

COASTAL CONSERVANCY

Staff Recommendation
October 23, 2003

**MATTOLE RIVER WATERSHED WATERSHED ENHANCEMENT:
SALMONID HABITAT IMPROVEMENTS**

File No. 03-131
Project Manager: Su Corbaley

RECOMMENDED ACTION: Authorization to disburse up to \$70,000 to the Mattole Restoration Council to implement salmonid habitat improvement projects in the Mattole River estuary and assess improvements to the artificial rearing facilities in the Mattole River Watershed.

LOCATION: Mattole River estuary, southern Humboldt County (Exhibit 1)

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

- Exhibit 1: Location Map
 - Exhibit 2: CEQA Documentation
 - Exhibit 3: Site Map
 - Exhibit 4: Letters of Support
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RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31251-31270 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed seventy thousand dollars (\$70,000) to the Mattole Restoration Council, Inc. (“MRC”), a non-profit organization, for the purposes of improving salmonid habitat in the Mattole River estuary and operating artificial salmonid rearing facilities, in conjunction with related grants awarded by the Department of Fish and Game (“DFG”).

This authorization is subject to the following conditions:

1. Prior to the disbursement of any Conservancy funds, the MRC shall submit for review and approval by the Executive Officer a work program, schedule, budget, and the names of any contractors to be used for the activities under this authorization, and provide evidence that all permits necessary to this project have been issued.

2. Conservancy and Proposition 12 funding shall be acknowledged in signage or other documentation appropriate to the project.
3. With respect to the work proposed for the estuary, an agreement meeting the requirements of Public Resources Code Section 31116(c) to protect the public interest in improvements funded under this grant shall be recorded in the official records of Humboldt County.”

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 the purposes and criteria of Chapter 6 of Division 21 of the Public Resources Code (Sections 31251 to 31270) regarding enhancement of coastal resources.
2. The proposed authorization is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.
3. The Mattole Restoration Council is a private 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 California Public Resources Code.
4. The Mattole River is identified in the Humboldt County Local Coastal Plan, South Coast Area Plan as environmentally sensitive habitat and a significant coastal stream for which the biological productivity should be maintained.
5. The Conservancy has reviewed the proposed Mitigated Negative Declaration (attached to the accompanying staff recommendation as Exhibit 2) adopted by the California Department of Fish and Game, Central Coast Region on May 19, 2003 pursuant to the California Environmental Quality Act, and the Mitigation Monitoring Program developed to mitigate potentially significant environmental effects, and finds that the project avoids, reduces or mitigates the possible significant environmental effects to a level of insignificance, and that there is no substantial evidence that the salmonid habitat improvements to the Mattole River estuary may have a significant effect on the environment, as defined in 14 Cal. Code Regulations Section 15382.
6. There is no evidence before the Conservancy that the estuary habitat improvements will have a potentially adverse effect on wildlife resources as defined under California Fish and Game Code 711.2.
7. 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:

The proposed authorization will complete the Conservancy funding anticipated for Phase I of the Mattole River Watershed Enhancement Program, authorized by the Conservancy on January 23, 2003. It will enable operational upgrades to salmonid rescue rearing facilities operated by the

Mattole Salmon Group (MSG) and the construction of scour and shade pools in the Mattole River estuary to create protective summer habitat for salmonids. The Mattole River and Range Partnership (MRRP) is an unincorporated association of five local nonprofit organizations including the Mattole Restoration Council (MRC) (the Conservancy's grantee), MSG, the Middle Mattole Conservancy, the Mattole Fire Safe Council, and Sanctuary Forest, Inc., working together to develop the enhancement program for the watershed. The activities proposed under this authorization are outlined in the Conservancy-funded report *The Dynamics of Recovery: A Plan to Enhance the Mattole Estuary* and MSG's *5-Year Management Plan For Salmon Stock Rescue* approved by the Department of Fish and Game (DFG) in 2000. The Conservancy is funding the project in the Mattole River estuary in conjunction with a Department of Fish and Game 2003 Fishery Restoration Grant to MSG. DFG has funded a portion of the estuary work, has adopted a Mitigated Negative Declaration (Exhibit 2) for that work under the California Environmental Quality Act, and has approved the MSG's *5-Year Management Plan for Salmon Stock Rescue Operations* within which the possible rearing facility upgrades are outlined.

