Final Funding Plan For Projects to Compensate for Injuries to Natural Resources Impacted by the Hydrocarbon Contamination and Cleanup at Avila Beach

March 2001

California Department of Fish and Game
Office of Spill Prevention and Response

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TABLE OF CONTENTS

I. INTRODUCTION AND SUMMARY 9

A. INTRODUCTION 9
B. DESCRIPTION OF SPILL AND CLEANUP 10
C. ENVIRONMENTAL AND RECREATIONAL IMPACTS FROM THE CONTAMINATION AND CLEANUP 12
1. Environmental Setting 12
2. Natural Resource Impacts 13
3. Nexus to Biological Restoration Projects 15
4. Recreational Setting 16
5. Recreational Impacts 16
6. Nexus to Recreational Restoration Projects 17
D. DESCRIPTION OF SETTLEMENT AGREEMENTS, MOU, AND APCD MITIGATION FUNDS 17

II. PROJECT SELECTION PROCESS 18

A. COORDINATION WITH OTHER REGULATORY AGENCIES 18
B. COMMUNITY INVOLVEMENT 19
Public Workshop Number 1 19
Public Workshop Number 2 19
Public Workshop Number 3 20

III. CDFG PROJECT EVALUATION AND RANKING CRITERIA 21

A. THRESHOLD CRITERIA 21
B. ADDITIONAL CRITERIA 22

IV. PROJECT CONCEPTS PROPOSED FOR FUNDING 23

A. RECREATIONAL PROJECTS APPROVED FOR FUNDING 23
Project # R-1: Beach Cleaning Machine 23
Project # R-2: Pier Crane 24
Project # R-3: Guardrail and Ladder for Avila Pier 25
Project # R-4: Playground Equipment 26
Project # R-6: Walkway and Trees along Hartford Dr. 26
Project # R-7: Bob Jones Bike Trail, Phase 2 27
Project # R-8: Bob Jones Bike Trail, Phase 3 Construction 28
Project # R-9: Public Safety Equipment (Lifeguard Towers) 29
Project # R-10: Fire / Rescue Boat 30
Project # R-11: Skiff Racks 31
Project # R-14: Cave Landing Bike Path 32
Project # R-22: City to Sea Greenway (City of SLO Portion) 33
Project # R-24: Fossil / Photo Display at Marine Institute 34
Project # R-25: Avila Beach Website 35
Project # R-28: Marine Institute Building 35
Project # R-36: Floating Dock at Avila Pier 36
Project #R-38: Renovation at Point San Luis Lighthouse 37
Project # R-41: Point San Luis Lighthouse Road Improvements 38
Project # R-48: Weather Station 39
B. BIOLOGICAL PROJECTS APPROVED FOR FUNDING 40
Project # B-6: Red-legged Frog Study 40
Project # B-13: Salmon Rearing Project in Avila Beach 41
Project # B-17: Mature Oak Tree Installation 42
Project # R-8: Bob Jones Trail, Phase 3 San Luis Creek Restoration 43
Project # B-2: Port San Luis Harbor District Boat Yard Upgrade 43
Project # B-18: Irish Hills Land Acquisition, Leucadia Ranch 45

TABLE OF CONTENTS CONTINUED

Project # B-19: East Fork Wetland Restoration *46*
Project # B-20: Oil and Grease Filters *48*
Project # B-30: Marre Weir Modifications *49*
Project # W-17: Avila Beach Spill Response Program *51*
Project # W-18: Ayers (Johnson Ranch) Acquisition *52*
Project # A-17/W-12: Harbor District Boat Engine Re-Power *53*
Project # A-17/W-12: Oil Pollution Prevention Education Program -Task #4 ..... *54*
C. PROJECTS NOT APPROVED FOR FUNDING 55
D. CHANGES FROM THE DRAFT FUNDING PLAN 55
Replacement of Water Storage Tank and Main Distribution Pipe *56*

V. OVERVIEW OF IMPLEMENTATION PROCESS FOR APPROVED CONCEPTS/PROJECTS 57

A. FUNDING DISPENSATION 57
B. PROJECT BUDGET AND FEASIBILITY CONSIDERATIONS 57
C. CONTINGENCY FUNDS 57
D. ENVIRONMENTAL COMPLIANCE 58

