

COASTAL CONSERVANCY

Staff Recommendation
February 3, 2022

**CARMEL RIVER FLOODPLAIN RESTORATION AND
ENVIRONMENTAL ENHANCEMENT**

Project No.08-036-02
Project Manager: Tom Gandesbery

RECOMMENDED ACTION: Authorization to disburse up to \$4,250,000 to the County of Monterey to construct the Carmel River Floodplain Restoration and Environmental Enhancement Project in Monterey County and adoption of findings under the California Environmental Quality Act.

LOCATION: Lower Carmel River, Monterey County (Exhibit 1)

EXHIBITS

Exhibit 1: [Project Location Map](#)

Exhibit 2: [Project Figures and Photos](#)

Exhibit 3: [Project Letters](#)

Exhibit 4: Environmental Impact Report:

<https://www.co.monterey.ca.us/government/departments-a-h/housing-community-development/planning-services/current-major-projects/carmel-river-free>.

RESOLUTION AND FINDINGS

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

Resolution:

The State Coastal Conservancy hereby authorizes a grant of an amount not to exceed four million, two hundred and fifty thousand dollars (\$4,250,000) to the County of Monterey (“the grantee” or “the County”) to construct the Carmel River Floodplain Restoration and Environmental Enhancement Project (“project”), in Monterey County.

Prior to commencement of the project, the grantee shall submit for the review and written approval of the Executive Officer of the Conservancy (Executive Officer) the following:

1. A detailed work program, schedule, and budget.
2. Names and qualifications of any contractors to be retained in carrying out the project.
3. A plan for acknowledgement of Conservancy funding and Proposition 1 as the source of that funding.
4. Evidence that all permits and approvals required to implement the project have been obtained.
5. Evidence that the grantee has entered into agreements sufficient to enable the grantee to implement, operate, and maintain the project.

Findings:

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

1. The proposed authorization is consistent with Chapter 5.5 of Division 21 of the Public Resources Code, regarding Integrated Coastal and Marine Resources.
2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.
3. The Conservancy has independently reviewed and considered the “Carmel River Floodplain Restoration and Environmental Enhancement Project Final Environmental Impact Report/Environmental Assessment” (“EIR/EA”) attached as Exhibit 4 of the accompanying staff recommendation, which was certified by the County of Monterey on January 28, 2020, pursuant to the California Environmental Quality Act (“CEQA”).
4. The Conservancy finds that the proposed project will have potentially significant effects in the areas of Aesthetics, Air Quality, Biological Resources, Cultural Resources, Geology and Soils, Hazards and Hazardous Materials, Hydrology and Water Quality, Noise, Public Services, Transportation/Traffic, and Tribal Cultural Resources. With regards to these impacts, the Conservancy finds that the project, as modified by the incorporation of the mitigation measures identified in the EIR/EA, avoids, reduces, or mitigates all possible significant environmental effects of the project to less-than-significant levels on the environment, as defined in Title 14 California Code of Regulations Section 15382.

PROJECT SUMMARY:

Staff recommends the Conservancy authorize a grant of \$4,250,000 to the County of Monterey (“County”) to construct the Carmel River Floodplain Environmental Enhancement Project (“CRFREE”). The project is a multi-benefit project that has been identified as a high priority by multiple organizations and in the Integrated Regional Water Management Plan (IRWMP) for the Monterey Peninsula, Carmel Bay, and South Monterey Bay. The project site is adjacent to Palo Corona Regional Park and will be a key property for connecting adjacent public lands at Carmel River State Beach to the regional park (Figure 2).

The Conservancy has a long history with this project having provided its first grant in 1998 to the Big Sur Land Trust (“BSLT”) to develop a restoration concept for the floodplain east of the highway. BSLT developed an initial concept to remove the south bank levee to reconnect the river with the south bank floodplain (See Exhibit 2). The conceptual design also identified the need to create an additional connection under Highway 1 in order to be able to drain flood waters. This design has been refined over the past two decades but the basic concept remains the same.

