

COASTAL CONSERVANCY

Staff Recommendation
October 23, 2003

NAVARRO RIVER RESTORATION

File No. 98-055
Project Manager: Julia McIver

RECOMMENDED ACTION: Authorization to disburse up to \$713,000 to the Mendocino County Resource Conservation District for inter-agency coordination, outreach and education, and development and implementation of projects to implement the Navarro Watershed Restoration Plan in the Navarro River watershed.

LOCATION: Navarro River watershed, Mendocino County (Exhibit 1)

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

- Exhibit 1: Project Location and Site Map
 - Exhibit 2: Initial Study and Negative Declaration
 - Exhibit 3: Correspondence
 - Exhibit 4: Negative Declaration
 - Exhibit 5: Letters of Support
-

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31000 *et seq.* of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed \$713,000 (seven hundred thirteen thousand dollars) to the Mendocino County Resource Conservation District (“RCD”) for inter-agency coordination, community outreach and education, and development and implementation of projects in the Navarro River Watershed in Mendocino County, as described in the accompanying staff recommendation, and subject to the following conditions:

1. Prior to the disbursement of any funds, the Executive Officer of the Conservancy (“Executive Officer”) shall approve in writing a work plan, budget and schedule, and any contractors or subcontractors to be employed in these tasks.

2. The RCD shall comply with the applicable conditions of the Department of Fish and Game's streambed alteration agreement for the Butler project on Dago Creek, and of the North Coast Regional Water Control Board's waste discharge permit, and provide compliance reports to the Executive Officer as part of project implementation."

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 Navarro River projects are consistent with and will help to carry out the Navarro Watershed Restoration Plan ("the Plan"), adopted by the Conservancy on August 6, 1999, pursuant to Chapter 6 of Division 21 of the Public Resources Code.
2. The proposed projects are consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.
3. The Conservancy has reviewed the Initial Study and Negative Declaration adopted by the North Coast Regional Water Control Board (RWQCB) for the Navarro Watershed Restoration Projects on March 27, 2003, attached to the accompanying staff recommendation as Exhibit 2, and finds there is no substantial evidence that the watershed restoration projects, when implemented pursuant to the Board's waste discharge requirements (part of Exhibit 2), will have a significant effect on the environment.
4. There is no evidence before the Conservancy that the projects will have a potentially adverse effect, either individually or cumulatively, on wildlife resources as defined under California Fish and Game Code Section 711.2.
5. The Conservancy has, on the basis of substantial evidence, rebutted the presumption of adverse effect contained in 14 California Code of Regulations Section 753.5(d) regarding the potential for adverse effect on wildlife resources as defined under California Fish and Game Code Section 711.2."

PROJECT SUMMARY:

Over the last 150 years, the Navarro River watershed has been severely disturbed by the land uses within it. The coho salmon population, once extensive, is now on the federal list of endangered species. The Navarro River estuary is also a significant coastal resource, offering refugia and nursery habitat for numerous coastal-dependent species, like Pacific herring, topsmelt, shiner surf perch, starry flounder, English sole, and Dungeness crab, as well as migrating salmonids. Vineyard and residential development are growing rapidly in the basin, and roads have been identified as the most important source of the fine sediment that is clogging stream channels, diminishing habitat available for spawning, and changing the morphology of the channels in the Navarro.

In 1994, the Conservancy authorized funds for a resource enhancement plan for the Navarro River Watershed. This was developed with community organizations such as the Anderson Valley Grange, the sheep and wine growers associations, industrial and small timber owners, and the Mendocino County Resource Conservation District (RCD), as well as representatives of the re-

source agencies¹. The Conservancy adopted the Plan on August 6, 1999, and has been working with the RCD since then to implement it. Examples of projects done through this partnership include the Mill Creek monitoring project, several road assessments and erosion remediation projects, riparian bank structural and replanting projects, workshops for landowners and heavy equipment operators, development of a community watershed group, a coordinated permitting program, and a native plant nursery in conjunction with the Anderson Valley High School.

