

COASTAL CONSERVANCY

Staff Recommendation  
September 29, 2016

**NEEFUS GULCH FISH PASSAGE IMPROVEMENT**

Project No. 16-029-01  
Project Manager: Michael Bowen

**RECOMMENDED ACTION:** Authorization to disburse up to \$49,412 to Trout Unlimited to prepare designs for two fish passage improvement projects on Neefus Gulch, tributary to the North Fork Navarro River in Mendocino County.

**LOCATION:** Neefus Gulch, tributary to North Fork Navarro River within the Rancho Navarro Subdivision of unincorporated Mendocino County.

**PROGRAM CATEGORY:** Resource Enhancement

---

**EXHIBITS**

Exhibit 1: [Project Location and Site Map](#)

Exhibit 2: [Project Letters](#)

---

**RESOLUTION AND FINDINGS:**

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

“The State Coastal Conservancy hereby authorizes the disbursement of up to forty-nine thousand four hundred dollars (\$49,400) to Trout Unlimited to prepare designs and permit application materials to remediate two barriers to fish passage on Neefus Gulch, Mendocino County, subject to the following terms and conditions:

1. Prior to the disbursement of funds, the RCD shall submit for review and approval by the Executive Officer of the Conservancy:
  - a. A work program, schedule and budget for the project.
  - b. All contractors to be employed for the 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 proposed authorization is consistent with Chapter 6 of Division 21 of the Public Resources Code, regarding the enhancement of coastal resources.
  2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.
  3. Trout Unlimited 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.”
- 

### **PROJECT SUMMARY:**

Staff is recommending the Conservancy authorize the disbursement of up to \$49,400 to Trout Unlimited (TU) to develop designs for improved fish passage at two successive migration barriers on Neefus Gulch, a low-gradient tributary to North Fork Navarro River within the Rancho Navarro Subdivision. The engineering design and specifications for the project will include one culvert replacement on Appian Way, and removal or modification of an earthen berm on Neefus Gulch that creates a one-acre pond.

The existing culvert at the Appian Way site has been identified as a complete barrier to fish passage. The project will prepare designs for the replacement of the existing culvert with a road-stream crossing that will provide unimpeded fish passage and also convey the 100-year flow and debris. The designs for the earthen berm, also a complete barrier, will include removal or modification of the berm with a simulated roughened channel capable of providing passage into the pond and upstream reaches. This berm creates an approximately 1-acre impoundment that drowns more than 550 feet of stream channel and blocks salmonid access to upstream habitat. Rancho Navarro Association has filed a Statement of Water Diversion and Use (S022286) for recreation and heat control and has a Domestic Use Registration (D03888).

Opening these barriers to fish passage will allow for unimpeded salmonid migration to 4,708 feet of historic spawning and rearing habitat in Neefus Gulch. TU expects to apply to the California Department of Fish and Wildlife’s Fisheries Restoration Grant Program for implementation funding, and if awarded, construction is expected to take place in 2020. DFW is also providing match funding for this design phase.

Project elements include performing a topographic survey, collecting background information, performing geomorphic assessments, aerial photograph analysis, conducting water level and water quality analyses, performing geologic investigations, preparing alternatives analyses, developing conceptual (30%) through final (100%) design plans and all associated computations, attending meetings, and preparing Basis of Design Memorandums.

TU is highly qualified to undertake this project. Formed in 1959, TU is the nation’s largest coldwater fishery conservation organization. TU has a long history of successful restoration work and cooperative projects throughout the United States and California, including the North Coast. To date, TU’s North Coast Coho Project (NCCP) and its partners have improved or eliminated over 529 miles of logging roads, removed 12 major fish migration barriers, reconnected over 70 miles of stream habitat, and added instream features to improve coho salmon and steelhead habitat to over 75 miles of stream.