CRFREE will restore natural floodplain function to 92 acres on the south bank of the Carmel River just east of Highway 1. The property is owned by the BSLT (Exhibit 2) and has been farmed in various configurations for several decades. The CRFREE project will also establish an agricultural preserve on 36 acres of the property. The overall environmental goal is to restore natural ecological function to the Carmel River’s lower floodplain/estuary system by reconnecting the river to the south bank floodplain and providing an additional route for floodwaters to flow under Highway 1. Key objectives of the project include:

- Increase habitat: The project will restore approximately 90 acres of riparian and wetland habitat on the historic floodplain, providing important habitat for sensitive species including South-Central California Coast (SCCC) steelhead trout (federally-threatened species), California red-legged frogs (federally-threatened species), and western pond turtles (California species of special concern). A small 2-acre wetland will be constructed at the east edge of the project site, while off channel wetlands will naturally re-establish throughout the floodplain area.
- Recharge groundwater and base flows to the Carmel River: The project will address one of the watershed’s most critical environmental problems by enabling increased recharge of groundwater.
- Reduce flood flows in urban areas: The area east of Highway 1 on the north side of the river is a mix of commercial and residential development. This area experiences significant flooding with storms as frequent as the 10-year event as a result of the backwatering caused by the channel constriction of the Highway 1 bridge. Hydraulic modeling conducted by BSLT has demonstrated that the proposed project will significantly reduce flood flows on the northeast side of the river. For instance, the hydraulic model predicts that water surface elevations will be lowered three feet during a 50-year flood event and four feet during a 100-year event.
- Reconnect the east and west sides of the floodplain: A key component of the Lower

Carmel River Floodplain Restoration Project is the construction of a causeway for Highway 1 as it crosses over the floodplain. The causeway will allow flood flows to move directly from the eastern to the western floodplain. The causeway will reduce the constriction of flood flows and prevent overtopping of the highway during smaller flood events. It will also enable floodwaters to scour for the south arm of the lagoon, which was restored in 2004.

- Improve water quality: The project will provide additional storage and filtration for sediment and nutrients through a functioning floodplain and associated riparian and wetlands habitat, resulting in improved water quality entering the Carmel River Lagoon.

The project will remove a half-mile section of the south bank levee to re-establish the connection between the river and its floodplain (Exhibit 2). One hundred thirty thousand (130,000) cubic yards of imported fill that are stacked on the southern floodplain (referred to as the “Blister”) will also be removed. As discussed above, a 500-foot causeway will be constructed along Highway 1 to connect the east and west sides of the south bank floodplain. Highway 1 is currently a two-lane conventional highway that has 12-foot travel lanes with four-foot to eight-foot shoulders. Once construction of the causeway is complete, the highway will remain a two-lane conventional highway with 12-foot travel lanes; however, the causeway incorporates eight-foot wide shoulders, transitioning to match existing four-foot wide shoulders at the southern project limits. The causeway will also include a southbound left turn lane at the Palo Corona Regional Park entrance. As stated above, the causeway will significantly relieve the pinch point caused by the Highway 1 bridge during flood flows, thereby reducing flooding on the east side of the highway. The project will not significantly improve flooding on the west side of the highway, nor will it exacerbate it.

The floodplain will be graded to create secondary channels, seasonal wetland areas, and other floodplain features. Given the dynamic nature of a functioning floodplain, these habitats are expected to change over time. Following grading, the site will be planted with a variety of riparian and upland plant species. The southern margin of BSLT’s property will be elevated to create a 36-acre agricultural preserve.

The proposed project is a cooperative effort of the County, BSLT, the Carmel Area Wastewater District (CAWD) and the Monterey Peninsula Water Management District (MPWMD), which manages water resources of the River, and will be constructed in coordination with the California Department of Transportation (Caltrans). BSLT owns the property and took the lead on planning and design; the County has taken over as project implementer and will oversee construction. BSLT will be responsible for long-term maintenance and management of the restoration.

As a required mitigation measure (Exhibit 4), CAWD will relocate a wastewater pipeline within the Lagoon, and California State Parks will work with the County to protect two historic barns located immediately adjacent and downstream of the project.

Site Description: The project area, also known as the “Odello East” property is located at the downstream end of the Carmel River watershed, approximately one mile from its mouth, and immediately east of Highway 1 (officially State Route 1). A portion of the property is currently

used for organic agriculture (Exhibits 2). However, the land was once a functioning floodplain directly connected to the coastal waters of the Carmel River Lagoon. It supported a rich interconnected ecosystem of riparian and floodplain habitat, small seasonal wetlands, brackish lagoon, all connecting to a biologically diverse estuarine environment. Sometime prior to the 1930s, levees were built by the former landowner and the entire expanse of land, including the south arm of the Carmel River Lagoon and the Odello East property, was put into agricultural production. The construction of Highway 1 further diminished ecological functioning of the system by placing a physical barrier between the lagoon and the larger floodplain.

