

COASTAL CONSERVANCY

Staff Recommendation

April 27, 2017

Six Rivers Aquatic Restoration Project

Project No. 17-005-01

Project Manager: Peter Jarausch

RECOMMENDED ACTION: Authorization to disburse up to \$413,080 to the Mid Klamath Watershed Council to prepare a programmatic environmental document and Aquatic Restoration Action Plan to facilitate fisheries restoration on land managed by the U.S Forest Service in portions of Del Norte, Humboldt, Trinity, and Siskiyou Counties.

LOCATION: Del Norte, Humboldt, Trinity and Siskiyou Counties

PROGRAM CATEGORY: Integrated Coastal and Marine Resource Protection

EXHIBITS

Exhibit 1: [Project Location](#)

Exhibit 2: [Project Letters](#)

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31111 and 31220 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of up to four hundred thirteen thousand eighty dollars (\$413,080) to the Mid Klamath Watershed Council (MKWC) to prepare a programmatic environmental document analyzing the environmental impacts of a suite of fisheries restoration actions for the Six Rivers National Forest in Del Norte, Humboldt, Trinity, and Siskiyou Counties, and an Aquatic Restoration Action Plan to guide and prioritize implementation of such actions. This authorization is subject to the condition that prior to disbursement of funds, MKWC shall submit a work plan, budget, schedule and the names and qualifications of any contractors for the review and approval of the Conservancy’s Executive Officer.”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed authorization is consistent with Chapters 3 (Section 31111) and 5.5 (Section 31220) of Division 21 of the Public Resources Code, regarding the preparation of plans and protection of coastal and marine resources, respectively.
 2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.
 3. The Mid Klamath Watershed Council is a nonprofit organization existing under section 501(c)(3) of the U.S. Internal Revenue Code, and whose purposes are consistent with Division 21 of the Public Resources Code.”
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PROJECT SUMMARY:

Staff recommends that the Conservancy authorize the disbursement of up to \$413,080 to the Mid Klamath Watershed Council (MKWC) to prepare a programmatic environmental document analyzing the environmental impacts of a suite of fisheries restoration projects that could be carried out in the Six Rivers National Forest and to prepare the Aquatic Restoration Action Plan to guide and prioritize implementation of these fisheries restoration projects. MKWC will work closely with the U.S. Forest Service (Forest Service) in development of these documents. When completed, these documents will help to streamline the efforts of Forest Service, nonprofit partners, and neighboring tribes to implement projects that enhance and restore salmonid habitat within the Six Rivers National Forest.

The proposed project addresses an urgent need to restore north coast salmon populations and fisheries to productive and sustainable levels that will provide substantial environmental, cultural, and economic benefits to local coastal and inland communities in Del Norte, Humboldt, Siskiyou and Trinity Counties. The livelihoods of many rural local communities are based on not only the income that is brought in through commercial and recreational fishing, but from aboriginal and other subsistence fishing undertaken by local tribal and community members.

Though relatively productive in terms of fish, many streams managed by the Forest Service are still recovering from the legacy effects of large floods, first in 1955 and then in 1964, that changed the riparian areas and channels through landslides and removal of large streamside coniferous and deciduous trees. On the Klamath and Trinity Rivers, development of dams and highways have altered most of the main-stem channel, changed the natural rise and fall of these rivers, and disconnected side-channel habitats. Historically, side-channels were part of a web of small tributaries, as were wet meadows, oxbows, and beaver ponds. These habitats along the rivers provided important summer rearing and winter refuge for resident and anadromous fish. In many stream reaches, due to human activities, instream habitat was simplified and channel complexity necessary for various salmonid life stages was lost. Today, riparian forests in many areas are dominated by alder stands and lack sufficient future potential woody debris recruitment important for instream habitat complexity. Anadromous fish populations have diminished significantly, despite the introductions of hatchery fish, and the ratio of hatchery fish to natural spawners is out of balance. In 2013-14, the hatchery fish helped keep the total number of individuals at 15,275. However, only about 4,100 of those fish were natural spawners, which are

far more important to the long-term survival of the species. Ideally, for a total population of 15,000 fish, 10,500 would need to be natural spawners. This imbalance of hatchery versus natural spawners is true for both Chinook and steelhead on the Trinity and Klamath Rivers. Total numbers of actual versus desired populations for coho, chinook, and steelhead are in decline across the forest.