**Site Description:** Neefus Gulch is a tributary to the North Fork Navarro River, tributary to the Lower Mainstem Navarro River. The Neefus Gulch watershed is approximately 1.3 square miles, and features low gradient stream reaches which support listed coho salmon as well as steelhead trout. The watershed is entirely privately owned and managed for timber production and rural residential land-use. The downstream barrier (culvert) site is the stream crossing on Appian Way in the Ranch Navarro subdivision, located approximately 1 mile off Masonite Road and 0.5 stream miles up from the NF Navarro confluence. The upstream barrier (earthen barrier) site is another 0.25 miles and up Appian Way and located on the left. The stream distance between the two barriers is approximately 0.25 miles (Exhibit 1).

CDFW surveyed the site in 2011. According to the survey, CDFW identified 7,726 feet (1.46 mi) of potential habitat upstream of the downstream most barrier (Appian Way culvert). Therefore, removal of both of the barriers and restoration of the channel directly upstream of the earthen barrier would restore access to 1.46 miles of potential habitat for use by anadromous salmonids. It should be noted that there are other identified probable barriers in Neefus Gulch upstream of the project area. The next upstream barrier is located at 7,669 feet from the mouth of Neefus Gulch and 4,708 feet upstream of the Appian Way crossing (Supplementary Documents – Map 3). With removal of the two barriers that comprise the proposed project, 4,708 feet or 0.89 miles of stream will be accessible to salmonids up to the barrier located at 7,669 feet from the mouth of Neefus Gulch. The upper barriers may be considered in another proposal in subsequent years.

The 2011 CDFW Neefus Gulch Field Note survey provided the following description of the habitat upstream of the pond: “5,443 feet of channel having characteristics of flow, stream gradient, channel bed substrate, pool, riffle, run morphology, and water temperatures within the range or suitable for salmonid spawning and or rearing.”

**Project History:** The North Fork Navarro area, including the Neefus Gulch watershed, was logged in 1907 after the railway was extended over Keene Summit from the Albion River watershed. Sometime after that harvest in 1907, the Neefus Gulch area transitioned into ranching – first cattle followed by sheep ranching around mid-century. While the exact construction time of the pond is unknown, there are photos dating back to the early 1960’s that depict the ranching family fishing at the pond. Since that time, the area transitioned into rural residential development.

One legacy of extractive land use in the Navarro River is the steady and pronounced decline of anadromous fish. This trend has continued unabated, compounded by a vineyard industry that expanded exponentially in the late 1980s resulting in extensive water diversions, ponds, dams and other features. Accordingly, the Coastal Conservancy provided a series of grants, primarily to the Mendocino Resource Conservation District, to seek out and implement habitat enhancement opportunities. These included a Navarro Watershed Restoration Plan in 1994, and subsequent habitat enhancement projects throughout the watershed.

Trout Unlimited was approached in 2014 by CDFW personnel about pursuing this particular coho habitat enhancement project. After consulting with CDFW, NOAA, and multiple project partners, TU applied to CDFW FRGP in March 2015 for 77% of project funding. Trout Unlimited also applied to the Coastal Conservancy for matching funds through the Conservancy’s Proposition 1 Round Two solicitation of projects, and ranked well in that review process.

**PROJECT FINANCING**

<b>Coastal Conservancy</b>	\$49,412
CDFW (Fisheries Restoration Grant Program)	\$138,034
<b>Project Total</b>	<b>\$187,446</b>

The expected source of Conservancy funds for this project is the fiscal year 2015/16 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 specific purposes of Chapter 6 and includes: protect and restore aquatic, wetland and migratory bird ecosystems, including fish and wildlife corridors; protect and restore coastal watersheds, including, but not limited to bays, marine estuaries, and nearshore ecosystems; and 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 the above-identified Chapter 6 purposes, and provides multiple benefits as required by Proposition 1. By removing antiquated and fish-blocking barriers, the project will restore historic access to spawning and rearing habitat, while also improving water quality and reducing the risk of culvert failure that can deliver significant quantities of sediment into coastal watersheds.