REFERENCES 58

APPENDIX A. - DRAFT FUNDING PLAN 59

APPENDIX B. - SUMMARY OF PUBLIC COMMENTS ON THE DRAFT FUNDING PLAN 70

APPENDIX C. - FINAL LIST OF PROJECTS AND FUNDING LEVELS 76

I. INTRODUCTION AND SUMMARY

A. INTRODUCTION

This Final Funding Plan (Plan) summarizes the incidents relating to the underground oil contamination at Avila Beach, and the settlement agreement mandating that monies be spent on restoration projects to compensate for the injuries from the contamination. This Plan describes the restoration planning process, the restoration projects that were proposed by the community, and the restoration projects to be funded (See Appendix C for a complete project list). This settlement is not related to the 1992 Unocal pipeline spill that was addressed in a separate plan dated June 1999.

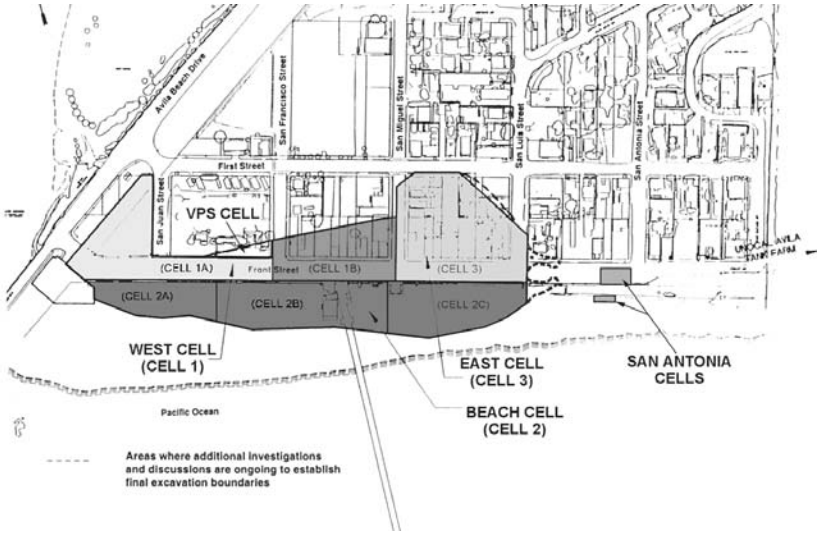
The California Department of Fish and Game (CDFG), Office of Spill Prevention and Response is the Natural Resource Trustee designated pursuant to the federal Oil Pollution Act of 1990. As Trustees for natural resources, the CDFG acts on behalf of the public to assess the impacts of an oil spill and the resultant injuries to natural resources and the 'services' the resources provide. From the damage assessment, the CDFG develops and implements restoration plans to restore those injured resources. Additionally, under California law the CDFG is the Trustee for fish, wildlife, and their habitat, and the CDFG's Office of Spill Prevention and Response (OSPR) is charged with assessing natural resource damages and restoring injured resources pursuant to the Lempert-Keene-Seastrand Oil Spill Prevention and Response Act. As the state's Natural Resource Trustee, CDFG manages the Avila Beach Restoration Trust, a fund created through a negotiated settlement with the Unocal Corporation (Unocal) for the restoration of injured resources. In this plan, the Avila Beach Restoration Trust refers to both the fund and the CDFG as the Trustee.

The purpose of this Plan is to notify the public of the restoration alternatives considered and those that were selected by the Avila Beach Restoration Trust as compensation for injuries to biological and recreational resources. The restoration projects in this plan will compensate for injuries that occurred to intertidal resources, birds, and fish, and provide additional recreational benefits to humans to compensate for lost recreation access during the spill assessment and clean-up operations. The proposed restoration actions are being conducted under the authority of the Lempert-Keene-Seastrand Oil Spill Prevention and Response Act (Government Code 8670.1 et seq.) and the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.). The goal of both Acts is to restore injured natural resources such as wildlife, fisheries, and their habitat through implementation of restoration projects and to compensate the public for lost use and enjoyment of natural resources (including public beaches) caused by the discharge of oil into marine waters. These goals are achieved through the implementation of restoration alternatives that restore, rehabilitate, replace, or acquire the equivalent of injured natural resources.