Forest Service staff recognize the great potential to undertake fisheries restoration projects within the lands that it manages but is currently unable to do so for two reasons. First, staff has not been able to secure sufficient funding from the Federal Government to complete the necessary environmental review. Over the last ten years, much of the budget for the Forest Service has gone to fighting wildfires and few funds remain at the end of the fire season for forest and fisheries management. The most cost effective and environmentally sound approach to fisheries restoration across such a large landscape is to prepare one environmental document that will address all land managed under the Six Rivers National Forest in a single document rather than on a project by project basis. The Forest Service is preparing portions of the environmental document, but it lacks the staff resources to complete all of the necessary biological and cultural resources surveys for such a wide area.

Second, at this time the Forest Service does not have a plan that comprehensively analyzes the need for fisheries restoration across its holdings, and prioritizes implementation projects. The proposed project will include an Aquatic Restoration Action Plan (ARAP) that will guide fisheries restoration and ensure that future projects focus on addressing the most critical needs in a systematic fashion. With these two documents completed, the MKWC, Forest Service and other partners will be well-positioned to compete for federal and state funding to implement restoration projects.

The first phase of the proposed project involves conducting a landscape-level environmental analysis of a suite of potential fisheries restoration projects that complies with the requirements of National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA). The California Office of Planning and Research 2014 guidance *NEPA and CEQA: Integrating Federal and State Environmental reviews* encourages federal, state and local agencies to coordinate the NEPA and CEQA process so that one environmental document is prepared that meets the requirements for both CEQA and NEPA. The proposed programmatic environmental document will meet that goal, and upon approval, the Forest Service may issue a Record of Decision, finalizing its NEPA process. After that approval, any California public agency wishing to participate in future fisheries restoration work within the Six Rivers National Forest may utilize the approved Forest Service's environmental document, because the document will be prepared in compliance with CEQA.

Resource specialist surveys will inform the environmental and ARAP documents. These surveys will include but not be limited to cultural resource surveys, biological surveys, wetland delineations, and surveys for hazardous materials. These surveys will cover potential aquatic restoration projects that occur within the administrative boundaries of the Forest. This information will help determine the status of particular resource components within the ecosystem, describe existing reference sites, and identify any aquatic restoration opportunities.

The second part of the proposed project entails convening participating programs, agencies, and stakeholders to develop consensus goals and objectives for aquatic restoration in the Six Rivers National Forest resulting in a clearly-stated Aquatic Restoration Action Plan. The ARAP will be

a programmatic document describing existing resource conditions identified through field assessments and the environmental process. The ARAP will identify priority management actions aimed at stream restoration actions that will facilitate progress towards desired conditions identified in state and federal recovery plans. The ARAP management actions will include both specific fisheries restoration projects such as passage barrier removal on tributaries to the Trinity River, as well as categories of projects such as improving spawning or over wintering habitat. Forest Service and MKWC staffs will work with local interested parties to develop the initial draft project-specific restoration goals and objectives that will lead to a healthy restored landscape. Ongoing partnership participation will be encouraged and solicited through workshops, media releases, and other venues to produce the final ARAP project-specific restoration goals and objectives.

The overall goals and objectives of the proposed project are to accelerate the implementation of fishery restoration projects that improve degraded aquatic and anadromous fisheries instream habitats that support various life stages, thereby aiding in the recovery of federally-listed threatened, endangered, tribal trust and sensitive species. One of the main objectives is to address the limiting stream habitat elements for a resilient fishery, including but not limited to, spawning, rearing, and over-wintering habitats within the Smith, Klamath, Trinity, Salmon, Mad, and Van Duzen watersheds located in the Six Rivers National Forest. Restoration of anadromous fisheries habitats will ensure that the Forest Service upholds its obligations for maintaining fisheries for the benefits of tribal and local communities across the Forest.

The MKWC is a nonprofit organization based in Orleans, CA whose mission is to collaboratively plan and implement watershed restoration, coordinate on land management issues, and promote community vitality through sustainable local economic opportunities. Since its founding in 2001, MKWC has successfully undertaken collaborative fisheries restoration work along the Klamath River between Iron Gate Dam and the confluence with the Trinity River. In addition to the MKWC and Forest Service, all of these projects involve multiple partners such as the US Forest Service, Bureau of Land Management, the Karuk Tribe, and the Yurok Tribe. This partnership is well-positioned to guide the proposed project within the Six Rivers National Forest. The Forest Service will support this effort by providing its full environmental analysis team and coordinate with outside experts as needed.

