

COASTAL CONSERVANCY

Staff Recommendation
December 3, 2009

**MATILJA DAM ECOSYSTEM RESTORATION PROGRAM:
PRE-CONSTRUCTION IMPLEMENTATION**

Project No. 99-099
Project Manager: Bob Thiel

RECOMMENDED ACTION: Modification of prior Conservancy authorization expand the scope of the prior authorization to also include reimbursement of the non-federal share of the cost of engineering and design services provided by the United States Army Corps of Engineers.

LOCATION: Ventura River watershed, Ventura County

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

Exhibit 1: [June 5, 2008 staff recommendation](#)

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 amends its authorization to the Ventura County Watershed Protection District for the Matilija Dam Ecosystem Restoration Program to include reimbursement of the non-federal share of the cost of engineering and design services provided by the United States Army Corps of Engineers, and other costs associated with pre-construction implementation of the Program. This amended authorization remains subject to the conditions specified in the Conservancy’s June 5, 2008 authorization which apply to the revised project.”

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 amended project remains consistent with the purposes and criteria of Chapter 6 of Division 21 of the Public Resources Code (Sections 31251-31270) regarding enhancement of coastal resources and with the resolutions, findings and discussion accompanying the Conservancy authorizations of October 27, 2005 and June 5, 2008 (attached in Exhibit 1).

2. The amended proposed project is consistent with the current Project Selection Criteria and Guidelines adopted by the Conservancy.
3. The project area has been identified in the certified Local Coastal Program of the County of Ventura as requiring public action to resolve existing or potential resource protection problems.
4. The Conservancy has independently reviewed and considered the information contained in the Final Environmental Impact Report for the Matilija Dam Restoration Project, pursuant to its responsibilities under California Code of Regulations Sections 15090, 15162, and 15221 and finds that the proposed amended project is within the scope of the project approved by the Conservancy on October 27, 2005.”

PROJECT SUMMARY:

Staff recommends that the scope of the Conservancy's June 5, 2008 authorization of this project be expanded to include reimbursement of the County's share of the cost of engineering and design services provided by the Corps of Engineers. In general, this project will provide funds to the Ventura County Watershed Protection District to implement various pre-construction elements of the Matilija Dam Ecosystem Restoration Program, which is being planned to remove Matilija Dam on Matilija Creek, a tributary of the Ventura River in Ventura County. (See maps and photos accompanying Exhibit 1).

Removal of the dam would restore fish passage to historic spawning and rearing habitat for southern steelhead in the upper watershed. It would also restore natural sediment transport downstream and improve sand replenishment at beaches along the coast. The Matilija Program is one of the largest dam removal projects in the country, as well as one of the largest ecosystem restoration projects ever undertaken by the Army Corps of Engineers west of the Mississippi River. The Corps and the project's local sponsor, the Ventura County Watershed Protection District ("the District"), which owns the dam, are working to complete final designs and specifications and other pre-construction components of the project so that the actual removal of the dam can be initiated within the next few years. On June 5, 2008, the Conservancy authorized a grant of up to \$4.5 million to the District for pre-construction components of the Program, including the acquisition of the Matilija Hot Springs Property (APN 010-0-180-430) and preparation of engineering designs for two bridge components: modification of the Santa Ana Boulevard Bridge and replacement of the Camino Cielo Bridge (see Exhibit 1).

The District utilized \$3,353,700 of the Conservancy's \$4.5 million grant to purchase the Matilija Hot Springs Property last fall, and (within limitations imposed by the bond freeze) it has initiated work to utilize some of the balance of the available funds to design the two bridge components. The District has now asked the Conservancy to provide the District with the flexibility to use portions of the remainder of the grant to pay design, engineering and related pre-construction elements of the project, including the local share of the costs of engineering and design services provided by the Corps of Engineers under the District's Design Agreement with the Corps.

In July 2009, the Corps notified the District that \$330,000 in local matching funds are needed for the Corps to continue its work during federal fiscal year 2010. In the past, the District has relied on grants from the Coastal Conservancy to pay for the District's share of the Corps's design work. Last year, however, the District planned to obtain funding for that cost share from the

Wildlife Conservation Board, whose staff expressed strong support for the Matilija Program. But in late December, the state Department of Finance issued a budget letter (08-33) directing all state entities with expenditure control over bond-funded programs to suspend projects funded with state bond monies and to “cease authorizing any new grants or obligations for bond projects, including new phases for existing projects.” That letter (as well as a subsequent budget letter 09-015) precludes the WCB from considering a new grant to the District to fund design and engineering work on the project, including funding for the County’s cost share of work being done by the Corps. Because of significant increases in the District’s expenses for basic flood control operations, the District lacks the funds to pay for this local cost share for the next fiscal year. Continued funding of the Corps’s engineering and design efforts, however, is critical to maintaining the progress and current project schedule of the entire Matilija Program.

The \$330,000 in local matching funds will be used to continue to prepare designs, environmental documents and other related documents for the Live Oaks and Meiners Oaks levees and for the sediment high flow bypass facility. The funds will also allow studies and other continuing analysis to address dam removal design efforts. Specifically, the Corps will continue evaluation of the sediments upstream of the dam to analyze whether or not the fine sediments in the reservoir should be placed above the current Matilija Dam location or slurried to downstream disposal sites in the vicinity of the Baldwin Road (Highway 150) bridge.

Conservancy staff is working with the District and the County of Ventura to develop a comprehensive strategy for funding the local share of both the final engineering and design work and the eventual implementation of the Matilija Program to insure a continuity of funding and adherence to the schedule for the Program. One of the primary goals of that strategy will be to meet the significant local funding requirements for the Program with contributions from a variety of state, local and private sources.