B. DESCRIPTION OF SPILL AND CLEANUP

Unocal utilized the Avila Beach area, in San Luis Obispo County, California, as a port for loading and offloading petroleum products since the early part of the 20th century. During this operational history, numerous petroleum products, including crude oil, gasoline and diesel were transmitted through pipelines located beneath Front Street in Avila Beach. It was discovered these pipelines had been leaking for decades, causing significant adverse impacts to ground water, the adjacent beach, and the private properties immediately adjacent to Front Street. It is believed that the leaks ultimately discharged contamination into the Pacific Ocean at San Luis Obispo Bay (See Figure 1. Plume Map).

Figure 1 – Plume Map (Shaded areas represent contaminated areas)



In the 1970's, a basement fire related to vapors from the plume beneath the Avila Café provided the first indication of problems associated with the pipeline leaks. The Regional Water Quality Control Board (RWQCB) first became involved in this case in 1989 and required soil samples to be collected beneath a Front Street commercial property. These samples indicated significant contamination. In 1990, Unocal began delineating the contamination, and in 1991 the RWQCB provided Unocal with tentative groundwater and soil cleanup levels. In 1992, Unocal installed a vapor extraction system.

In April 1994, San Luis Obispo County Planning and Building Department sent a request to CDFG for assistance in determining potential impacts to the marine environment from the contamination. At that point CDFG became involved, and began coordinating with the other agencies.

In August 1994, the RWQCB issued a Cleanup or Abatement Order (CAO) requiring Unocal to submit a cleanup plan. In September of that year, the RWQCB issued another CAO with groundwater and soil cleanup levels, and required a human health and environmental risk assessment and ground water cleanup plan. In January 1995, Unocal submitted the Health and Environmental Risk Assessment and determined that excavation would be needed in order to reduce Total Petroleum Hydrocarbons (TPH) to the required clean-up level of 100 parts per million (ppm).

It was then determined that a full environmental review was warranted since full-scale excavation would involve significant impacts to the environment. It was also decided that the California Environmental Quality Act (CEQA) environmental review process would be used to refine the soil cleanup levels initially proposed by the RWQCB. San Luis Obispo County and RWQCB were co-leads for the Environmental Impact Report (EIR). At that point, the RWQCB deleted the soil cleanup level of 100 ppm but kept the groundwater cleanup level of 1 ppm TPH.

In October 1995, the RWQCB required Unocal to conduct an emergency excavation at the west end of the beach due to severe sand erosion and migration of San Luis Obispo Creek. This emergency excavation began in December 1995 and was completed in January 1996.

A year later, in December 1996, the RWQCB issued another CAO requiring Unocal to conduct a groundwater flow study and a tidal influence study. After numerous investigations, it was discovered that the area of contamination stretched a distance of four blocks, and extended beneath both the beach at Avila and much of the first block of the town.

In early 1997, CDFG began the “Pre-assessment Phase” of a Natural Resource Damage Assessment. As part of this Pre-assessment Phase, sand crab and mussel studies were conducted.

On September 11, 1997 and again in January 1998, CDFG, in conjunction with San Luis Obispo County and the RWQCB, served notice to Unocal advising of their intent to file suit stating the oil present at and beneath the town of Avila Beach presented an imminent and substantial endangerment. For purposes of avoiding protracted litigation, parties settled in June 1998.

In May 1997, a draft EIR was completed. Based on review of the draft EIR , the U.S. Army Corps of Engineers determined an Environmental Impact Statement (EIS) was also warranted. Agencies decided to combine the EIR and EIS. The draft EIR/EIS was completed November 1997 with the final EIR/EIS completed February 1998.

On February 26, 1998 the EIR/EIS was certified. This EIR/EIS analyzed the anticipated significant impacts of the proposed remediation project and a range of alternatives. The EIR/EIS concluded that the best remedial alternative was excavation.

In April 1998, the RWQCB required Unocal to excavate the main plume in Avila Beach. Remediation activities included soil excavation, dredging in areas where the bottom of the contaminated soil was below the ground water table, oil product skimming off the top of ground water, confirmation bottom sampling, and clean soil backfilling.

Unocal initiated building demolition in October 1998, at the western end of Avila Beach. Excavation of the main plume area commenced in February 1999 and continued through that summer. During the fall and winter of 1999/2000, the eastern side of the town and several

small plumes near Front Street and in other parts of town were excavated. Unocal completed the main plume excavation in January 2000.

RWQCB required at least 95 percent of the original Total Petroleum Hydrocarbon (TPH) mass in the main plume area to be removed through excavation, dredging, and skimming operations on the water surface within each excavation area. The nutrients ammonium nitrate and calcium peroxide were distributed onto the bottom of the excavated area prior to backfilling to enhance biodegredation of residual contamination.