Site Description:

The Six Rivers National Forest includes mountainous land that stretches from the Oregon border south for approximately 140 miles to Mendocino County (see Exhibit 1). Staff at the Six Rivers National Forest also manage a portion of the Klamath National Forest's Ukonom Ranger District, bringing the total land under Six Rivers National Forest to about 1.2 million acres. The federally-designated Smith River National Recreation Area consists of 307,973 acres of the northernmost section of the forest. Staff at the Six Rivers National Forest shares management of four wilderness areas – the Siskiyou, Trinity Alps, Yolla-Bolly, and Marble Mountain – with nearby National Forest Service staffs, and has sole responsibility for managing the North Fork Wilderness. Six Rivers National Forest Service's headquarters is located in Eureka, with district offices (or "ranger districts") in the communities of Gasquet (Gasquet Ranger District), Orleans (Orleans/Ukonom Ranger District), Willow Creek (Lower Trinity Ranger District), and Mad River (Mad River Ranger District).

Elevations across the Forest range from nearly sea level to approximately 7,000 feet. As a result, Six Rivers National Forest supports many diverse ecosystems and landscapes. The Forest lies within two physiographic provinces: the Klamath Mountains and the Coastal Range and contains extensive stands of coniferous forest, with moderate amounts of oak woodland and grassland in the southern part of the Forest. These ecosystems provide habitat for eight federally classified threatened and endangered species. In addition, 32 plant, 2 bird, 1 fish, and 2 mammal species found in the Six Rivers National Forest are designated by the Forest Service as sensitive species.

Six Rivers National Forest has more than 1,500 miles of streams, constituting about 9 percent of California's total freshwater runoff. The Forest is named for the six major rivers that run within its boundaries: the Smith, Klamath, Trinity, Mad, Van Duzen and Eel. These river corridors are important part of the major north-south Pacific flyway for migratory birds in America. The Smith, Klamath, Trinity, Eel and Salmon Rivers comprise over 390 miles of designated Wild and Scenic River. In addition, there are 24 municipal-class watersheds found on the Forest that are critical to providing a clean source of drinking water for neighboring communities. The Smith and South Fork Trinity Rivers are within the boundary and they are among the major undammed, naturally flowing rivers remaining in California.

Anadromous fish inhabit approximately 400 of Six Rivers National Forest's 1500 miles of streams. As defined in the Northwest Forest Plan, there are eleven "key" anadromous watersheds found on the Forest. These watersheds provide high quality fisheries habitat and comprise a cornerstone for species conservation throughout the Smith, North Fork Eel and Salmon Rivers, as well as within Blue, Bluff, Camp, Red Cap, Horse Linto, Pilot and Wooley Creeks. In addition, many other tributaries provide critical spawning and rearing habitat for not only commercial and recreational salmonids, but also for other tribal trust fish species such as green sturgeon and Pacific lamprey.

Project History: In December 2014, the Forest Service convened a set of meetings with local tribes and watershed restoration groups seeking ideas to help accelerate the implementation of anadromous fish restoration projects in the Forest. These meetings identified the lack of a programmatic environmental document and a prioritized implementation plan as a major impediment to progress on fishery restoration. Forest Service staff developed a proposal for internal funding, but while it is able to bring significant resources to bear on the project, it was unsuccessful in obtaining the full funding necessary to complete those documents. The Forest Service then approached MKWC for assistance, and that led to the MKWC Prop 1 grant application to the Conservancy. The MKWC is a good partner for the project because of its proven ability to secure and manage grant funding, its strong connection to the area, and its own expertise in fisheries restoration.

The Conservancy has a long history of supporting projects that improve conditions in the Smith, Klamath, Trinity, and Mad Rivers, including fish passage barrier removal, the creation of off channel habitat, sediment studies for the Klamath Basin, and aquatic restoration projects.