SITE AND WATERSHED DESCRIPTION; PROJECT HISTORY

The June 5, 2008 staff recommendation (Exhibit 1) outlines the scope of the other project components to be funded under this authorization. It also includes a description of the project site and the Ventura River watershed as well as an extensive discussion of the history of the Matilija Dam Ecosystem Restoration Program and the Coastal Conservancy’s involvement in that program.

PROJECT FINANCING:

Pre-construction project implementation

Land acquisition, bridge design, and Corps of Engineers design services	
Coastal Conservancy grant	\$4,500,000
Foster Park wells and <i>Arundo</i> removal	
State Water Board grant (Proposition 40)	\$5,000,000
Watershed Protection District	1,200,000
Total Project Cost	\$10,700,000

The source of funds for the Conservancy's \$4.5 million grant to the District remains an appropriation to the Conservancy of funds from the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Proposition 50), which authorizes the use of such funds to protect coastal watersheds through projects that restore land and water resources. The June 5, 2008 staff recommendation (Exhibit 1) describes how the project meets the objectives of the Proposition, as well as those of local and regional plans.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

As discussed in the earlier staff recommendation and associated Conservancy resolutions (Exhibit 1), funding for the Matilija Dam Ecosystem Restoration Program is consistent with Chapter 6 of the Conservancy's enabling legislation, Division 21 of the Public Resources Code (Sections 31251-31270), regarding enhancement of coastal resources.

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

The project remains consistent with the goals and objectives of the Conservancy's 2007 Strategic Plan, as described in the June 5, 2008 staff recommendation (Exhibit 1).

CONSISTENCY WITH THE COASTAL CONSERVANCY'S POLICY STATEMENT ON CLIMATE CHANGE.

The proposed project would be consistent with *Coastal Conservancy Policy Statement on Climate Change*, adopted on June 4, 2009, which recognizes that "protection, restoration, and enhancement of habitats [and] ecosystem processes. . .is essential to minimizing threats from global warming to California's biodiversity. . ." In particular, implementation of the Matilija Dam Ecosystem Restoration Program will promote at least three of the adaptation strategies enumerated in the Conservancy's climate change policy: regional sediment management, riparian enhancement and restoration, and invasive species management.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

The June 5, 2008 staff recommendation (Exhibit 1) discusses in detail how the project would be consistent with the Conservancy's Project Selection Criteria and Guidelines, dated September 20, 2007, that then applied to the project. On June 4, 2009, the Conservancy adopted a *Coastal Conservancy Policy Statement on Climate Change* and revised Project Selection Criteria, which include three new criteria to address greenhouse gas emissions, vulnerability to sea level rise and other climate change impacts. The revised project is consistent with each of those three new criteria, as discussed below:

Required Criteria

Sea level rise vulnerability: Because all project components of the Matilija Dam Ecosystem Restoration Program are located at least six miles or more upstream from the Pacific coast, the

Matilija project is not located in an area considered vulnerable to future sea level rise by the end of this century. Over the long term, the Program will assist with sea level rise adaption efforts at Surfer's Point and other areas adjacent to the Ventura River estuary. Removal of the dam will restore the sediment budget to the watershed and assist with the managed retreat at Surfer Point Beach.

Additional Criteria:

Minimization of greenhouse gas emissions: Because the current project involves only the acquisition of habitat and open space and the production of plans, designs and engineering studies, it will not contribute to the generation of greenhouse gas emissions. Prior to actual dam removal or other construction activities, the District and Corps staff will undertake an extensive evaluation of the potential generation of greenhouse gas emissions caused by implementation of the Matilija Dam Ecosystem Restoration Program and its components; that evaluation will also include preparation of supplemental CEQA documents on CO₂ and other greenhouse gas emissions and other issues. Conservancy staff will work with the District and the Corps to identify, evaluate, and incorporate reasonable measures to reduce the greenhouse gas emissions generated by removal of the dam and other project construction. The Conservancy will encourage use of best management practices and innovative designs that reduce greenhouse gas emissions and, as much as possible, will support the development of such practices and designs through funding and other actions.

Vulnerability from climate change impacts other than sea level rise: In preparing and implementing their final management plans for the Matilija Dam Ecosystem Restoration Program (including management of the Matilija Hot Springs Property), the District intends to adopt robust adaptation measures and strategies to address potential impacts of climate change. Those measures will include monitoring change in the landscape over time, managing and eradicating invasive species, and implementing an extensive adaptive management plan, particularly for any state- or federally-listed species impacted by the Program.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The project is consistent with the Ventura County Local Coast Program, as well as with the policy goals of the Local Coastal Program of the City of San Buenaventura (City of Ventura), as discussed in the June 5, 2008 staff recommendation (Exhibit 1).

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

The project is consistent with both the Integrated Regional Watershed Management Plan of the Watersheds Coalition of Ventura County and the objectives of the Los Angeles Regional Water Quality Control Board, as discussed in the June 5, 2008 staff recommendation (Exhibit 1).

COMPLIANCE WITH CEQA:

As specified in the June 5, 2008 staff recommendation, the project remains consistent with the Conservancy's findings on October 27, 2005 regarding the Environmental Impact Statement and Environmental Report for the Matilija Dam Ecosystem Restoration Program (see the October 27, 2005 staff recommendation attached to Exhibit 1).

Development of the engineering studies and project designs were within the scope of the EIR reviewed by the Conservancy under this October 27, 2005 authorization. Since the project remains materially unchanged, the proposed authorization remains consistent with the previous CEQA findings. No further environmental documentation for these design activities is required.

Although not analyzed in the initial EIR, staff has determined that the anticipated greenhouse gas emissions associated with the engineering and design activities on this project are not cumulatively significant.