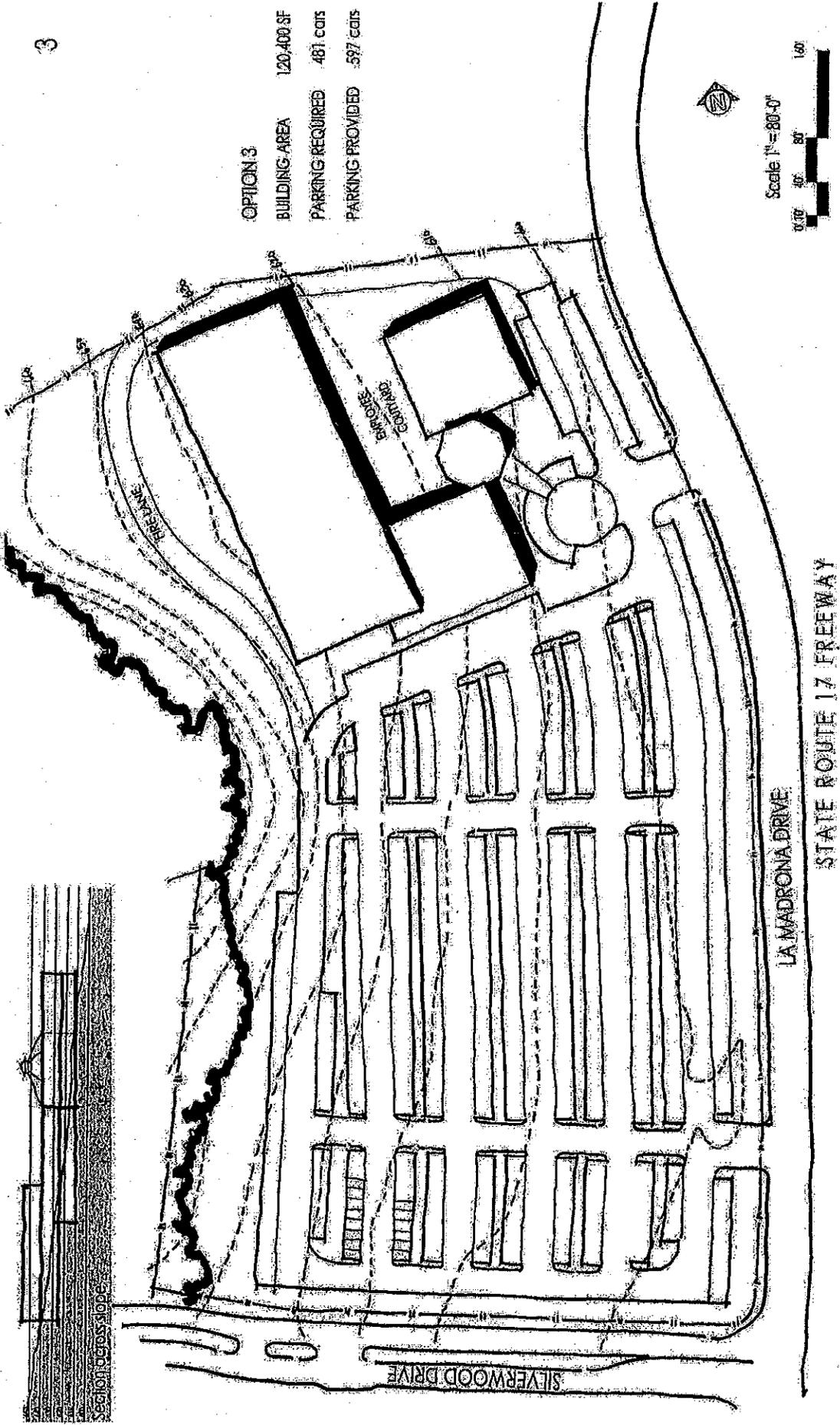
Scale 1" = 80'-0"