Staff now recommends that the Conservancy authorize the disbursement of funds to the RCD for inter-agency coordination, community outreach and education, development, design and permitting of future projects, and development of a vineyard certification program in the Navarro River watershed. Over the next three years, the RCD will perform the following tasks, including but not limited to:

- Develop restoration projects that will control erosion and sediment delivery to stream channels, improve salmonid habitat, complete assessments of roads and subbasins, improve riparian corridors, repair eroded stream banks and replant with native vegetation.
- Evaluate completed projects to determine their effectiveness.
- Work with the community and students on education and demonstration projects.
- Provide education and outreach to landowners in the community.
- Provide workshops on road maintenance, use of native vegetation in restoration projects, and other subjects of use to local landowners.
- Develop projects to control invasive non-native species such as *Arundo* and *Tamarisk* and restore native riparian vegetation.
- Develop a vineyard certification program to involve vineyard owners in protecting and restoring their lands. Vineyards are the most rapidly growing land use in the watershed, as the Anderson Valley becomes a better known wine producing region in the state. The RCD will research existing programs (such as the Napa Green program in the Napa Valley, in which the Conservancy is a current partner) hold meetings with vineyard owners, public agencies, and others, and cultivate a concept program and proposal for development of a program that would work with willing vineyard owners to implement farm-specific management plans that will improve agricultural and land use practices for the benefit of the natural resources in the valley.

Staff is also recommending that the Conservancy authorize funds to the RCD for on-the-ground projects to implement the Plan. The construction projects included in this authorization are permitted and have undergone environmental review pursuant to the coordinated permitting program funded by the Conservancy last year (see Exhibit 3). This program is intended to make it easier for landowners to obtain permits necessary for watershed restoration projects and activities, and the value of this approach has been demonstrated through obtaining the permits for these projects.

The on-the-ground projects include:

¹ State and regional water boards, the Departments of Fish and Game and Parks and Recreation.

- A joint demonstration project with the Department of Water Resources to restore a one-mile-long section of Robinson Creek located in the heart of Boonville, the largest town in the watershed. This project will include a community stream cleanup, bioengineering with willow/rock baffles, replanting with native riparian vegetation, and a monitoring program.
- A joint project with the USDA Environmental Quality Incentives Program (EQIP). The project will prevent streambank erosion in upper Rancheria Creek (the largest tributary to the river) by pulling back 300 feet of bank, using willow/rock baffles on the banks, and replanting.
- A joint native vegetation restoration project with the Department of Fish and Game (DFG) to remove *Arundo donax* (an aggressive invasive weed that threatens riparian health and crowds out native habitat) and replant with native vegetation. This project will be carried out without the use of herbicides. *Arundo* is just gaining a foothold in the watershed, and it may actually be possible to eradicate it, through this and subsequent projects, before it becomes widespread.
- The final phase of the Butler property road remediation project on Dago Creek. The Conservancy has contributed funding to the first two phases of this project, along with DFG. This project will reduce sediment delivery from the road system and modify identified barriers to anadromous fish migration. (This project was identified in the Watershed Restoration Plan, and will be completed with this phase.)

Other projects that will be funded under this authorization include:

- A joint project with U.C. Davis and the Mendocino County Water Agency to continue monitoring on Mill Creek, a project begun two years ago with Conservancy and DFG funding. Evaluation of restoration projects is a key component of the overall Navarro program, and this three-year project will use volunteers and high school students to continue monitoring the work done in the Mill Creek subbasin for its effectiveness in increasing salmonid habitat.
- A joint project with the Department of Parks and Recreation (DPR) to assess roads in Hendy Woods State Park and upslope private lands for sedimentation control.

Future projects developed under this authorization will be brought, as they are ready, to the Conservancy and other agencies for funding and project-specific CEQA review. Prospective projects that are expected to be developed under this authorization include:

- activities to benefit salmonids (especially coho salmon) and their habitat in the Navarro River watershed, such as: controlling erosion from roads and upslope areas; improving riparian habitat;
- public outreach and education regarding restoration work on private land;
- growing native plants for landowner use in restoration projects;
- development of a Navarro River website; and
- technical education for the community.

The work described in this proposed authorization would enable the seamless continuation of an ongoing partnership with the RCD that the Conservancy began when it adopted the Plan. In the past three years the Conservancy has supported over 20 separate projects, and its leadership in

this program has leveraged the involvement of and funding from DFG, the USDA EQIP program, the Department of Conservation, the Mendocino County Water Agency, private sector funding, and matching funds or “sweat equity” from road associations and landowners.

