

DATE: November 8, 2010

TO: Interested Monterey and Carmel Community Members

FROM: The California State Coastal Conservancy

RE: Update on the Carmel River Reroute and San Clemente Dam Removal Project and Upcoming Public Meetings

As many of you may have heard or read in the press recently, the effort to remove San Clemente dam on the Carmel River is moving forward. This memorandum provides some brief information on project updates that will be discussed at the upcoming November 30th community workshops.

In March 2008, many of you attended workshops to provide input on the Reroute and Removal project. The Carmel River Watershed Conservancy and the Planning and Conservation League Foundation are now hosting another series of community meetings where the project team will provide an update on the project and hear additional concerns. Concerns about the impacts of the project during the construction phase will be addressed when work begins on the preliminary engineering (winter 2010-spring 2011). Our intent is to develop potential strategies to avoid or mitigate issues of concern, return to stakeholders to present these draft approaches, and then revise them as necessary based on additional input.

PUBLIC WORKSHOPS - November 30, 2010

2:00 PM Carmel Valley Community Youth Center, 25 Ford Road, Carmel Valley

7:00 PM Mission Ranch, 26270 Dolores St, Carmel

If you have questions or concerns and are unable to attend one of the workshops listed above, please contact Monica Hunter with Planning and Conservation League (PCLF) at 805-528-4496 or 831-320-2384. Any stakeholder group that would like to set up an individual meeting to discuss the project should contact Monica by phone or by email (mhunter@pcl.org).

The Carmel River Reroute and San Clemente Dam Removal Project November 2010 Update

The following is an update on the Carmel River Reroute and San Clemente Dam Removal Project (the Reroute and Dam Removal Project) from the project team consisting of the California State Coastal Conservancy (SCC), National Marine Fisheries Service (NMFS) and California American Water (CAW).

Brief Project Status

The project remains the same as described in the Final EIR/EIS and as presented in 2008 to the community. The project team has been working to achieve necessary project commitments and confirm project feasibility during 2010 and is now expecting to initiate design and engineering work in late 2010. Project construction is estimated to begin in 2013 and to be completed in 2016.

Project Approvals

There were several project approvals that needed to occur before preliminary design and engineering work could be initiated on the project. These approvals were met in 2010 and the following is a timeline and description:

- (January 2010) Federal, state, and local agency representatives and local elected officials signed a Collaboration Statement committing to participate in the effort to resolve remaining obstacles in the dam removal effort
- (May 2010) Dam Removal Work Plan approved by the Division of Safety of Dams
- (July 2010) California American Water and American Water Boards approved the decision to pursue the dam removal project

Future Approvals Still Needed:

- Notice of Determination to be made by Division of Safety of Dams on the Final EIR/EIS.
 - In order for CAW to undertake construction of the project, it needs to receive approval from the California Public Utilities Commission (PUC). CAW has submitted an application to the PUC which is expected to review the project in 2011.
 - Division of Safety of Dams will need to approve the project's final design and engineering plans.
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Project Funding

The Carmel River Reroute and San Clemente Dam Removal Project (the Reroute and Dam Removal Project) cost estimate remains \$83 million. CAW is committed to providing funding equal to the least cost alternative to resolving the dam safety problem (dam buttressing) which is estimated to be \$49 million. SCC and NMFS are raising the additional \$34 million needed to implement the Reroute and Dam Removal Project. The following is an update on the existing and potential funding commitments.

<u>Funding Sources</u>	<u>Commitments</u>	<u>Estimated Contributions</u>
California American Water	\$49,000,000	\$49,000,000
State Funds	\$7,000,000	\$21,000,000
Federal Funds	\$1,200,000	\$11,500,000
Private Foundation Sources	\$0	\$1,500,000
Total	\$57,200,000	\$83,000,000

Fundraising for the public portion of the project cost will be aggressively pursued in 2011. The Conservancy will be considering an additional \$4M commitment, the Wildlife Conservation Board will be considering a \$7M commitment, and several state and federal grant applications that have been submitted will be announced in 2011. There are also ongoing efforts to secure additional federal funding of up to \$15M.

Long Term Land Ownership and Management

CAW is committed to donating the 928 acres of project land to a public entity for public access and recreation once the Reroute and Dam Removal Project is complete (estimated to be 2016).

In August 2010, the U.S. Bureau of Land Management (BLM) sent a letter of commitment to be the long-term landowner after project completion. The project team will now be working with BLM regional staff to meet their conditions for landownership.

Additional Project Information

SCC and CAW have websites with information on the project, including descriptions of the project components and benefits, and links to the final EIR/EIS.

Coastal Conservancy Website:

<http://scc.ca.gov/2010/01/07/san-clemente-dam-removal-project/>

California American Water website:

<http://www.amwater.com/caaw/working-with-us/investing-in-our-communities/san-clemente-dam.html>