The entire Carmel River has been significantly influenced by human activity through the lower end of the valley, most notably through the construction of levees along both banks of the main channel. These levees, which run from near the mouth to approximately 1.2 miles upstream, have largely confined the small and moderate flow events to the main channel and limited the ability of the channel to interact with its adjacent floodplain.

The Carmel River watershed, 255 square miles in size, is in the northern Santa Lucia Mountains of Monterey County. (See Exhibit 1a). In the upper watershed, the river and its tributaries flow in steep-sided canyons. For the last 15 miles, the river flows across the relatively flat Carmel Valley floor to the Pacific Ocean. The upper watershed is primarily public and private forest, grazing and agricultural lands. The lower valley contains considerable residential development along the riverbanks and in the floodplain, beginning at the Carmel Valley Village 12 miles upstream and continuing toward the ocean.

Although the Carmel River is regulated by Los Padres Dam in its headwaters, it is still subject to very large seasonal and annual variations in flow. The lower Carmel River stream gage often records no flow during the summer months, while exceptionally wet winter periods can see very large flood flows. Carmel Valley has experienced significant floods in the past century and a half, and has the distinction of being one the highest repetitive loss areas in the federal flood protection program. The most recent floods in 1995 and 1998 caused millions of dollars in damage and destroyed the Highway 1 bridge, causing a closure of the highway for six months and cutting off access from the north to Big Sur.

Grant Applicant Qualifications: The County has a fully supported public works department and has successfully undertaken many construction projects requiring earth moving and road re-alignment. The design of the causeway was developed in consultation with Caltrans, which has reviewed and approved the design. BSLT is well qualified to maintain the property in perpetuity and has set aside \$2 million in a property management fund.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA:

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines, last updated on September 23, 2021, in the following respects:

Selection Criteria

- 1. Extent to which the project helps the Conservancy accomplish the objectives in the Strategic Plan.**

See the “Consistency with Conservancy’s Strategic Plan” section below.

2. Project is a good investment of state resources.

The proposed project is a good investment of State resources for several reasons:

- The proposed project will significantly reduce flooding of commercial and residential properties that is one of the highest repetitive loss areas in the federal flood protection program. The reduction in flood frequency will also reduce the risk of damage to the Highway 1 bridge.
- The proposed project provides improved hydraulic connection between the Carmel River and south arm of the lagoon. This connection should improve natural processes including periodic scouring of the lagoon channels. This will improve water quality and help maintain the benefits of the lagoon restoration funded by the Conservancy in the early 2000s.
- As described in the Project Financing section, the project substantially leverages federal grants.
- Project advances statewide goals and is consistent with regional and local plans as follows:
 - The project implements the *California Water Action Plan* (California Natural Resources Agency, California Environmental Protection Agency, and California Department of Food and Agriculture, 2014), which includes goal number 4: protect and restore important ecosystems by improving rearing habitat for SCCC steelhead. This project will address this goal.
 - The project is consistent with the California Department of Fish and Wildlife’s 2005 *California Wildlife Action Plan*, which sets forth goals for the Central Coast region that include protecting sensitive species and important wildlife habitat and restoring anadromous fish populations. This project will address both of these goals.
 - The project implements a recovery objective identified for the Carmel River biogeographic group in the *South-Central California Coast Steelhead Recovery Plan* (National Marine Fisheries Service, 2013) specifically, to “restore suitable habitat conditions and characteristics to support all life history stages of viable [steelhead] populations...” DPS Recovery Objective 6.2 (Page 6-2).
 - The project implements the highest priority in the region’s IWRM Plan.
- The proposed project will enhance riparian and wetland habitat on the project site and downstream lagoon.
- The project has the potential to serve as a pilot project for other communities showing how floodplains can be restored to both enhance biodiversity and habitats as well as return demonstrable flood protection benefits.

3. Project includes a serious effort to engage tribes. Examples of tribal engagement include good faith, documented efforts to work with tribes traditionally and culturally affiliated to the project area.

The County has consulted with applicable tribal groups pursuant to the California Environmental Quality Act. In addition, The County has consulted with the Ohlone/Costanoan Esselen Nation (OCEN) and the Esselen Tribe of Monterey County (ETMC). The County modified several of the proposed mitigation measures in response to the tribal consultations (further discussed in the CEQA section below). In addition, ETMC has requested to help train construction crews on identification of cultural resources and to participate as Native American monitors of the project.