All petroleum waste soil was hauled to and staged at the Avila Tank Farm on the east end of town and then loaded into highway dump trucks and shipped to an appropriately permitted disposal facility near Buttonwillow in the Central Valley. Air pollution impacts from the excavation and hauling activities were addressed in a separate settlement between Unocal and the Air Pollution Control District for San Luis Obispo County, detailed in Section D below.

Following the completion of excavation activities, samples collected through ground water monitoring indicated that dissolved TPH concentrations had been reduced to levels at or below the cleanup goal of 1 ppm previously established by the RWQCB. As such, on November 29, 2000 the RWQCB approved a resolution stating the site remediation project was appropriate for closure.

C. ENVIRONMENTAL AND RECREATIONAL IMPACTS FROM THE CONTAMINATION AND CLEANUP

The following discussion pertains to a conservative estimate by CDFG of biological injuries and recreational impacts that were expected to have occurred as a result of this oil spill. Impacts from the spill may have directly or indirectly affected a resource or the "services" provided by that resource. For example, a large portion of the beach contained subsurface contamination and the beach had to be excavated. Concurrently, the "services" provided by the beach, such as habitat for shorebirds and space for recreational activities, were also impacted. Simplified biological and recreational assessments were conducted for purposes of settlement with Unocal.

1. Environmental Setting

A number of habitat types were/are impacted by the hydrocarbon contamination. The beach zones can be delineated into the supratidal (upper beach), the intertidal (mid beach) and the subtidal (lower beach) zones. Avila Beach is dominated by a fine to medium grained sandy beach with some gravel in the lower intertidal and subtidal zones. An October 1996 beach survey (EIR/EIS) showed the supratidal at Avila Beach was dominated by beach hoppers (commonly known as sand fleas, 39%) and terrestrial insects (60%). The middle intertidal zone was dominated by polychaetes (or worms, 95%), sand crabs (.15%), and other invertebrates. The lower intertidal zone was dominated by beach hoppers (55%), polychaetes (25%), sand crabs (6%), Pismo clams (2%), and other invertebrates. These invertebrates attract shorebirds such as willets, sanderlings, marbled godwits, curlews, sandpipers, terns,

brown pelicans and several species of gulls all of which utilize the sandy beach habitat for feeding and resting.

At both the east and west ends of the sandy beach are rocky outcroppings that support species such as red and green algae, crabs, mussels, barnacles, sea stars, abalone, limpets, anemones, polychaete worms, amphipods, and snails. The pier pilings also support a host of species such as mussels, barnacles, urchins, and sea stars. These species also serve as a food source for other organisms.

San Luis Obispo Creek (SLO Creek) flows into the ocean on the west end of Avila Beach. The creek inlet size as well as estuary size vary depending on the season. The lagoon provides habitat for a variety of species. Invertebrates include amphipods (beach hoppers) and polychaete worms. Fish include tidewater goby, starry flounder, pacific herring, topsmelt, steelhead trout, and king salmon. The fish and invertebrates in the lagoon attract wading birds such as herons, egrets, waterfowl (mallards, grebes, and coots), shorebirds (sandpipers, curlews, marbled godwits, sanderlings, and terns), and gulls.

In near shore waters fish species include perch, smelt, skates, rays, and flatfishes. There are also numerous species of plankton in marine waters. Of course sea birds and mammals can also be found offshore. Sea birds include surf scoters, grebes, shearwaters, loons , gulls, cormorants, terns, and pelicans. Marine mammals include sea otters, sea lions, harbor seals, and cetaceans.

The following sensitive species utilize the Avila Beach area:

Brown pelicans	Forage offshore and rest on the beach and in the estuary lagoon
California least terns	Occasional visitors
American peregrine falcons	Forage in the area
Tidewater gobies	A resident fish species in the estuary lagoon
Western snowy plovers	Winter on the beach in low numbers
Steelhead trout	Migrate into SLO Creek
California red-legged frog	Utilize wetland habitats in the area

2. Natural Resource Impacts

In the EIR/EIS, it was calculated that much of the sandy beach was contaminated with crude oil, gasoline and diesel. Sediment and groundwater, in both the dissolved phase (contamination in the water column) and free-phase (hydrocarbons that “float” on top of the groundwater) were contaminated. In 1998 during the main beach/town plume delineation phase, data was collected that indicated petroleum hydrocarbons were being discharged from the groundwater to the ocean. The main beach plume (the upper intertidal/supratidal zone) that was excavated was contaminated with both diesel and crude oil, while the lower intertidal/subtidal zone is contaminated with hydrocarbons primarily in the crude oil range.