The Mattole River provides suitable salmonid habitat along many upper reaches of the river and tributaries. Yet in other critical areas of the river, particularly the estuary, habitat is not suitable for survival of salmonids that must rely on them for summer habitat. After successful spawning, hatching, surviving winter river surges, and migration to the estuary to escape to the ocean, many salmonids can be trapped in the estuary after its mouth closes in early summer. Once trapped, the fish must suffer the extremes of the estuary in summer: the lack of deep water, high temperature shallow waters, and poor protection from predation. This proposed project includes two elements to help salmonids survive summers on the Mattole: (1) creating deep, cool, and shady scour pools in the estuary; and (2) evaluating, and implementing where appropriate and reasonable, minor upgrades of the rearing facilities operated by MSG for the purposes of rearing Chinook rescued from the estuary and other inhospitable reaches of the river (e.g., the headwaters or further up in tributaries that may dry up in summer months from excess diversions).

The minor upgrades to artificial rescue rearing facilities, if upgrades are deemed necessary, will be completed after rescued and summer-reared fish have been returned to the river in the fall and therefore will not involve movement of or contact with fish species. The work is expected to include conducting a feasibility study of alternative locations within the watershed for rearing facilities, and evaluation of the need for: upgrading equipment, including pump replacements to increase flow capacity; increasing tank capacities; and consulting experts and researching methods to improve the facility design to increase overall capacity and improve the efficiency and functionality of the system.

Activities also will include increasing suitable summer salmonid habitat in the upper estuary, above Collins Gulch (Exhibit 3). Specifically, MSG will construct and install four complex boulder cluster/woody debris structures in the Mattole River estuary; these will create the scour action to develop deep and shady cool-water pools necessary for fish to survive the estuary in summer, as well as provide protection from predators, further increasing survival.

Site Description: The Mattole River is located in the area of California known as the "Lost Coast," about 200 miles north of San Francisco. The river flows 62 miles from its headwaters in northern Mendocino County to its estuary in the coastal zone at the Pacific Ocean at a point west of Petrolia, in Humboldt County. The estuary has widened and become aggraded, due primarily to historic timber activities, exacerbated by natural seismic activity of the area. Its waters are very shallow and too warm in summer to allow survival of a high percentage of salmonids.

Project History: The Mattole River watershed has a history of grassroots habitat conservation efforts. In the late 1970s, local citizens began a long-term project to revive the Mattole’s declining salmon runs—initially working to directly address the decline through the use of small-scale fish propagation facilities called “hatch boxes.” This early work led to efforts to reduce stream sedimentation, protect old-growth forest, educate neighbors about land management practices, and plant trees to improve riparian habitats. Many successful restoration and conservation projects have been completed in the Mattole for the benefit of the native Chinook and coho salmon and steelhead, including acquisition of old-growth forests, aquatic habitat improvement projects, and landowner efforts to cooperatively manage their lands to improve watershed health. In 2002, the MRRP was formed to bring together talents and efforts to develop the Mattole Watershed Enhancement Program.

The Coastal Conservancy has been instrumental in Mattole conservation activities working with several of the MRRP members, including MRC, MSG, and Sanctuary Forest, on various habitat studies, an estuary recovery plan, land acquisition efforts, and most recently, the development of the watershed-wide enhancement program to provide consistent and cohesive efforts to accelerate salmonid recovery in the Mattole. Some of the activities conducted thus far under this program have included preparation of the watershed management plan, public outreach and education for water conservation and conservation easements, technical advisory committee meetings, development of conservation easements and water conservation programs, and habitat and species monitoring.

In 2002, the Mattole Salmon Group, a nonprofit organization member of the Mattole River and Range Partnership, applied for and was awarded grant funding from the Department of Fish and Game for the estuary improvements; the Conservancy grant will match DFG funds for estuary habitat improvement activities in 2003 and 2004. Further, DFG is currently funding MSG’s efforts to trap, spawn, and rear salmon in artificial rearing facilities; improvements and upgrades to the rearing facilities are discussed in the DFG-approved year 2000 MSG report: *5-year Management Plan for Salmon Stock Rescue Program*.

PROJECT FINANCING:

Coastal Conservancy	\$ 70,000
DFG	<u>89,790</u>
Total Project Cost	\$159,790

The source of funding for the Conservancy’s contribution to this effort is expected to be salmon habitat funds of the “Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Act of 2000” (Proposition 12).