4. Project benefits will be sustainable or resilient over the project lifespan.

The project will restore some of the natural riverine functions and thus will increase resiliency of the area. The causeway is designed to withstand a greater than 100-year flood; and the addition of the causeway will increase the resiliency of the existing Highway 1 bridge. The project was also designed with sea-level in mind. It is anticipated that as sea-levels rise, the physical and biological functions of the Carmel Lagoon will migrate landward. By constructing culverts under Highway 1, the project will facilitate future landward migration of tidal lagoon and marsh habitat. The restored floodplain will need minimal maintenance and management in the form of vegetation management and trail repair.

5. Project delivers multiple benefits and significant positive impact.

The project is multi-benefit in at least *four* ways: 1) it re-establishes the dynamic and natural physical and biological processes of the river floodplain, 2) it reduces the flood risk to the adjacent residential community and commercial district, 3) it will preserve 36-acres of coastal agriculture; and 4) it will serve as a keystone property in the Palo Corona Regional Park. While not part of this project explicitly, implementation will facilitate public access to the Lagoon from the visitors' center at the former Ranch Canada golf course, thereby furthering the vision for a "Carmel River Parkway." This project is a good example of a "green infrastructure" project.

6. Project planned with meaningful community engagement and broad community support.

Since 2008 the BSLT has engaged the local community and stakeholders to complete this project. State and federal resource agency staff are supportive of the project, as is the local community (See Exhibit 3). As part of the County's preparation of the EIR/EA, a series of meetings were held to discuss the project. The County received significant public support for the preferred alternative, in particular the residents of County Service Area 50 which is the residential area directly north of the project. These residents were excited by the potential of the project to significantly reduce flood risk to their community without necessity of a new levee or other "hard" infrastructure.

Organizations supporting the project include the Monterey County Water Resources Agency, the Monterey Peninsula Water Management District, Caltrans, NOAA Fisheries, California State Parks, Monterey County Service Area 50, Carmel River Steelhead Association, Carmel River Watershed Conservancy, and the Monterey Peninsula Regional Park District.

PROJECT FINANCING

Coastal Conservancy	\$4,250,000
Wildlife Conservation Board	\$2,500,000
Department of Water Resources (DWR) Urban Streams	\$916,732
DWR Flood Corridor	\$4,409,767
DWR Coastal Flood	\$5,147,149
National Fish & Wildlife Foundation	\$250,555
FEMA/CalOES Hazard Mitigation (Pending)	\$22,949,000
BSLT Stewardship Fund	\$2,000,000
Project Total	\$40,700,000

Unless specifically labelled “Required Match” the other sources of funding listed above are provided as estimates. The Coastal Conservancy does not typically require matching funds nor does it require documentation of expenditures from other funders. Typical grant conditions require Grantees to provide any funds needed to complete the project.

Conservancy funds for the proposed augmentation are expected to derive from three funding sources: 1) an appropriation from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1, Water Code section 79700 et seq.) – \$2,000,000; 2) an appropriation from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Bond Act of 2006 (Proposition 84, Public Resources Code Sections 75001-75090) – \$1,750,000; and 3) Carmel River Settlement Fund – \$500,000.

Proposition 1

Proposition 1 funds appropriated to the Conservancy derive from Chapter 6 (commencing with Water Code section 79730) and may be used “for multi-benefit water quality, water supply, and watershed protection and restoration projects for the watersheds of the state” (Water Code section 79731). Water Code section 79732 identifies 13 specific purposes of Chapter 6. The proposed project is consistent with these purposes: #1 (Protect and increase the economic benefits arising from healthy watersheds, fishery resources, and instream flow) in that it will reduce flooding of developed property; #9 (Protect and restore rural and urban watershed health to improve watershed storage capacity, forest health, protection of life and property, stormwater resource management, and greenhouse gas reduction) by restoring natural processes that will improve groundwater storage, stormwater management, habitat quality, and water quality; #10 (Protect and restore coastal watersheds, including, but not limited to, bays, marine estuaries, and nearshore ecosystems) by contributing to restoration of a coastal watershed; and #12 (Assist in the recovery of endangered, threatened, or migratory species by improving watershed health, instream flows, fish passage, coastal or inland wetland restoration, or other means, such as natural community conservation plan and habitat conservation plan implementation) in that the restored floodplain and periodic scour of the lagoon will benefit habitat for SCCC steelhead and California red-legged frog, both of which are federally threatened species.