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 in the “Consistency with Conservancy’s Project Selection Criteria & Guidelines” section of this report.

**CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:**

The proposed project is undertaken pursuant to Chapter 6 of Division 21 of the Public Resources Code, as follows:

Pursuant to §31251, the Conservancy may award grants to local public agencies and nonprofit organizations for the purpose of enhancement of coastal resources which, because of human-induced events, or incompatible land uses, have suffered loss of natural and scenic values. Consistent with this section, the proposed authorization provides funds to Trout Unlimited to enhance coastal fishery resources disturbed by incompatible land uses, such as the instream construction of dams and inappropriate installation of fish-blocking culverts.

Pursuant to §31251.2(a), “In order to enhance the natural or scenic character of coastal resources within the coastal zone, the Conservancy may undertake a project or award a grant . . . to enhance a watershed resource that is partly outside of the coastal zone. . . .” Consistent with this

section, Trout Unlimited applied for funding from the CDFW to implement the project, and the CDFW awarded funds due to the priority of the proposed action and the potential for matching funds from the Conservancy. In so doing, CDFW, which operates inside and outside of the coastal zone, requested Conservancy assistance to implement this habitat restoration project they are funding that is located outside the coastal zone, but that is in a watershed that reaches the coastal zone. This assistance was sought in order to implement a priority project intended to enhance and benefit salmon populations known to travel many miles upstream of the coastal zone boundary in order to fulfill their life history patterns. Indeed, salmon depend on unimpeded access to high quality habitat both within and outside of the coastal zone in order to survive. If salmon and other highly prized aquatic resources are to be maintained and restored to historic levels, projects to improve salmon habitat must be undertaken both within and outside the coastal zone. Section 31251.2 also requires the review and approval of the California Department of Fish and Wildlife. The Department is a frequent co-funder of Council projects, and supported the implementation of this project.

As required by Section 31252, the proposed project is consistent with the Mendocino Local Coastal Program as described in the Consistency with Local Coastal Program Policies below.

Pursuant to §31253, “[t]he Conservancy may provide up to the total of the cost of any coastal resource enhancement project. . . .” Consistent with this section, the proposed contribution, intended for design and permitting, represents a small component of the future project cost.

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

Consistent with **Goal 5, Objective E** of the Conservancy’s 2013-2018 Strategic Plan, the proposed project will prepare designs for the removal of two barriers to fish passage and improved anadromous fish habitat.

**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 state plans and policies concerning restoration of riparian habitat and increasing natural production of the coastal salmon populations that depend upon that habitat for certain life history stages.

- a. The proposed project is consistent with the themes for habitat restoration identified in the *Steelhead Restoration and Management Plan for California* (California Department of Fish and Wildlife, 1996). Specifically, that plan advises that “(h)abitat improvement projects should be focused on the many areas throughout the State where steelhead habitat is severely degraded and restoration work is sorely needed” (p. 74). Providing unimpeded access to support the growth and survival of juvenile salmonids is one of the highest priority habitat improvement actions known.
  - b. The project is consistent with federal National Marine Fisheries Service 2014 *Final Recovery Plan for the Central California Coast Evolutionarily Significant Unit of Coho Salmon (Oncorhynchus kisutch)*. That report calls for restorationists to “restore passage in high priority areas of the Navarro watershed...” (Summary Pg. 442).
  - c. Finally, the project is consistent with the *California Water Action Plan*, a collaborative effort of the California Natural Resources Agency, the California Environmental Protection Agency, and the California Department of Food and Agriculture, issued in 2014. This plan was developed to meet three broad objectives: more reliable water supplies, the restoration of species and habitat, and a more resilient, sustainably manager water resources system. It lays out the state’s challenges, goals and actions needed to put California’s water resources on a safer, more sustainable path. The plan identifies ten overarching strategies to protect our resources, include two particular to this project that the Conservancy can help implement: 4) *Protect and restore important ecosystems (restore coastal watersheds and strategic coastal estuaries to restore ecological health and nature system connectivity to benefit local water systems and help defend against sea level rise, eliminate barriers to fish migration)* and 7) *Increase flood protection (encourage flood projects that plan for climate change and achieve multiple benefits)*. By preparing the designs for the removal of two barriers to fish passage while increasing flood protection by designing a project that increases flood routing through the project area, the project is consistent with this report.
4. **Support of the public:** Project supporters include the local homeowners association, the California DFW, and others. Letters of support are included in Exhibit 2.
  5. **Location:** The project is located well outside of the coastal zone. However, the Navarro River is a coastal river, and Coho salmon are a coastal resource that warrants assistance and enhancement.
  6. **Need:** SCC match has ensured a sizeable grant from CDFW to advance the project. Absent SCC support, the CDFW grant will be returned to CDFW, and the project will not proceed this year.
  7. **Greater-than-local interest:** The recovery of Pacific salmon populations is of national concern, and projects such as this advance that common goal of salmon recovery.