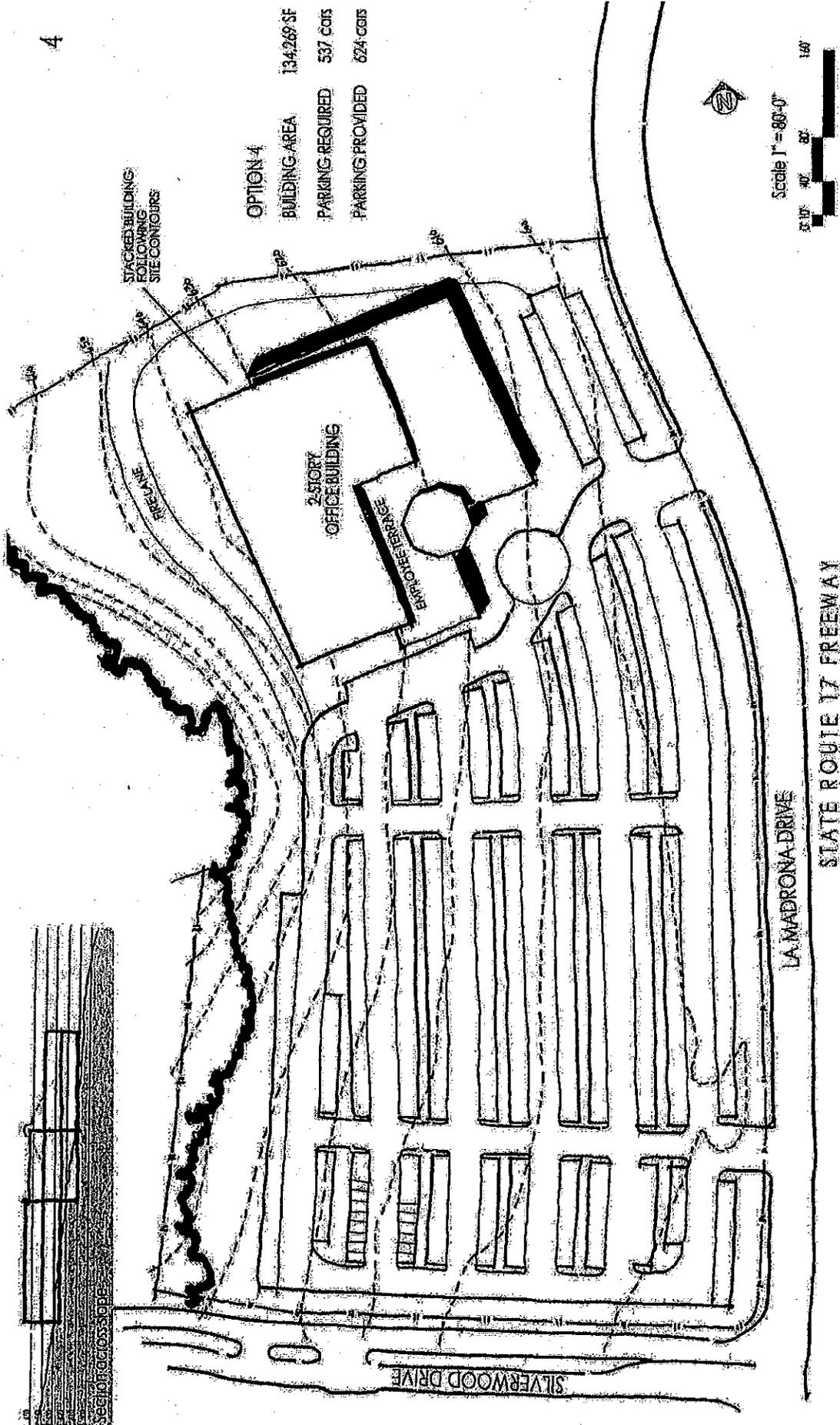
LA MADRONA DRIVE

STATE ROUTE 17 FREEWAY

SILVERWOOD DRIVE