Proposition 84

Proposition 84 authorizes the Conservancy's use of these funds for protection of beaches, bays and coastal waters and watersheds, including projects to prevent contamination and degradation of coastal waters and watersheds (Public Resources Code section 75060). Projects funded with Proposition 84 funds must be consistent with the Conservancy's enabling legislation (Division 21 of the Public Resources Code). Public Resources Code section 75060(e) specifically allocates funds to the Conservancy for the protection of Monterey Bay and its watersheds. "Protection," as defined in Public Resources Code section 75005(m), includes "those actions necessary to prevent harm or damage to persons, property or natural resources." Consistent with these provisions, the proposed project will protect the Carmel River, which is within the Monterey Bay watershed, by re-constructing a floodplain to increase the frequency of river flows and reestablish nature physical and biological processes along the River. The proposed project is consistent with Division 21 of the Public Resources Code, as described in the "Consistency with Conservancy's enabling legislation" section below. Accordingly, the proposed project is consistent with the funding requirements of Proposition 84 funds.

Carmel River Settlement Fund

The third 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 the National Marine Fisheries Service 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 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 help sustain high quality habitat in the southern arm of the Carmel River lagoon, an important rearing area for SCCC steelhead. It will also improve groundwater recharge which will enhance dry season river flows. 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, the project includes funding from many other sources.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project will be undertaken pursuant to Chapter 5.5 (Section 31220) of the Conservancy's enabling legislation, Division 21 of the Public Resources Code, regarding Integrated Coastal and Marine Resources Protection. Section 31220(a) authorizes the Conservancy to award grants for projects that protect coastal and marine habitat water quality.

Grants awarded pursuant to Section 31220(a) must meet one or more of the objectives of the subsections of Section 31220(b). The proposed project will meet the following objectives: (b)(2) protect and restore fish and wildlife habitat within a coastal watershed; (b)(3) reduces threats to coastal and marine fish and wildlife. The proposed project will restore approximately 90 acres of habitat for fish and wildlife, including SCCC trout and California red-legged frogs, and will reduce threats to coastal marine fish and wildlife by restoring riparian and lagoon habitat. The proposed project will also protect the habitats and water quality of Carmel River Lagoon by increasing flood flows to the south arm of the lagoon. Consistent with Section 31220(a), staff has consulted with the State Water Resources Control Board in the development of the project to ensure consistency with the Clean Beaches Program, Chapter 3 (commencing with Section 30915) of Division 20.4 of the Public Resources Code. Consistent with Section 31220(c), the project is consistent with local watershed management plans. (See "Consistency with Local Watershed Management Plan/State Water Quality Control Plan," section below). Consistent with Section 31220(c), the proposed plans and designs will include a monitoring and evaluation component.

CONSISTENCY WITH CONSERVANCY'S [2018-2022 STRATEGIC PLAN](#) GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 6, Objective D** of the Conservancy's 2018-2022 Strategic Plan, the proposed project will implement a project "that preserve(s) and enhance(s) coastal watersheds and floodplains."

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

Projects undertaken pursuant to Chapter 5.5 of Public Resources Code Division 21 (Section 31220(c)) must be consistent with the following, if available and relevant: Integrated Watershed Management Programs (IWMP); local watershed management plans; and with water quality control plans, adopted by the state and regional water boards. The CRFREE is identified as one of the priority projects in the Integrated Regional Water Management Plan (IRWMP) for the Monterey Peninsula, Carmel Bay, and South Monterey Bay (2019 Update).

The Water Quality Control Plan for the Central Coastal Basin adopted by the Regional Water Quality Control Board designates several beneficial use objectives for the Carmel River. The proposed project will restore and enhance aquatic, riparian and wetland habitat, thereby furthering the following designated beneficial uses for the river: cold fresh water habitat, wildlife habitat; rare, threatened or endangered species; preservation of biological habitats of special significance; migration of aquatic organisms; and spawning habitat.

In 2004, the Carmel River Watershed Conservancy adopted an Assessment and Action Plan for the Carmel River. The actions recommended in this plan were reviewed and prioritized by the Carmel River Task Force (CRTF) with the most recent update having been done in 2019. One of the priorities identified by the CRTF was to reduce the risk of flood damage through multi-objective flood control projects, including floodplain restoration. CRFREE remains a top priority for the CRTF.