The intertidal and subtidal zones around and underneath Avila Pier was recently delineated in May 2000 (CH2M Hill, 2000). Ecological and human health risk assessments and a sand movement study are currently in progress to determine the best course of action for this area of contamination around the pier.

With this underground plume of contamination, it was very difficult to document injuries to biota (the animal and plant life). With a "typical" marine oil spill there are often oiled birds, invertebrates, and sometimes oiled marine mammals visible onshore and offshore. In this instance at Avila Beach, other than actual excavation of the habitat (the beach), there was no direct visual evidence of impacts to biota. The beach community organisms were likely exposed to hydrocarbon contamination in the sand and interstitial water (water in the pore spaces of the sand) and from erosion, deposition, and resuspension of contaminated sand. Additionally, contaminants likely entered the marine food chain through predation of intertidal organisms exposed to hydrocarbon contaminants over the long-term. Chronic or long-term impacts may include sublethal effects such as behavioral changes, reproductive impairments, and reduced growth rates. Hydrocarbons most likely were also incidentally released into San Luis Obispo Creek estuary.

While settlement negotiations were taking place, as part of the simplified assessment, CDFG staff conducted sand crab and mussel studies in 1997 in attempt to document impacts to intertidal invertebrates. In March and April of 1997 CDFG and Entrix, a Unocal contractor, conducted a mussel study. Mussels were collected from Montana de Oro and transplanted to Avila Beach Pier, Port San Luis Pier, and Pismo Beach Pier. These transplanted mussels were attached to the piers for one month, and then collected for tissue analysis. Total polynuclear aromatic hydrocarbon (PAH) values varied with the highest concentration found in the mussels attached to the most seaward end of Avila Beach Pier. Resident mussels were also collected and analyzed from these three piers. Total PAH concentrations in resident mussels from Avila Beach Pier were relatively higher than concentrations from the other piers.

In 1997 CDFG also conducted a sand crab study since burrowing invertebrates can absorb petroleum hydrocarbons via the water in the pore spaces of the sand and because invertebrates can ingest contaminated sediments. Sand crabs were sampled in May, 1997 from Avila Beach, Pismo Beach, and Old Port Beach (the latter two being reference sites). Tissues were analyzed for PAH's. All sand crab samples from Avila Beach contained PAH's, the highest being 876.3 parts per billion (ppb) total PAH from 10 meters east of Avila Pier. The average total PAH concentration from the other 6 samples from Avila Beach was 311 ppb. The lab analysis from the Old Port Beach reference sample was lost during extraction in the lab. The sand crab sample from Pismo Beach also contained PAH's at a level of 331 ppb total PAH's (CDFG, 1997).

In 1998 CDFG conducted a Phase 2 sand crab and mussel study in attempt to statistically compare PAH levels between Avila Beach invertebrates and invertebrates from reference sites. The Phase 2 study also attempted to differentiate PAH's originating from creosote (from pier piles) from PAH's originating from other sources. Sand crabs and associated sediment samples were collected from sample sites surrounding the Avila Pier area. Samples were also collected from three reference locations (Cayucos Pier, northern Pismo Beach, and Morro

Strand State Beach). With few exceptions, PAH's were not detected in any of the samples. Only one sand crab sample from Avila Beach contained .1 ppm of C4-phenanthrene/anthacene. None of the sediment samples analyzed contained detectable levels of PAH's. PAH compounds used for fingerprinting were either not detected or were insufficient in number to provide qualitative fingerprint information. Likewise, statistical comparisons could not be made between sample sites based on the test results.

In June 1998, mussels were collected from Avila Pier and three reference locations (Cayucos Pier, Pismo Pier, and Montaña de Oro). The CDFG lab reported with few exceptions that PAH's were not detected in any of the mussel samples. One of the three mussel samples taken from Avila Pier (nearest to shore) contained trace levels of napthalene, 2-Methyl napthalenes, and chrysene. Likewise, one mussel sample collected from the middle of Avila Pier contained trace amounts of chrysenes. PAH compounds used for fingerprinting were either not detected or were insufficient in number to provide qualitative fingerprint information. Likewise, statistical comparisons could not be made between sample sites based on the test results.