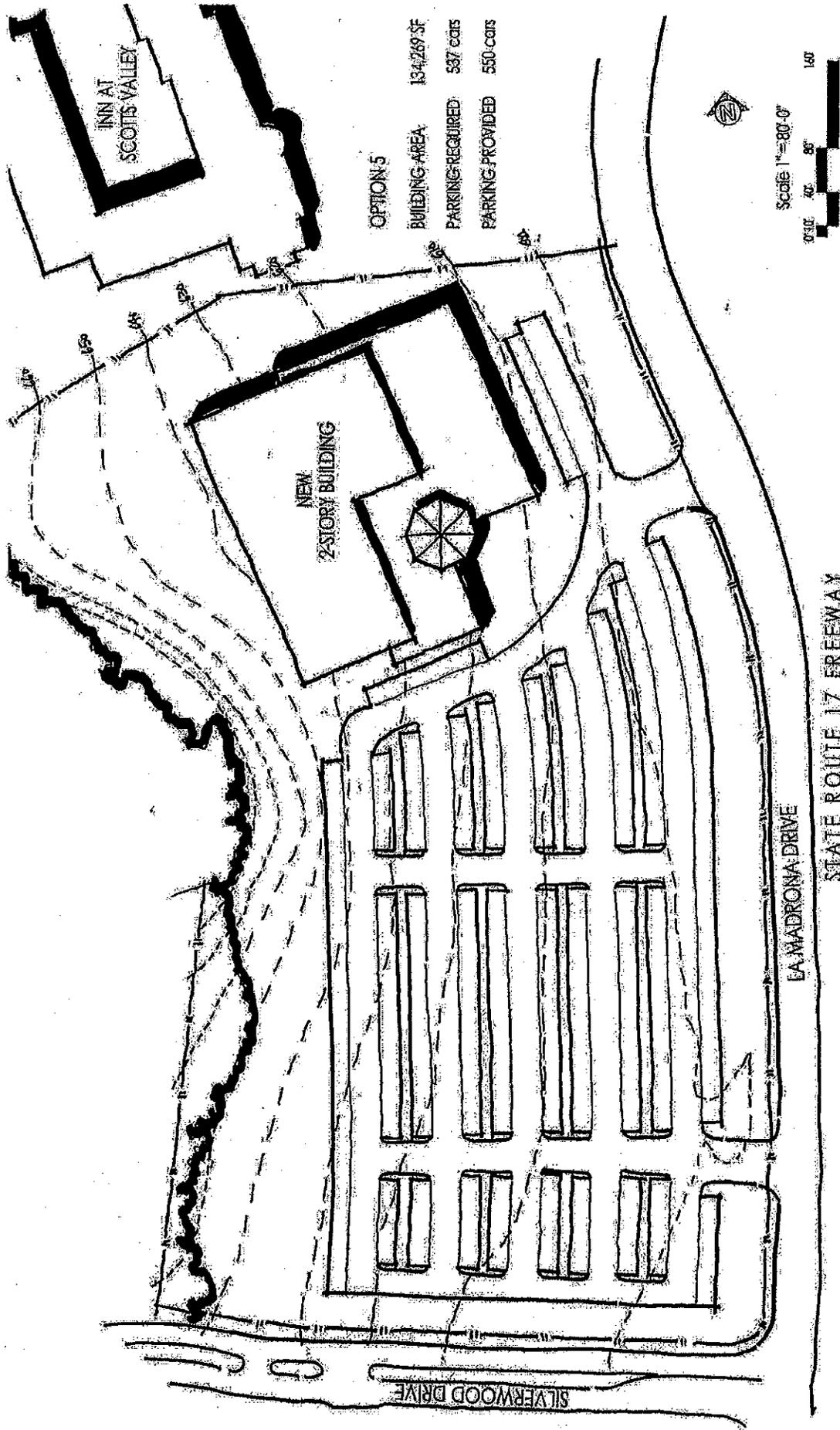
OPTION 3
 BUILDING AREA 120,400 SF
 PARKING REQUIRED 481 COTS
 PARKING PROVIDED 597 COTS