CEQA COMPLIANCE:

Potential environmental impacts of the proposed project are addressed in the Carmel River Floodplain Restoration and Environmental Enhancement Project Final Environmental Impact Report/Environmental Assessment (“EIR/EA”), certified by the County on January 28, 2020. The County is the Lead Agency under the California Environmental Quality Act (CEQA) for the project. The County approved the project on June 15, 2021.

The EIR/EA evaluates a No-Build (No-Action) Project and three Build Alternatives to improve the natural and historic functions and values of the lower Carmel River and Carmel Lagoon. The Build Alternatives are: (1) Preferred Project, (2) Reduced Project Alternative, and (3) Secondary Channel Alternative. The Build Alternatives all include the following components: removing a portion of the existing levee, floodplain restoration grading to accommodate conveyance of flows over the floodplain, construction of a causeway to convey flows under Highway 1 into the south arm of the Carmel Lagoon, an agricultural preserve elevated out of the floodplain, public access and trails, and both active and passive restoration of native habitats. The proposed project is designated Alternative 1 (the Preferred Project) in the EIR/EA.

All of the potentially significant impacts of the proposed project as identified in the EIR/EA can be mitigated and reduced to less-than-significant levels as summarized below. Most of the impacts arise from earth moving and temporary rerouting of Highway 1. Potentially significant effects were identified in the areas of: Aesthetics, Air Quality, Biological Resources, Cultural Resources, Geology and Soils, Hazards and Hazardous Materials, Hydrology and Water Quality, Noise, Public Services, Transportation/Traffic, and Tribal Cultural Resources. In addition, the EIR/EA found there are “Mandatory Findings of Significance”. Each of these topic areas and the associated mitigation measures are summarized below.

Aesthetics:

The EIR/EA analysis found that the project could have a substantial adverse effect on a scenic vista by removing mature trees within a state scenic highway (Highway 1). The project could also substantially degrade the existing visual character or quality of the site and its surroundings. The County will mitigate these potential effects by implementing mitigation measures related to the bridge rail architectural texture and color to blend with the existing setting. The County will also plant at least two trees for each one removed from within the Caltrans right-of-way or viewshed.

Air Quality:

The project could potentially expose sensitive receptors to substantial concentrations of air pollutants associated with construction-related traffic, equipment, and grading. The County will mitigate this effect by implementing best management practices related to traffic control, dust control, equipment storage and by employing low-sulfur diesel fueled equipment.

Biological Resources:

The project could have a substantial adverse effect, either directly or through habitat modifications, on a species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service. The project area may be suitable habitat for the following: California red-legged frog (CRLF); special-status bat species; steelhead trout; tri-colored blackbird; Monterey Dusky-Footed woodrat; coast range newt; California legless lizard; and western pond turtle.

The project may also result in vegetation removal that could impact special-status raptors, avian species, special-status ground-dwelling avian species and other special-status species during nesting season. The project could also adversely affect federally protected wetlands as defined by Section 404 of the Clean Water Act.

The County will mitigate these effects by taking the following actions:

- Monitor and document pre-construction conditions.
- Undertake avoidance and relocation measures recommended by the California Department of Fish and Wildlife.
- Implement measures to contain hazardous materials and spills of fuel and cleaning products.
- Avoid impacts to nesting birds by removing vegetation prior to the nesting season (February 15 through September), if possible, and by implementing appropriate buffers with monitoring by a qualified biologist.
- Monitor the site for standing water to ensure no breeding of the invasive American bullfrog and ensure the site is dry for at least 72 hours in the month of September, or initiate an alternative management plan for bullfrogs.
- Protect adjacent trees with fencing and by monitoring by a qualified biologist, and replant willows and cottonwoods within the riparian forest at a 3:1 ratio, as detailed in the Restoration Management Plan (RMP).
- Clean and inspect construction equipment prior to mobilization to avoid movement of invasive and noxious plants and/or seeds on to the site, and clean and inspect equipment prior to leaving the site to avoid the transport of the New Zealand mud-snail.

Cultural Resources:

The project could cause a substantial adverse change in the significance of a historical resource. Three cultural resources occur within the area: 1) the culvert headwall which is a contributing element to Carmel to San Simeon Highway Historic District, 2) the Carmel River Floodplain Agricultural Landscape and Historic District which consists of 13 separate features within and adjacent to the project, and 3) the Fish Ranch adobe located adjacent and outside of the

project area. Additionally, the project is within a highly sensitive zone for buried archaeological resources, including human remains or other archeological resources. As discussed below under Tribal Cultural Resources, the County and BSLT have consulted with two local tribes: the Ohlone/Costanoan Esselen Nation (OCEN) and the Esselen Tribe of Monterey County (ETMC). Mitigation measures addressing the tribe's concerns are described in the Tribal Cultural section below. In general, the County will mitigate these potential impacts to archaeological resources by employing a qualified archeologist to monitor excavations and other earthwork on-site. The archeologist will have authority to stop work and take appropriate action if remains are discovered. In the event that materials are found, notification to tribal members will take place and the State Parks Archeologist will be notified if such materials are found on the State Parks property.