Site Description: The Navarro River and its major tributaries, Rancheria, Indian, and Anderson Creeks, drain the largest watershed completely in Mendocino County, an area of 330 square miles. Timber harvest, grazing, orchards, vineyards, and tourism are the primary economic activities in this largely rural area and all are supported by the river. The watershed is under increasing development pressure as it becomes included in the “greater Bay Area” and as vineyard expansion in the watershed increases. Accordingly, pressure on water supplies and water quality, as well as on the remaining fish habitat, is also increasing as more land is brought into production or developed.

The EPA has included the Navarro on the State Water Resources Control Board’s Clean Water Action Section 303(d) list of water bodies whose beneficial uses are threatened, in this case by sedimentation. The river supports a much-reduced population of coho salmon, a federally listed species, as well as steelhead, which are threatened in many of northern California’s watersheds and listed as well.

Project History: The Navarro River basin has been heavily exploited for timber, livestock production, and agriculture for over a century and a half, and the attendant land disturbance has profoundly affected the watershed’s health.

In 1994, the Conservancy provided funds, along with the State Water Resources Control Board in a 205j grant from the Clean Water Act, to develop an enhancement plan for the Navarro River. The plan was developed over the subsequent three and a half years through a combination of public participation and scientific examination of the condition of the watershed. The Plan was adopted by the Conservancy in August of 1999, and since then Conservancy staff has worked with the RCD, public agencies, and local organizations to develop projects to implement the plan, among them the proposed work described in this staff recommendation. The Conservancy has provided approximately \$398,000 for planning, project design and permitting, and on-the-ground projects to implement the Plan. These funds have leveraged non-Conservancy funds in a ratio of well over 3 to 1.

PROJECT FINANCING:

Coastal Conservancy:

Project design, environmental review and permitting, education, landowner and community outreach for 3 years	\$414,000
Implementation projects	<u>299,000</u>

Total Conservancy cost	\$713,000
------------------------	-----------

Match funds for implementation projects	\$134,000
---	-----------

Staff anticipates using Salmon Recovery funds derived from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Act of 2000 (“Proposition 12”) for this project, which were appropriated to the Conservancy to protect, restore, acquire, and enhance habitat for salmonids. This is an appropriate funding source because the projects will result in salmonid habitat restoration.

The Conservancy has funded a total of \$398,100 in restoration projects to implement the Navarro Watershed Restoration Plan since its adoption in 1999. These funds have leveraged \$1,455,150 in non-Conservancy funds for restoration projects pursuant to the plan in the same period, a ratio of 3.6 to 1.

CONSISTENCY WITH THE CONSERVANCY'S ENABLING LEGISLATION:

Sections 31251 and 31251.2(a) of the Public Resources Code authorize the Conservancy to award grants to public agencies for the purpose of enhancement of coastal resources, including watershed resources that lie partly outside the coastal zone.

The Navarro Watershed Restoration Plan, adopted by the Conservancy in August of 1999, describes actions that can be taken throughout the watershed to benefit coastal resources, including that of the coho salmon and steelhead, state or federally listed endangered species. In adopting the Plan, the Conservancy determined these actions to be consistent with Chapter 6 of Division 21 of the Public Resources Code, and found that the Mendocino County Local Coastal Program identified a need for public action to resolve resource problems on the Navarro River. The recommended authorization would provide funding for some of the actions recommended in the Plan.

CONSISTENCY WITH CONSERVANCY'S STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

The work proposed in this staff recommendation will fulfill **Goal 6: Improve Water Quality, Habitat and other Coastal Resources within Coastal Watersheds and the Ocean.**

Under that goal, this project will help to fulfill **Objectives A and B:**

Objective A: Develop approximately 70 plans and projects that preserve and restore coastal watersheds and create river parkways; and

Objective B: Complete approximately 55 plans or projects to improve water quality to benefit coastal resources.