OPTION 4
 BUILDING AREA 134,269 SF
 PARKING REQUIRED 537 CARS
 PARKING PROVIDED 624 CARS

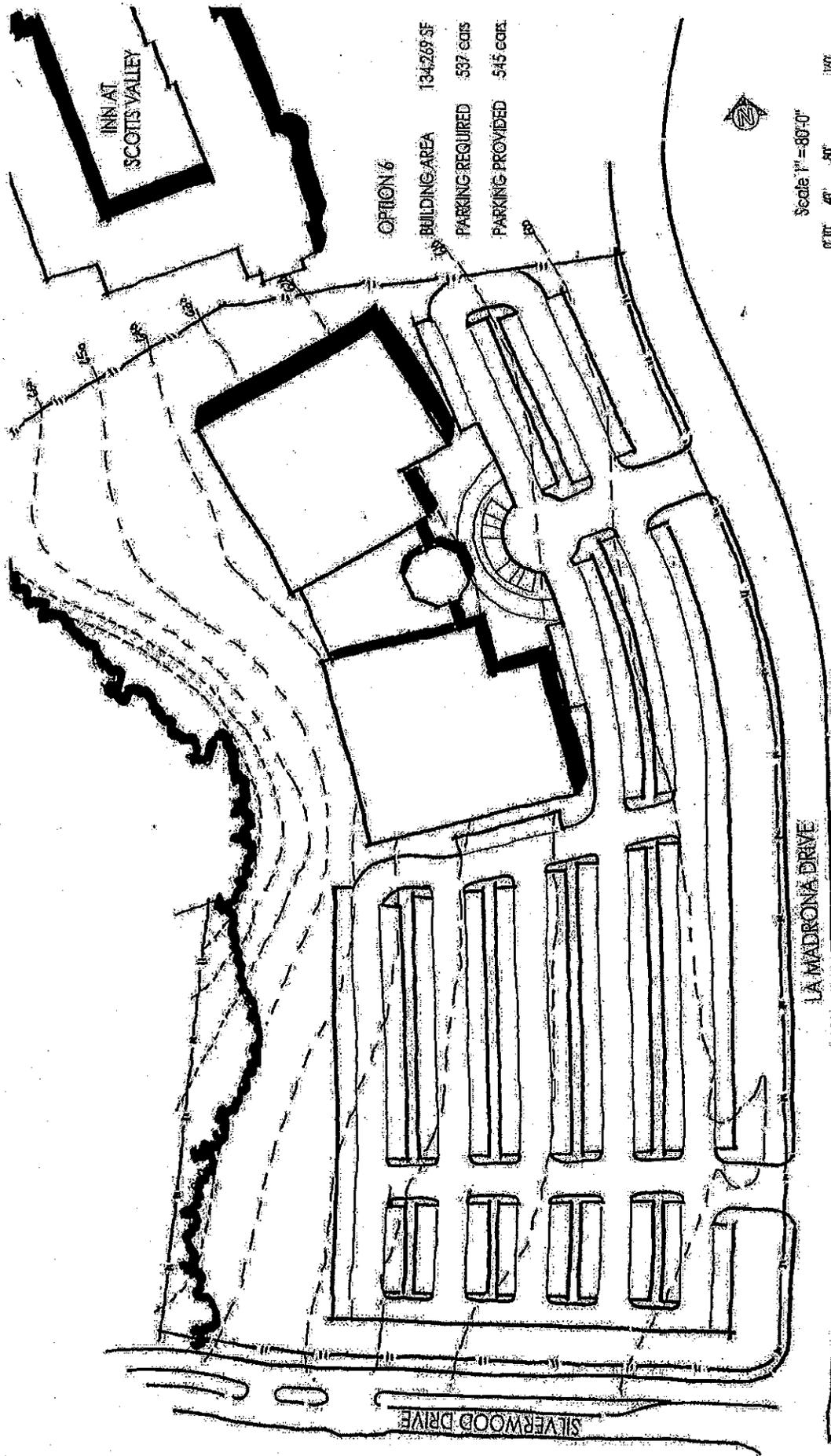
Alternative Site Studies
DES
 CONSULTING ENGINEERS
 ARCHITECTS
 PLANNERS
OPTION 4
 Scale 1" = 80'-0"
 18.06.2004

GATEWAY SOUTH
 SCOTTS VALLEY, CALIFORNIA



Alternative Site Studies
DES
 DESIGN STUDIES
 CONSULTANTS
 OPTION 5
 Scale 1"=80'-0"
 06/10/2004

GATEWAY SOUTH
 SCOTTIS VALLEY, CALIFORNIA



OPTION 6
 BUILDING AREA 134,267 SF
 PARKING REQUIRED 537 cars
 PARKING PROVIDED 545 cars

Scale 1" = 80'-0"
 0' 40' 80' 160'

SILVERWOOD DRIVE
 LA MADRONA DRIVE
 STATE ROUTE 17 FREEWAY

660 feet above mean sea level contains stands of coast live oaks and coastal redwoods. The siting options all shift the proposed office building towards the north and, thus, towards the protected trees. Building construction and siting of the fire lane around the northern and western elevations would potentially disturb the local stands of trees. In both instances, these impacts can be mitigated to less than significant. Nevertheless, it does not appear that the six options would substantially reduce identified significant project impacts and may, in fact, exacerbate some environmental effects.

