COASTAL CONSERVANCY

Staff Recommendation

September 23, 2021

CACHAGUA CREEK FISH PASSAGE

Project No. 18-010-01

Project Manager: Tom Gandesbery

RECOMMENDED ACTION: Authorization to disburse up to $165,000 to Trout Unlimited to augment an existing Conservancy grant authorized on May 24, 2018, to replace a concrete creek crossing with a fish-friendly box culvert on Cachagua Creek, a tributary to the Carmel River in Monterey County.

LOCATION: Cachagua Creek, Monterey County (Exhibit 1)

EXHIBITS

Exhibit 1: Project Location Map
Exhibit 2: May 24, 2018 Staff Recommendation

RESOLUTION AND FINDINGS

Staff recommends that the State Coastal Conservancy adopt the following resolution and findings.

Resolution:

The State Coastal Conservancy hereby authorizes disbursement of an additional one hundred and sixty five thousand dollars ($165,000) to Trout Unlimited (“the grantee”) to augment the grant authorized by the Conservancy on May 24, 2018, for a total of up to three hundred and ninety five thousand dollars ($395,000) for the removal of a concrete road creek crossing and installation of a culvert designed to allow fish migration on Cachagua Creek, a tributary to the Carmel River, subject to the conditions of the Mary 24, 2018 authorization (Exhibit 2).

Findings:

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

1. The proposed authorization remains consistent with Chapter 5.5 of Division 21 of the Public Resources Code, regarding Integrated Marine and Coastal Resources.
2. The proposed project remains consistent with the current Conservancy Project Selection Criteria and Guidelines.

3. Trout Unlimited is a nonprofit organization organized under section 501(c)(3) of the U.S. Internal Revenue Code.

STAFF RECOMMENDATION

PROJECT SUMMARY:

Staff recommends the Conservancy authorize disbursement of an additional $165,000, for a total of up to $395,000, to Trout Unlimited (TU) to complete the modification of a road crossing that blocks fish migration on Cachagua Creek in the Carmel River Watershed. On May 24, 2018, the Conservancy authorized a grant of $200,000 to TU for the removal of a concrete road creek crossing and installation of a culvert designed to allow fish migration on Cachagua Creek, a tributary to the Carmel River (Exhibit 2). Subsequently in 2019 the grant was augmented by $30,000 pursuant to the Executive Officer’s delegated authority to augment grants by up to 15%. The 2019 augmentation was meant to cover anticipated increases in project costs. Unfortunately, the cost of this project has increased from the original cost estimate of about $1.1M developed in 2017 (Exhibit 2) to over $1.4M and thus additional funding is needed to complete the project.

The project was scheduled for construction in the summer of 2019, but the County of Monterey would not issue a grading permit due to the presence of an (alleged) illegal cannabis grow located somewhere on the property. Once this issue was resolved and the County issued the permit, it was too late in the year to construct the project, so it was postponed until 2020. TU, once again, was in contract and work was scheduled to start in August of 2020 but within a week of mobilization, the Carmel Wildfire erupted and burned into the area. The area was then off-limits for all but fire recovery work thereafter. Ever the optimists, TU now is planning for this project to proceed this fall. TU’s grants from the California Department of Fish and Wildlife (CDFW) were amended and extended. TU extended its contractor contracts and, in some cases, amended the contracts to reflect additional activities caused by the time extensions. Permits have been renegotiated (CDFW, County, Calif. Dept. of Housing and Community Development) and extensions paid and in place.

One factor that influences construction costs is the remote location of the site. The only access to the site is Cachagua Road: a narrow, steep, and winding road located many miles from the nearest highway. The new crossing will be constructed with large, precast, arched culverts that are manufactured in the Sacramento-San Joaquin Valley and delivered on 24 low-boy flatbed trailers. The demolition debris from the existing crossing must be removed via the same road.

Site Description: See Exhibit 2.

Grant Applicant Qualifications: See Exhibit 2.
CONSISTENCY WITH CONSERVANCY’S PROJECT SELECTION CRITERIA & GUIDELINES:
The proposed project remains consistent with the Conservancy’s Project Selection Criteria and Guidelines, last updated on October 2, 2014, as described in the May 24, 2018 staff recommendation (Exhibit 2).

PROJECT FINANCING

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coastal Conservancy (this authorization)</td>
<td>$165,000</td>
</tr>
<tr>
<td>Prior Conservancy Authorization</td>
<td>$200,000</td>
</tr>
<tr>
<td>Conservancy Executive Officer’s Augmentation</td>
<td>$30,000</td>
</tr>
<tr>
<td>CDFW (Fisheries Restoration Grant Program)</td>
<td>$1,034,235</td>
</tr>
<tr>
<td><strong>Project Total</strong></td>
<td><strong>$1,429,235</strong></td>
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The anticipated source of Conservancy funds for the project is the Carmel River Settlement Account (“Account”) within the Conservancy’s Coastal Trust Fund. The Account consists of funds paid by California American Water Company (CAW) pursuant to a settlement agreement with NMFS concerning alleged Endangered Species Act violations. The settlement requires CAW to pay $16.7 million over a twelve-year period. The settlement funds can only be used to improve habitat conditions for, and production of South-Central California Coast (SCCC) steelhead, or otherwise aid in the recovery of SCCC steelhead in the Carmel River watershed. In addition, these funds can only be expended for mitigation of impacts from well-pumping and water withdrawals by CAW. One effect of CAW’s water withdrawals is the loss of access to rearing habitat in the lower Carmel River, because it dries up in the summer. The proposed project will facilitate improved access to other spawning and rearing habitat in one of the river’s most important tributaries and will thereby help mitigate the impacts of CAW’s withdrawals on SCCC steelhead. Therefore, the proposed project is consistent with the funding source. The agreement for the disbursement of the settlement funds also directs the Conservancy to attempt to “maximize the value of the funds by seeking cash or in-kind matching contributions from fund recipients or non-State, third party project partners whenever possible.” As discussed above, TU has also obtained a grant from CDFW which will pay for the bulk of the project even with the increased Conservancy contribution.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:
The proposed project remains consistent with the Conservancy’s Enabling Legislation as described in the May 24, 2018 staff recommendation (Exhibit 2).

CONSISTENCY WITH CONSERVANCY’S 2018-2022 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):
The proposed project remains consistent with the Conservancy’s 2018-2022 Strategic Plan as described in the May 24, 2018 staff recommendation (Exhibit 2).
CONSISTENCY WITH LOCAL WATERSHED MANAGEMENT PLAN/STATE WATER QUALITY CONTROL PLAN:

The proposed project remains consistent with local watershed management plans and/or the state water quality control plan as described in the May 24, 2018 staff recommendation (Exhibit 2).

CEQA COMPLIANCE:

In its May 24, 2018 authorization, the Conservancy adopted findings pursuant to the California Environmental Quality Act. The project elements have not changed since the May 24, 2018 authorization, and there have been no changed circumstances or new information that triggers the requirement for additional documentation under CEQA. Therefore, no further review pursuant to the California Environmental Quality Act is required.