It will also help to fulfill the statewide strategy that directs staff to develop projects that help anadromous fish and further endangered species recovery.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, 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. **Support of the public:** This project is supported by Congressman Mike Thompson, Senator Wes Chesbro, Assemblywoman Patty Berg, the Mendocino County Board of Supervisors, the Regional Water Quality Control Board, the State Departments of Parks and Recreation and Fish and Game, and numerous local landowners (see Exhibit 5).
4. **Location:** The project area covers approximately 330 square miles and lies partly within and partly outside the coastal zone, and is the largest watershed wholly within Mendocino County. The river supports populations of coho salmon and steelhead, both listed species, as well as riparian corridors that serve as wildlife corridors from the coast inland. The mouth of the Navarro is a significant estuary for its fish rearing habitat.
5. **Need:** The Conservancy has been working on the Navarro River watershed for almost ten years now, and its partnership with the RCD has led the restoration efforts in the watershed. Mendocino is a poor rural county, without the resources to undertake these efforts. Conservancy leadership and funding are both required in order to continue the development of a coordinated program for the watershed.
6. **Greater-than-local interest:** The Navarro watershed is a significant north coast stream and the largest watershed wholly in Mendocino County, and supports listed endangered species like the coho salmon and steelhead.

Additional Criteria

7. **Urgency:** The Navarro supports the endangered coho salmon as well as steelhead, now making their way steadily toward the endangered list. The need for restoration of their habitat is widely recognized in California as well as nationally, as is the urgency of saving their habitat before they become extinct.
8. **Resolution of more than one issue:** Along with assisting in the recovery of endangered species, the proposed project will benefit and improve water quality in the watershed.
9. **Leverage:** See the “Project Financing” section above.
11. **Innovation:** The Conservancy has funded development of a permit streamlining program for restoration projects in the Navarro watershed (October 2001) and the proposed work will take advantage of this in new project development.
12. **Readiness:** The proposed work will provide seamless continuation of an ongoing Conservancy program in the watershed.
13. **Realization of prior Conservancy goals:** See the “Project History” section above.
15. **Cooperation:** Implementation projects in which the Conservancy has been involved have been carried out in partnership with parties such as the Mendocino County Water Agency, the Anderson Valley School District, the Department of Fish and Game, nonprofit organizations, and local landowners. Part of the Conservancy’s work has included fostering the Navarro Watershed Working Group, a community group dedicated to assisting with implementation of the Plan.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The Conservancy found that the Navarro Watershed Restoration Plan, which describes actions that can be taken throughout the watershed to benefit coastal resources, consistent with the certi-

fied Mendocino County Local Coastal Program when it adopted the Plan in August of 1999. The work proposed in this staff recommendation will continue implementation of the Plan.

COMPLIANCE WITH CEQA:

The part of this proposed authorization that involves only design and permitting, educational and outreach, and program development activities, (including the Mill Creek monitoring and the Hendy Woods road assessment) do not have any potential to result in a physical change in the environment and are therefore statutorily exempt from the provisions of the California Environmental Quality Act (CEQA) under 14 Cal. Code of Regulations Section 15262. Upon Conservancy approval of the project, staff will file a Notice of Determination.

The Dago Creek road remediation project is another phase of a project described in the Navarro River Restoration Plan. The Mendocino County RCD prepared and adopted a Negative Declaration on the Plan in July 1999, finding that the project would not have a significant adverse impact on the environment, and in its action on August 6, 1999, the Conservancy concurred. In addition, the Department of Fish and Game has filed a Negative Declaration for its 2003 Fishery Restoration Grants Program, including this project, finding that it would have no significant impact on the environment (see Exhibit 4).

The Robinson Creek, Upper Rancheria Creek, and *Arundo* control projects have all been permitted as part of the Partners in Restoration Regulatory Permit Coordination Program developed under an earlier Conservancy grant. As part of this coordinated regulatory process, the RWQCB served as the lead agency for environmental review under CEQA and issued waste discharge requirements applicable to specified restoration/conservation measures in the watershed, including access road improvements, critical area planting, fish stream improvements, grade stabilization structures, road removals, streambank stabilization, and water flow control structures.

The RWQCB prepared an Initial Study/Negative Declaration for these activities which it adopted on March 27, 2003 (see Exhibit 2). With the application of specified provisions as part of project waste discharge requirements, the RWQCB found that the permitted activities would not have a significant impact on the environment. Staff has reviewed the RWQCB's Initial Study, Negative Declaration, and waste discharge requirements and recommends that the Conservancy concur in this finding. Upon approval of this authorization, staff will file a Notice of Determination.