During the June 16, 2004 City Council public hearing, the following comments were made and not addressed during the public hearing.

16. The fair share concept is an appropriate way of addressing cumulative traffic mitigation.

Response: The fair share concept has been identified as the means of addressing the cumulative traffic impacts in the SEIR. Response 7.1 provides further explanation of the concept and notes that City staff is researching the methodology to arrive at a fair share of allocating contributions to costs of required improvements.

17. The project sponsor needs to reach resolution with the Scotts Valley Water District regarding the project's effect on groundwater storage

Response: It is acknowledged that the project's effect on groundwater supplies is an important issue. In response to the comment letter from the Scotts Valley Water District (Comment Letter #6), additional text has been added to the SEIR, including a specific and new Mitigation Measure HY-5.2, which calls for the project sponsor to collaborate with the Scotts Valley Water District to arrive at a mutually acceptable means of mitigating the project's contribution to cumulative effects.

18. A project alternative should be considered that is reduced in scale and sites the office building closer to the Hilton Hotel to the north.

Response: An expanded discussion of project alternatives, including the suggestions made by the Councilmember, is provided above in Response 15, which addresses a similar comment raised by a Planning Commissioner.

19. Lunch-time intersection impacts should be discussed.

Response: The heavy traffic along city streets during the mid-day lunch hour is noted. However, the AM and PM peak hours are the periods of the greatest traffic volumes on the roads and at study area intersections. The impacts during lunch time would be less than those identified for these peak periods. Mitigation measures identified in the DSEIR that would alleviate delays during the AM and PM peak hours would also benefit traffic movements during the lunchtime.

3.3 STAFF INITIATED TEXT CHANGES

In addition to the text changes made in response to comments, City staff has identified text revisions to correct or clarify information presented in the SEIR. The following changes are incorporated as part of the Final SEIR.

Page 1-2, paragraph 2: This SEIR cites information from a number of sources, such as the *Gateway South Specific Plan EIR*, as well as a number of technical reports prepared for this SEIR, including a ~~transportation study (Fehr & Peers, 2003)~~ a biological study, a wetland delineation report, a hydrological study, and a tree survey by EIP, (EIP, 2002) a paleontological study (Petra Paleontology, 2002), and an entomological report (Dr. Richard Arnold, 2002)...These technical reports, including the Initial Study, are attached to this DSEIR as Appendices. Available under a separate cover, entitled Gateway South Office Building and Fire Station SEIR, Volume II Technical Appendices. Because the technical reports were prepared in 2002 and the DSEIR is being finalized in early 2004, there may be discrepancies between the two, in which case the DSEIR contains the more updated and current information. Additionally, background data showing traffic counts and intersection level of service worksheets are available for review with the City Planning and Building Department.

Page 3.1-8, Table 3.1-4, first two intersections:

**Table 3.1-4
Existing Intersection Levels of Service**

Intersection	Type of Control	Peak Hour	Delay ¹	LOS ²
Mt. Hermon Rd./Scotts Valley Dr.	Signal	AM	<u>43.4</u> 43.3	D
		PM	<u>41.7</u> 41.6	D
Mt. Hermon Rd./Glen Canyon Rd.	Signal	AM	<u>11.8</u> 12.0	B
		PM	<u>12.6</u> 13.2	B

Page 3.1-13, Table 3.1-6, first, second, and sixth intersections:

**Table 3.1-6
Background Intersection Levels of Service**

Intersection	Type of Control	Peak Hour	Delay ¹	LOS ²
Mt. Hermon Rd./Scotts Valley Dr.	Signal	AM	<u>50.3</u> 50.2	D
		PM	<u>43.6</u> 43.4	D
Mt. Hermon Rd./Glen Canyon Rd.	Signal	AM	<u>14.3</u> 15.0	B
		PM	<u>15.3</u> 16.2	B
Mt. Hermon Rd./El Rancho Dr.- SR 17 NB ramps	Two-way stop	AM	28.7	D
		PM	<u>27.6</u> 29.6	D

Notes:

Average control delay per vehicle in seconds. Delay and LOS at unsignalized intersections are for the worst-case approach.