PROJECT FINANCING

Coastal Conservancy

\$413,080

United States Forest Service	\$528,950
Project Total	\$942,030

The expected source of Conservancy funds for this project is the fiscal year 2016/2017 appropriation to the Conservancy from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1, Water Code § 79700 et seq.). Funds appropriated to the Conservancy derive from Chapter 6 (commencing with § 79730) and may be used “for multi-benefit water quality, water supply, and watershed protection and restoration projects for the watersheds of the state” (Section 79731). Section 79732 identifies the specific purposes of Chapter 6, including: to protect and restore aquatic, wetland and migratory bird ecosystems, including fish and wildlife corridors; to protect and restore coastal watersheds, including, but not limited to bays, marine estuaries, and nearshore ecosystems; and to assist in the recovery of endangered, threatened or migratory species by improving watershed health, instream flows, fish passage and coastal or inland wetland restoration. The proposed project will help achieve these purposes of Proposition 1 by conducting the necessary environmental review and project planning activities that, when implemented, will lead to improved watershed health to benefit endangered fish.

As required by Proposition 1, the proposed project provides multiple benefits including protecting and increasing the economic benefits arising from fisheries resources, improving watershed health, restoring aquatic, wetland, and fish and wildlife corridors, and removing barriers to fish passage. Future aquatic restoration within the Six Rivers National Forest will benefit the overall Forest health.

Match funding will come from the budget of the Forest Service. The Mid Klamath Watershed Council will also be providing \$34,732 of staff time as an in-kind donation to the proposed project.

The proposed project was selected through a competitive grant process under the Conservancy’s Proposition 1 Grant Program Guidelines adopted in June 2015 (“Prop 1 Guidelines”). (See § 79706(a)). The proposed project meets each of the evaluation criteria in the Prop 1 Guidelines as described in further detail in this “Project Financing” section, the “Project Summary” section and the “Consistency with Conservancy’s Project Selection Criteria & Guidelines” section of this staff recommendation.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

The proposed project is undertaken pursuant to Chapters 3 (Section 31111) regarding plans and 5.5 (Section 31220) of Division 21 of the Public Resources Code, regarding the protection of coastal and marine resources.

Consistent with Section 31111, the Conservancy may fund and award grants to undertake plans. The proposed project is a grant to MKWC, a nonprofit organization, to fund preparation of the ARAP and an environmental document.

Consistent with Section 31220(a), the Conservancy may award grants for coastal watershed and coastal and marine habitat water quality and living marine resources protection and restoration projects, provided that the project meets one or more of the objectives detailed in Section

31220(b). Consistent with subsections (2) and (6) of Section 31220(b), the Conservancy may authorize the proposed project because the ARAP will develop projects that protect or restore fish and wildlife habitat within coastal draining watersheds.

As also required by Section 31220(a), Conservancy staff has consulted with the State Water Resources Control Board in the development of the proposed project to ensure consistency with Chapter 3 (commencing with Section 30915) of Division 20.4 of the Public Resources Code.

Finally, consistent with Section 31220(c) the proposed project will include monitoring and evaluation within the ARAP and the environmental document; the proposed project is also consistent with the local watershed management plan and the State Water Quality Control Plan. See “Consistency with Local Watershed Management Plan/State Water Quality Control Plan” section, below.

**CONSISTENCY WITH CONSERVANCY’S 2013 STRATEGIC PLAN
GOAL(S) & OBJECTIVE(S), AS REVISED JUNE 25, 2015:**

Consistent with **Goal 5, Objective A** of the Conservancy’s 2013-2018 Strategic Plan, the proposed project will develop a plan for the restoration and enhancement of coastal habitats.

**CONSISTENCY WITH CONSERVANCY’S
PROJECT SELECTION CRITERIA & GUIDELINES:**

The proposed project is consistent with the Conservancy’s Project Selection Criteria and Guidelines, last updated on October 2, 2014, in the following respects:

Required Criteria

1. **Promotion of the Conservancy’s statutory programs and purposes:** See the “Consistency with Conservancy’s Enabling Legislation” section, above.
2. **Consistency with purposes of the funding source:** See the “Project Financing” section, above.
3. **Promotion and implementation of state plans and policies:** The proposed project is consistent with the following plans and policies:

NOAA 2014 Final Recovery Plan for the Southern Oregon/Northern California Coast Evolutionarily Significant Unit of Coho Salmon. The proposed project has the potential to address multiple high priority recovery actions identified in this plan for streams within the Six Rivers National Forest including but not limited to: increase large woody debris, reduce road-stream hydrologic connection, restore natural channel form and function, and reduce erosion.