Geology and Soils:

The project could expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving strong seismic ground shaking and seismic-related ground failure, including liquefaction and substantial soil erosion or the loss of topsoil. The project will mitigate for geologic hazards by having a design-level geotechnical report prepared by a licensed geotechnical engineer which analyzes site conditions and geologic hazards and makes design recommendations, and which will be provided to Caltrans and the County for review and approval. The final design of the causeway will follow recommendations associated with lateral spreading and liquefaction. The project will also mitigate for potential soil erosion by implementing soil best management practices and procedures discussed above to protect water quality and native species.

Hazards and Hazardous Materials:

Project construction could create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials and create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials, including leaded or thermoplastic highway paints and wood treated with chemical preservatives. The project could also impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan.

The project will mitigate these risks by removing highway paints in accordance with Caltrans standard special provisions and by following a Lead Compliance Plan for paint removal including limiting exposure to lead chromate-containing materials. In addition, treated wood will be property stored and disposed of at an appropriate facility. The cleaning and refueling of equipment and vehicles and storage of hazardous materials during construction will only occur within designated areas and spills will be immediately cleaned up. Any spills of hazardous materials will be reported to the Project Biologist and construction biological monitor and recorded in a daily log. Mitigation measures related to emergency response are discussed in Transportation and Traffic section, below.

Hydrology and Water Quality:

The project could violate water quality standards or waste discharge requirements and could impact the hydrology of the Carmel River. The project will also alter the existing drainage pattern of the site including through the alteration of the Carmel River.

To address these potential impacts, the following mitigation measures will be implemented:

- A Storm Water Pollution Prevention Plan (SWPPP) will be prepared for stormwater runoff which will be covered under the State Construction General Permit.
- A design-level hydraulic analysis will be completed in accordance with the requirements of Caltrans and submitted for approval prior to the issuance of any grading and/or building permit.
- Bank stabilization measures will be considered by a licensed civil engineer following levee removal.
- The remnant levees will be monitored, and adaptive management practices implemented to the extent necessary.

The project could also expose people or structures to a significant risk of loss, injury or death involving flooding. The project could also increase scouring of the bridge abutments and sedimentation could occur in downstream of the site. The EIR/EA also addresses several downstream structures which may be impacted by altered river flow, including the Carmel Area Wastewater District (CAWD) treatment plant and its ocean outfall and sewer force-main pipeline which crosses the lagoon. The altered river flow may also affect two historic structures on the adjacent State Parks property (Barn and Creamery), which will be raised in elevation but would remain within the 100-year flood elevation. The flood risk within the project area is expected to be reduced substantially though not enough to remove the CAWD facilities and State Parks historic structures from within the 100-year zone.

The project will avoid potential impacts to the CAWD pipeline by phasing construction of the project so that the pipeline can be relocated underground (“Undergrounding Project”) prior to completion. The project includes the following mitigation measures:

- The existing south bank river levee and the temporary Highway 1 detour road, which will function as a barrier to flow during a flood event, will remain intact until the Undergrounding Project is complete.
- The County will negotiate in good faith for an agreement with CAWD to address funding and implementation of the Undergrounding Project.
- The County will not start construction until CAWD has obtained all permits and approvals and has awarded a construction contract for the Undergrounding Project.

- Monterey County Water Resources Agency will apply to FEMA, on behalf of the project, for a Conditional Letter of Map Revision (CLOMR) prior to construction. The intent is to update FEMA flood maps to reflect post-project flood risk.

Noise:

Project construction could expose people to, or generate, excessive noise levels or ground-borne vibration in excess of standards established in the local general plan or noise ordinance, or applicable standards. A substantial temporary or periodic increase in ambient noise levels may occur in the project vicinity.