LOS = Level of service.

Page 3.1-15, Table 3.1-9, first, second, third, and sixth intersections, and notes:

**Table 3.1-9
Background and Project Intersection Levels of Service**

Intersection	Peak Hour	Background Conditions		Project Conditions	
		Intersection Delay (sec.) ¹	LOS	Intersection Delay (sec.)	LOS
Mt. Hermon Rd./Scotts Valley Dr.	AM	50.3	D	52.8	D
	PM	43.6	D	<u>44.2</u> 44.0	D
Mt. Hermon Rd./Glen Canyon Rd.	AM	14.3	B	<u>14.4</u> 15.1	B
	PM	15.3	B	<u>15.6</u> 16.6	B
Mt. Hermon Rd./La Madrona Dr.-SR 17 SB Off-ramp	AM	31.8	C	49.1 (32.6)	D (C)
	PM	21.6	C	29.9	C
Mt. Hermon Rd./El Rancho Dr.-SR 17 NB ramps	AM	28.7	D	32.8	D
	PM	<u>27.6</u> 29.6	D	28.6	D

Notes:

Values in parentheses include analysis with proposed mitigation measure.

1. Average control delay per vehicle in seconds. Delay and LOS at unsignalized intersections are for the worst-case approach movement.

**Table 3.1-11
Cumulative Intersection Levels of Service**

Intersection	Peak Hour	Cumulative No Project Conditions		Cumulative Plus Project Conditions	
		Intersection Delay (sec.) ¹	LOS ²	Intersection Delay (sec.)	LOS
Mt. Hermon Rd./Scotts Valley Dr.	AM	<u>96.8</u> 96.3	F	> 100 (<u>95.3</u>)	F (<u>F</u>)
	PM	<u>73.0</u> 72.2	E	74.6 (<u>71.2</u>)	E (<u>E</u>)
Mt. Hermon Rd./Glen Canyon Dr.	AM	<u>18.4</u> 21.5	<u>B</u> C	<u>18.5</u> 21.6	<u>B</u> C
	PM	<u>25.3</u> 32.4	C	<u>26.9</u> 36.9	<u>C</u> D
Mt. Hermon Rd./La Madrona Dr.-SR 17 SB Off-ramp	AM	77.4	E	89.6 (<u>57.0</u>)	F (<u>E</u>)
	PM	49.4	D	65.9 (<u>52.2</u>)	E (<u>D</u>)

Notes:

Values in parentheses include analysis with proposed mitigation measure.

1. Average control delay per vehicle in seconds. Delay and LOS at unsignalized intersections are for the worst-case approach.
2. LOS = Level of service.

Page 3.1-20, paragraph 1: The project-generated traffic added to the intersections of Mt. Hermon Road/Scotts Valley Drive (during ~~both the AM and PM~~ peak hours) and Mt. Hermon Road/La Madrona Drive-SR 17 Southbound off-ramp (during both peak hours) under Cumulative Plus Project Conditions would exacerbate unacceptable operations and increase the V/C ratio greater than or equal to one percent, the established standard of significance. The V/C ratio at the Mt. Hermon Road/Scotts Valley Drive intersection would increase by one percent during the AM peak hour and one percent during the PM peak hour. The V/C ratio at the Mt. Hermon Road/La Madrona Drive/SR-17 off-ramp intersection would increase by 5.2 percent during the AM peak hour and 3.8 percent during the PM peak hour. ~~The addition of project-generated traffic would degrade the level of service to an unacceptable level (LOS D) during the PM peak hour at the Mt. Hermon Road/Glen Canyon Drive intersection.~~