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

Under Public Resources Code Section 31251, the Conservancy may award grants to nonprofit organizations for the purpose of enhancement of coastal resources that, because of natural or human-induced events, have suffered loss of natural and scenic values. Consistent with §31251, this project provides for corrective measures to enhance the natural character and resources of the Mattole estuary that has suffered loss of natural values, due primarily to increased sedimentation and resulting aggradations from historic timber activities and associated road cutting.

Section 31252 requires that all areas proposed for resource enhancement by a state agency, local public agency, or nonprofit organization shall be identified in a certified local coastal plan (LCP) or program as requiring public action to resolve existing or potential resource protection problems. The proposed project is consistent with the Humboldt County Local Coastal Plan, South Coast Area Plan as described in the "Consistency with Local Coastal Program Policies" section below.

Under §31253, the Conservancy may provide up to the total cost of any coastal resource enhancement project. The Conservancy's proposed contribution towards the project is less than 45 percent of the total project cost.

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

Consistent with **Goal 6, Objective A**, the proposed project is expected to improve northern California coastal watershed habitat for anadromous fish resulting in significant increases to their populations.

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:** As discussed, the proposed project is consistent with Chapter 6 of the Conservancy's enabling legislation (Division 21 of the Public Resources Code), specifically with Sections 31251-31270 regarding coastal resource enhancement.
2. **Consistency with purposes of the funding source:** Funding for the proposed project is expected to come from salmon habitat funds appropriated under Proposition 12. The project is consistent with the funding source because of the importance of stream habitat and coastal water quality to the anadromous fish populations.
3. **Support from the public:** The communities from in and around the Mattole River strongly support the restoration activities taking place there, as evidenced by the high level of volunteerism that supports the project work (see Exhibit 4). The California Department of Fish and Game has for many years supported and funded MSG's rescue trapping and rearing activities for which the artificial rearing facilities directly support.
4. **Location:** The Mattole River watershed is located partly within and partly outside the coastal zone, in Mendocino and Humboldt Counties, approximately 200 miles north of San Francisco. The estuary, the location of projects proposed for this authorization, is in the coastal zone just west of Petrolia in Humboldt County.
5. **Need:** The Mattole River is rich in anadromous fish resources. However, because of years of incompatible land uses exacerbated by severe seismic and weather occurrences, the estuary has become unsuitable to support summer salmonid populations and in critical need of habitat de-

velopment to increase the numbers of Chinook surviving the summer to mature in a natural setting. There is increasing demand on the artificial rearing facilities to help upriver smolts at risk when excess water is diverted from upriver spawning/rearing habitat, and each year the river runs dry, the higher is the need for these artificial facilities. Upgrades will allow greater efficiency and the proposed feasibility studies, done now before need is critical, will allow ample planning and appropriate placement of additional facilities.

6. **Greater than Local Interest:** The public-trust value of California's anadromous fish populations is epic and a resource that if lost in the Mattole would irreparably damage the economic base, as well as the way of life, of the Mattole. There is a long history of people coming from far and wide to fish the Mattole, which has experienced historic fish runs in the thousands. With the decline in those numbers, there has been a significant economic impact to the commercial and sport fishing industry. The restoration of habitat will increase salmon populations and benefit the overall economic health of the state.

Additional Criteria

7. **Urgency:** The Mattole River estuary is wide and comprised of shallow water in the summer when sources can run dry upstream. Chinook that become trapped in the estuary after its mouth to the ocean close in early summer must survive in the shallow and hot waters of the estuary. It is critical that MSG be able to create some of the pools and shade cover this fall to be ready for Chinook to utilize for protective habitat next summer. The upgrades to the rearing facilities must be completed this winter in order to allow efficiency and functionality testing of the equipment to be completed prior to the next season.
9. **Leverage:** The Conservancy is funding the project in conjunction with nearly \$90,000 in grants from DFG for estuary habitat improvements and salmon rescue operations.
12. **Readiness:** The MSG, a member of the MRRP, has been awarded DFG funding for the estuary improvement work, and has already begun the early phase of the estuary work.
13. **Realization of Prior Conservancy Goals:** Improvement of estuary habitat and creation of cool pools for summer habitat are recommendations identified in the Conservancy-funded report *Dynamics of Recovery: A Plan to Enhance the Mattole Estuary*. In addition, this work complements the (developing) Mattole River Watershed Enhancement Program, funded by the Conservancy in January 2003.
15. **Cooperation:** This work, which will be performed by members of the MRRP who have separately contributed funds to the effort, continues the longstanding relationships of its members and multiple agencies working together to restore the watershed.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The Humboldt County Local Coastal Plan, South Coast Area Plan (LCP) discusses land use for this region of Humboldt County. Several sections of the LCP relevant to this project are as follows.