8. **Sea level rise vulnerability:** The proposed project is not vulnerable to sea level rise.

**Additional Criteria**

9. **Leverage:** See the “Project Financing” section above.
10. **Readiness:** The grantee is fully prepared to commence and complete the proposed project immediately upon award of funds.
11. **Realization of prior Conservancy goals:** See “Project History” above.”
12. **Return to Conservancy:** See the “Project Financing” section above.
13. **Cooperation:** Despite the popularity of the pond with the landowners, the community has expressed its willingness and desire to decommission this pond for the benefit of coastal salmon populations.
14. **Vulnerability from climate change impacts other than sea level rise:** The project site has been selected as a priority in part due to its hospitability to pacific salmon populations in an era of climate change. The upstream portions of Neefus Gulch offer refuge from hot and dry conditions downstream, thereby enabling juvenile salmonids to relocate to higher altitude and more hospitable conditions within the watershed as conditions change.
15. **Minimization of greenhouse gas emissions:** The design work will cause few greenhouse gas emissions. When the project moves into the subsequent construction phase, the applicant is committed to ensuring that the contractors will employ best management practices (e.g. low idling rates) so as to minimize greenhouse gas emissions.

**CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:**

The proposed project is located in the Navarro River watershed, well outside the coastal zone. Nonetheless, it addresses a coastal zone resource and comports to the goals and objectives outlined under the LCPs for Mendocino, in which the watershed is located. The project is consistent with the Mendocino coast LCP as follows:

Section 3.1-9 of the Mendocino LCP reads:

Channelization, dams, or other substantial alterations of rivers and streams shall be limited to:

1. Necessary water supply projects;
2. Flood control projects where no other method for protecting structures in the flood plain is feasible and where such protection is necessary for public safety or to protect existing development;
3. Developments where the primary function is the improvement of fish and wildlife habitat which may include salmon restoration projects.

Where any of these uses are permitted the best feasible mitigation measures shall be incorporated into the development.

**COMPLIANCE WITH CEQA:**

The proposed project consists of data gathering, resource evaluation, and planning and feasibility studies for possible future actions that have not yet been authorized or approved by the Conservancy or another agency. Therefore, the proposed project is thus statutorily exempt from California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code of Regs. Section 15262 (Feasibility and Planning Studies). Planning carried out as part of the project includes an environmental review of the proposed project and thus will consider environmental factors, as required by Section 15262. The project is also categorically exempt from CEQA pursuant to 14 Cal. Code Regs. Section 15306 (Information Collection) because the proposed project includes basic data collection that will not result in a serious or major disturbance to an environmental resource and that is part of a planning study leading to an action which a public agency has not yet approved, adopted or funded.

Staff will file a notice of exemption upon project approval.