Page 3.1-21, paragraph 1: The following measures could reduce the significant cumulative intersection level of service impacts. The proposed improvements to Mt. Hermon Road/La Madrona Drive-SR-17 Southbound off-ramp (see Mitigation Measure TR-1-1) would mitigate the project's contribution to cumulative impacts and render cumulative impacts at this intersection less than significant. ~~and to Mt. Hermon Road/Glen Canyon Drive would effectively reduce significant cumulative effects.~~

Page 3.1-21, Mitigation Measure TR-9.1:

TR-9.1 *Fair Share Contribution to Improvements to Mt. Hermon Road/Scotts Valley Drive Intersection.* ~~Due to the projected volumes under future scenarios, it is anticipated that additional right-of-way would be required to provide the capacity to obtain LOS D operations~~

during the AM and PM peak hours at the Mt. Hermon Road/Scotts Valley Drive intersection. However, ~~to~~ To mitigate the proposed project's contribution to the cumulatively significant impact to less than significant, the phasing and lane configuration at the intersection of Mt. Hermon Road/Scotts Valley Drive could be modified. The lane configuration would need to provide one separate left-turn lane, one through lane, and one separate right-turn lane on the Whispering Pines Drive leg. The phasing would need to be changed to provide separate left-turn phases on all four legs of the intersection. ~~This mitigation would still provide an~~ While the intersection would still have an unacceptable level of service (LOS F during the AM peak hour and LOS E during the PM peak hour), these improvements ~~but~~ would reduce the project's contribution to impact to a less than significant level cumulatively considerable since the resulting change in volume to capacity ratio as a result of the proposed project would be less than one percent. Based on preliminary field measurements, the proposed mitigation measures would fit within the existing right of way.

Alternatively, the City may identify appropriate improvements that would enable this intersection to operate at an acceptable level of service in the future under cumulative conditions. An impact fee to pay for this improvement would need to be developed, and project sponsors would be assessed a fee based on a City-established formula that would arrive at a fair share cost allocation from each sponsor. For informational purposes, the ratio of project traffic to the total volume under Cumulative plus Project Conditions at the Mt. Hermon Road/Scotts Valley Drive intersection during the AM and PM peak hours is 1.4 percent and 1.3 percent, respectively.

Changes to this intersection may have operational effects at other Mt. Hermon intersections "upstream" and "downstream." Accordingly, the sponsor shall contribute a fair share towards adjusting traffic signals at the following intersections along Mt. Hermon Road to account for the increase in traffic from the office building: La Madrona Drive, Glen Canyon Drive, Scotts Valley Drive at Bean Creek, Spring Lakes, King's Village Road, Skypark Drive, Lockhart Gulch Road and Kmart.