Section 3.41.A.1.g identifies as environmentally sensitive areas critical habitats for rare or endangered species on state or federal lists. The listed species Chinook, coho salmon, and steelhead trout inhabit and spawn in the Mattole River.

Section 3.41.E.2 identifies the Mattole River as a significant coastal stream, and incorporates by reference Section 30231 of the Coastal Act, regarding maintaining the biological productivity and the quality of coastal streams. Implementing this project will enable MRC, through the Mattole River and Range Partnership, to restore significant habitat for Chinook, coho, and steelhead salmon and plan for long-term maintenance of the species.

COMPLIANCE WITH CEQA:

The proposed authorization involves improvements to natural and artificial fish rearing habitat. Specifically, it will involve the following types of activities: design and feasibility studies for, and if deemed appropriate, repairs to artificial fish rearing facilities, and construction and installation of structures in the estuary to create deep cool pools and shade cover.

The feasibility studies, and repairs to the artificial rearing facilities, as described, would not involve construction, disturbance of species of concern, or disturbances to habitat or the environment. These activities are statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code of Regulations Section 15262, which exempts projects that involve only feasibility or planning studies for future actions that have not been approved, adopted, or funded by the Conservancy.

Construction of structures in the estuary is subject to CEQA review and findings. On May 19, 2003, DFG adopted a Mitigated Negative Declaration “For the 2003 Fishery Restoration Grants Program. . .” for which DFG is the CEQA lead agency. DFG’s program covers 12 counties including Humboldt, and the stated purpose is to restore salmon and steelhead habitat in coastal streams and watersheds. The DFG program, includes among its categories of actions “Restoration Element—Major Action Items” listed in Table A-3 to Appendix A under Humboldt County as “Mattole Estuary Habitat Improvement.” This scope encompasses work to be undertaken by MSG with a DFG grant, as well as work administered by MRC (with which MSG has contractual relations) under the Conservancy’s grant.

The Conservancy is acting as a CEQA responsible agency with respect to the MRC project. Staff has reviewed the Mitigated Negative Declaration. The Declaration discusses potential environmental impacts of less than significant impact and less than significant with mitigation incorporation. Less-than-significant-with-mitigation-incorporation impacts include noise and biological resources. With respect to biological resources, potential impacts either directly or through habitat modification were identified. However, the project will not have substantial adverse effect because project activities are designed to improve and restore stream habitat, to provide a long-term benefit to both anadromous salmonids and other fish and wildlife, and the project will be implemented to avoid short-term adverse impacts through mitigation measures such as conducting instream work during times of low river flow or until the first rainfall, and further constraining the permissible work window to avoid nesting or breeding seasons of birds and terrestrial animals, minimizing site access points, and taking other precautionary measures to avoid spreading of invasive species, trash, hazardous materials such as equipment lubricants, etc.

With respect to noise, potential problems were identified in the areas of temporary or periodic increases in ambient noise to levels in excess of standards established in local plans or ordinances or applicable standards of other agencies, and occasional generation of levels equal to or in excess of 85 decibels. The effects of noise will be mitigated by use by project workers of adequate hearing protection when operating or working near noisy equipment.

With these changes and mitigations, staff believes that the potentially significant effects will be reduced to a level of insignificance. The required mitigations will be monitored through a Mitigation Reporting Program, consistent with Public Resources Code Section 21081.6. Specifically, the reporting program requires that DFG ensure that all of the mitigation measures outlined in the Mitigated Negative Declaration are implemented and prepare a report on the progress of those measures be submitted to the National Marine Fisheries Service annually for the duration of the project.

The mitigated effects of construction in the estuary will not contribute to adverse environmental impacts that are cumulatively significant. In fact, by creating habitat in the degraded estuary the project, and any similar future projects, will result in cumulative benefits to the Mattole River estuary and the Mattole River watershed.

Staff therefore recommends that the Conservancy find that the project, as mitigated, will not have a significant effect on the environment. Staff further recommends that the Conservancy find that the project will not have an adverse effect as described in 14 Cal. 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, and find that there is no evidence that the estuary habitat improvements will have a potentially adverse effect on wildlife resources as defined under California Fish and Game Code Section 711.2.

Upon approval, staff will file a Notice of Determination for the project.