

PLANNING DEPARTMENT



COUNTY OF SANTA CRUZ

GOVERNMENTAL CENTER

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BOARD OF SUPERVISORS AGENDA: 6/22/99

June 7, 1999

BOARD OF SUPERVISORS
County of Santa Cruz
701 Ocean Street
Santa Cruz CA 95060

SUBJECT: Approval of Contracts to Prepare a Combined Environmental Impact Report/Environmental Impact Statement for the MCI/Worldcom Trans-Pacific and On-shore Fiber Optic Cable Project

Members of the Board:

In March the Environmental Coordinator determined that an Environmental Impact Report (EIR) would be required for an application by MCI/Worldcom, for the on-shore portion of a trans-Pacific telecommunications fiber optic cable project. The project would include the installation and use of a fiber optic cable from Australia and New Zealand to Pajaro in Monterey County. Landfall for the cable would at the Monterey Bay Academy located near La Selva Beach. Most of the proposed on-shore cable route would be in Santa Cruz County before it continues through Monterey County to its terminus at an existing telecommunications facility in Pajaro. Two State agencies, the California State Lands Commission and the California Coastal Commission have regulatory authority over the project within State marine waters (mean high tideline out to the 3 mile limit). These agencies have agreed to allow the County of Santa Cruz to act as the lead agency under the California Environmental Quality Act (CEQA) to coordinate the preparation of the EIR.

In April, the staff of the Monterey Bay National Marine Sanctuary determined that an Environmental Impact Statement (EIS) would be required for the off-shore portion of the cable project proposed to be installed within the boundaries of the Sanctuary. An EIS, which is similar to an EIR, is required under the National Environmental Policy Act (NEPA) for projects that may generate significant environmental impacts to federally owned or managed lands. To facilitate production of both the EIR and EIS in a manner that is most useful to the public and multiple decision-makers in the review of the environmental analysis, the staffs of County Planning and the Monterey Bay National

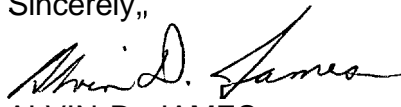
Marine Sanctuary have agreed to have a single EIR/EIS document prepared that meets the requirements of both CEQA and NEPA. The other agencies having regulatory authority over the project also agree with this approach. To facilitate administration of contract, one agency, the County, will contract with applicant and consultant. For that reason, the subject contracts include the preparation of an environmental document that will satisfy the requirements of both CEQA and NEPA and the several agencies having regulatory authority over the project.

Three proposals for preparation of the EIR/EIS were received by the Planning Department and reviewed by Planning staff, and staff of the Marine Sanctuary, State Lands Commission, Coastal Commission and the applicant. The firm of Tetra Tech, Inc. in San Francisco was selected to prepare the EIR/EIS.

The applicant contract (Attachment 1) provides the agreement for the applicant's responsibilities towards preparation of the EIR/EIS. The consultant contract (Attachment 2) provides a scope of work which will provide a thorough analysis of the environmental issues of the project. The estimated cost for the preparation of the EIR/EIS is \$ 304,954. This contract requires approval by your Board because the cost associated with the contract exceeds the \$10,000 administrative limit set by your Board for EIR contracts (Resolution 418-97). MCI/Worldcom has provided the funds for the total cost to complete the EIR/EIS. In the past few days the applicant has decided that their subsidiary company, MFS Globenet, would take the lead in managing this project and therefore have modified two pages of the attached applicant contract to name MFS Globenet as the contracting applicant.

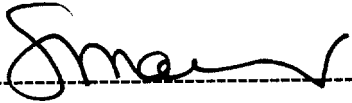
Since this project includes the preparation of EIS and will require regular communication with the staff of the Marine Sanctuary, a second consultant has been selected to provide review, processing and liaison work related to NEPA. The hiring of this temporary consultant is the subject of a companion letter to your Board on this same agenda. The applicant has provided the funds to cover the total cost of the second consultant.

It is therefore RECOMMENDED that your Board authorize the Planning Director to approve the attached contracts on behalf of the County, including any subsequent amendments which may be necessary to complete the EIR/EIS.

Sincerely,,

ALVIN D. JAMES
Planning Director

RECOMMENDED:

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SUSAN MAURIELLO
County Administrative Officer

Attachments:

- 1 - Applicant Contract
- 2 - Consultant Contract
- 3 - ADM-29 Form (Applicant)
- 4 - ADM-29 Form (Consultant)

cc: William Douros, MBNMS
Mary Griggs, State Lands Cmssn.
Chris Kern, Calif. Coastal Cmssn.
Daniel Chance, Monterey County Planning
John King, Tetra Tech
Lester Rutherford, MCI/Worldcom
Tim Reilly, North State Resources

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