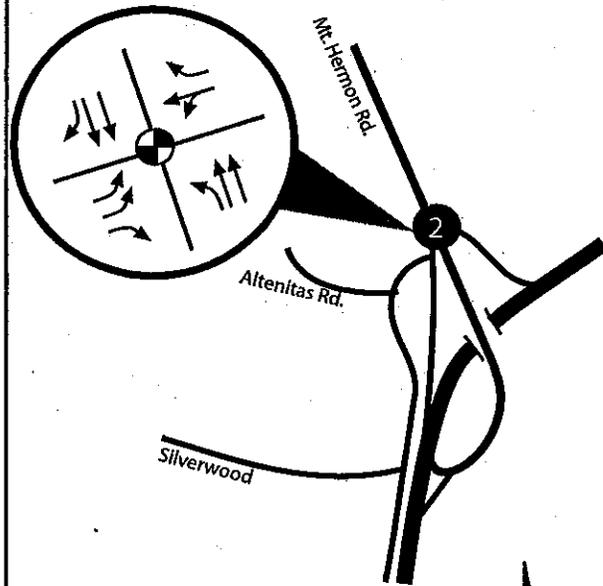
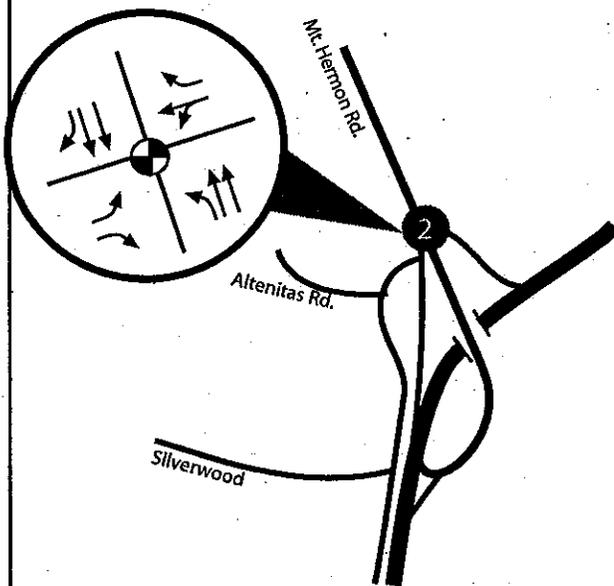
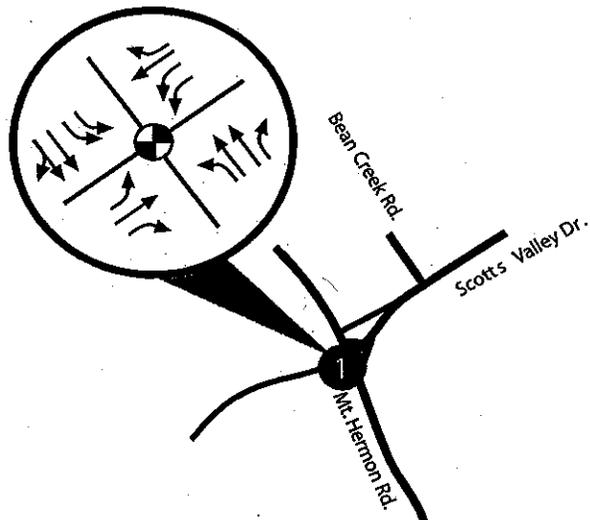
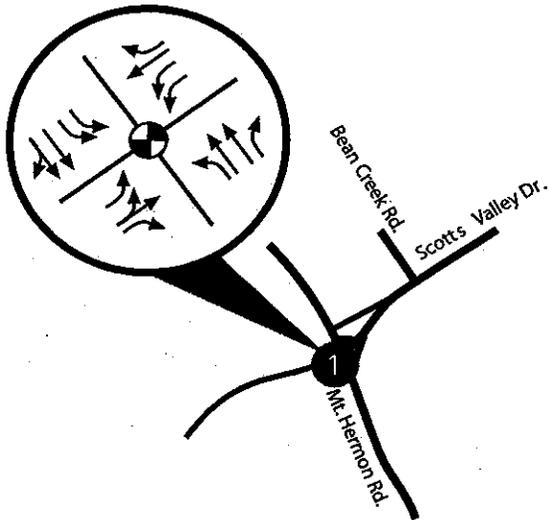
Page 3.1-21, Mitigation Measure TR-9.2: This measure is deleted in its entirety, because it duplicates Mitigation Measure TR-1.1. Reference to Mitigation Measure TR-9.2 in the Summary (see Table S-1 on page S-6) is also deleted.

Page 3.1-22, Mitigation Measure TR-9.3: This mitigation measure is deleted in its entirety, since there would be no significant cumulative plus project impact at the intersection of Mt. Hermon Road/Glen Canyon Drive. Reference to Mitigation Measure TR-9.3 in the Summary (see Table S-1 on pages S-6 and S-7) is also deleted.

Page 3.1-23, Figure 3.1-2: Replace with the new figure on the following page.

EXISTING LANE CONFIGURATION

EXISTING WITH PROPOSED MITIGATION



Key:
 Signal
 Stop Sign


 N
 Not to Scale

Gateway South TIA

Page 5-3, paragraph 2, sentence 2: Because the proposed project would increase the V/C ratio greater than or equal to one percent at Mt. Hermon Road/Scotts Valley Drive, and the Mt. Hermon Road/La Madrona Drive-SR-17 off-ramp, ~~and Mt. Hermon Road/Glen Canyon Drive~~, the project would have a potentially significant cumulative impact.

Page 5-5, paragraph 3, sentence 2: Implementation of these policies and actions, as well as the recommendations contained in Mitigation Measure HY-5.1 and Mitigation Measure HY-5.2, will help to recharge the groundwater basin, reduce groundwater demand, and reduce this cumulative impact to a less-than-significant level.