To mitigate these risks, the county will prepare a Construction Noise Mitigation Plan (CNMP) in conformance with County noise ordinance. The CNMP will focus on areas and construction activities that would result in noise levels that would exceed instantaneous levels of 85 dBA for the daytime and 65 dBA L-max, for the night. The CNMP will be subject to approval by County planning staff and Caltrans and will be implemented by contractors undertaking demolition, grading, pile driving, and other noise-generating activities. The County will encourage the use of quiet air compressors and other stationary noise sources where technology exists.

Adjacent property owners and building occupants will be notified at least five days prior to start of construction. Consistent with Monterey County noise ordinance, noise-generating activities will be limited during the nighttime hours between 10:00 p.m. and 7:00 a.m., Monday through Saturday and prohibited on Sundays and State-recognized holidays.

Public Services:

Project construction could result in substantial adverse physical impacts to governmental facilities or acceptable service ratios, response times or other performance objectives for any of these public services: fire protection, police protection, parks or other public facilities. Project construction will likely cause temporary traffic congestion. The county will mitigate traffic congestion by implementation of an approved Traffic Management Plan.

Transportation/Traffic:

There will be no increase in demand for emergency services as a result of the project; however, Highway 1 is identified as an emergency access route in the 1982 Monterey County General Plan and construction could result in reduced emergency access (travel across causeway) due to temporary construction-related traffic congestion. This impact will be mitigated by implementation of an approved Traffic Management Plan.

The project will relocate utilities within the Highway 1 right-of-way. The relocation of both temporary and permanent utilities will be reviewed and approved by the utility owners.

Tribal Cultural Resources:

The project could cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the

landscape, sacred place, or object with cultural value to a California Native American tribe, and that is: a) listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or b) a resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1.

The County consulted with two local tribes: OCEN and ETMC. The County consulted with OCEN, in accordance with AB-52, to discuss possible impacts to tribal cultural resources and feasible alternatives or mitigation measures to avoid or substantially lessen the impact. Consultation was initiated on December 8, 2015, and included 12 meetings or email or phone communications, through October 2, 2018. BSLT, as co-applicant for the project, has offered a location on the project site for reinterment of any found Native American human remains or other artifacts. BSLT has also committed to recognize tribal coastal resources in this area after construction of the project, which may include activities such as allowing access for collection of native plant materials and development of interpretive signage to acknowledge the indigenous ancestry on the project site and surrounding landscape.

The County also consulted with ETMC from December 20, 2019, through 2020 in which a ETMC representative discussed potential project impacts to tribal cultural resources and feasible alternatives or mitigation measures to avoid or substantially lessen the impact. As a result of the consultation with ETMC and the County's independent judgement, Mitigation Measures CUL-1 through CUL-5, CUL-7, and CUL-10 were modified in the Final EIR/EA.

Mandatory Findings of Significance:

Pursuant to California Code of Regulations, title 14, section 15065, a lead agency must find that a project may have significant effects where there is substantial evidence that certain conditions may occur, including 1) degradation of the environment, 2) individually limited but cumulatively considerable impacts, and 3) environmental effects that will cause substantial adverse effects on human beings. When such conditions exist, the lead agency must prepare an EIR that identifies the effects to be analyzed in depth, and the lead agency must make detailed findings on the feasibility of alternatives or mitigation measures.

Based on the analysis within the EIR/EA, the proposed project would not result in significant degradation of the environment with the implementation of identified mitigation measures.

The project may have an overall net benefit and positive cumulative impact on hydrology, water quality, and the biological environment. Impacts to all other resources are not considered cumulatively considerable as they are short-term, construction-related impacts that would be fully mitigated to a less-than-significant level through the incorporated of mitigation measures identified in this EIR/EA. The proposed project is one component of a larger conceptual restoration for the lower Carmel River and Lagoon (PWA et al. 1999). The first phase of the larger restoration, known as CRLEP, was completed in 2004 by State Parks on their

property, and included restoration of the south arm of the Carmel Lagoon. The proposed project will be physically and hydrologically connected to the south arm and will, to a large extent, complete the lower Carmel River and Lagoon restoration effort that was envisioned almost two decades prior. The project, in conjunction with related projects, would restore hydrologic connectivity with the upper and lower reaches of the Carmel River, improve surface water flow by reducing the water diversions from the Carmel River subterranean flow, and improve existing sensitive habitat and habitat for special status species (including special-status fish and frogs).

The project would not result in environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly.

For these reasons, the Conservancy staff recommends that the Conservancy find that the project, as mitigated, avoids or reduces to less than significant all potentially significant environmental effects.

Upon Conservancy approval of the proposed projects, Conservancy staff will prepare and file a Notice of Determination.