Multispecies Recovery Plan Public Draft 2015 – California Coastal Chinook Salmon Evolutionarily Significant Unit (ESU), Northern California Steelhead DPS. This plan highlights the importance of collaboration between federal, state, and local partners in the recovery planning process (Section 7.3). The proposed project will be a collaboration among federal, state and local partners and has the potential to address this plan’s recovery

objectives such as that for Habitat Complexity and Floodplain Connectivity, and Fish Passage.

Recovery Strategy for California Coho Salmon 2004. The proposed project will promote Goals V to enhance and restore habitat within the range of coho salmon. Specifically the proposed project will address Task Number RW-IN-19 to implement specific standards and guidelines identified in the Land and Resource Management Plan for each National Forest in the range of California coho salmon.

State Wildlife Action Plan 2015. The proposed project promotes conservation strategies listed for the North Coast and Klamath including those for: Freshwater Marsh, Native Aquatic Species Assemblages/Communities of Coastal Watersheds, and North Coastal and Montane Riparian Forest and Woodland.

4. **Support of the public:** See “Exhibit 2: Project Letters”.
5. **Location:** The proposed project is located within the Six Rivers National Forest that includes portions of six major coastal river systems critical to supporting salmonids in northwest California: Smith River, Klamath River, Mad River, Trinity River, Van Duzen River, and Salmon River.
6. **Need:** Conservancy funding is needed to undertake the proposed project because the MKWC and Forest Service do not have sufficient funding to undertake the project on their own. The Forest Service is providing a match of over 1:1 for the proposed project but has been unable to secure the entire funding through the Federal Government. The cost of fighting forest fires has been increasing much more quickly than the overall budget of the Forest Service. As a result, much of the money set aside for forest management is used to cover the cost of fighting wildfires and is not available to help manage the Forest.
7. **Greater-than-local interest:** The proposed project will benefit endangered salmonids across a large landscape in northwestern California. Maintaining and increasing healthy fish populations is an important goal both for local fishing communities as well as for the State of California.
8. **Sea level rise vulnerability:** The proposed project locations are all well inland and will not be affected by sea level rise.

Additional Criteria

9. **Readiness:** The MKWC and Forest Service are ready to undertake the proposed project.
10. **Return to Conservancy:** See the “Project Financing” section, above.
11. **Cooperation:** The MKWC will be undertaking the project in partnership with Forest Service. MKWC itself is a collaboration between restoration experts, the Karuk Tribe, and local business owners. MKWC routinely partners with the Karuk and Yurok Tribes, as well as the Forest Service, NOAA Fisheries, California Department of Fish and Wildlife, California Department of Forestry and Fire Protection and many local organizations.
12. **Vulnerability from climate change impacts other than sea level rise:** The proposed project will increase resilience to climate change for salmonids by identifying projects to

improve salmonid habitat across northwestern California. The potential projects may reduce water temperature, provide more spawning areas as well as increase the amount of habitat available for juvenile fish.

**CONSISTENCY WITH LOCAL WATERSHED MANAGEMENT PLAN/
STATE WATER QUALITY CONTROL PLAN:**

The proposed project helps implement the following 2007 North Coast Integrated Regional Water Management Plan Goal:

Goals 3: Ecosystem Conservation and Enhancement

- Objective 6 - Conserve, enhance, and restore watersheds and aquatic ecosystems, including functions, habitats, and elements that support biological diversity
- Objective 7 - Enhance salmonid populations by conserving, enhancing, and restoring required habitats and watershed processes

The proposed project will facilitate the planning and implementation of restoration projects to restore aquatic ecosystems and enhance salmonid populations.

COMPLIANCE WITH CEQA:

The proposed project is statutorily exempt from review under the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code of Regulations Section 15262, because it involves only preparation of the ARAP and an environmental document for restoration projects that the Conservancy has not approved, adopted, or funded and both documents will include consideration of environmental factors. The proposed project is also categorically exempt under Section 15306, because preparation of the ARAP and the environmental document consists of data collection, research, and resource evaluation that will not result in disturbance to an environmental resource and the documents concern restoration projects that has not yet been approved, adopted or funded by a public agency. Staff will file a Notice of Exemption upon approval of the project.