In addition to the Phase 1 and 2 studies, natural resource impacts were calculated based on the temporary reduction in habitat for birds and invertebrates, including a temporary loss of services, during the beach excavation. A temporary loss of beach habitat forced the organisms to feed, rest, etc. elsewhere in neighboring habitats, potentially causing competition with organisms on other sites. Beach habitat was being disturbed during the excavation for approximately 18 months. An estimate of the total beach surface area, supratidal and intertidal zones, that was disturbed (excluding the intertidal/subtidal plume), is approximately 158,500 square feet or approximately 3.6 acres or approximately 43% of the surface area of Avila Beach (EIR/EIS, 1998).

As the beach was excavated, invertebrates were destroyed by the excavating equipment. Much of the soil surrounding the remediation areas was physically modified and compacted by the use of heavy equipment. Organisms that survived the excavation died as the excavated sand was stockpiled offsite for disposal. The number and biomass of invertebrates lost was most likely low, and the invertebrate community likely recovered within a few months after project completion. Invertebrate recovery probably occurred in a manner similar to their recovery from natural processes such as a major storm event (EIR/EIS, 1998).

3. Nexus to Biological Restoration Projects

Sandy beach environments are very dynamic and the organisms that inhabit sandy beaches have high natural recruitment rates. As such even though most of the natural resource impacts were to the beach habitat and the associated marine organisms, on-site biological restoration of the beach was not selected because of factors related to technical feasibility, expected benefits, and cost. Specifically, restoration of a sandy beach habitat is technically difficult to implement, generally occurs naturally relatively quickly, and judging benefits is also very difficult. It is unknown if restoration activities actually increase the rate of natural recovery in these sandy beach systems. Restoration in the intertidal area was also thought to be too costly when the benefits were considered. For this reason, the CDFG chose to fund projects in San

Luis Obispo Creek and San Luis Obispo Bay, projects that will benefit the ecology and water quality of the Avila Beach area.

The biological restoration projects proposed in this plan will benefit injured marine resources in several ways:

- Increased primary productivity in the riparian and estuarine ecosystem will benefit microbiota, macrobiota, and ultimately birds and mammals in the inshore marine environment;
- Enhancement of the wildlife corridor will enable upstream movements and improve habitat use by coastal and estuarine waterbirds;
- Improvement of anadromous fish habitat by providing creek shading (thermal protection), protection from predators, production of food, improvement of spawning habitat, and removal of fish migration barriers;
- Reduction of creek bank erosion and associated sediment deposition in the lower reaches of the creek and the marine environment, that would further impact the injured resources through siltation and subsequent loss of habitat;
- Reduction in non-point source pollutants that would otherwise impact the marine resources, and,
- Enhancement of public use activities through recreational and educational opportunities provided by a healthy riparian corridor and bay.

4. Recreational Setting

Avila Beach is one of the most popular beaches in San Luis Obispo County. Recreational activities in the Avila Beach area include: Beach use, sport fishing, pleasure boating, jet skiing, surfing, wind surfing, ocean kayaking, wildlife viewing, SCUBA diving, general pier recreation, cycling, and hiking.

5. Recreational Impacts

The cleanup of contaminated areas at Avila Beach caused significant impacts to the public's use and enjoyment of natural resources as the public was prevented from using the sandy beach at Avila for approximately 18 months. Avila Pier was also closed to the public throughout the cleanup. Potential losses to recreational users also resulted from the public's concerns about the cleanup, extent of contamination, and likely disruptions that could occur at or near Port San Luis. The impacted areas are not used for commercial fishing, thus this activity was not impacted, nor was the king salmon salt water rearing pen facility located nearby.

The CDFG performed an assessment of the expected impacts resulting from the public's lost or impaired uses of natural resources as a result of Unocal's cleanup at Avila Beach. A simplified assessment was conducted for purposes of settlement with Unocal. The largest impact resulted from lost use of the beach and pier. While impacts to recreational boaters were expected to occur, they were less than expected due to the fact that the Port's facilities remained open during clean-up operations.

The CDFG had attendance data for Avila Beach for the summer months, as a result of Unocal's pipeline spill in 1992. Consultants were sent to Avila Beach in the winter to record and estimate beach use in colder weather. These high and low seasonal beach use estimates were combined to assess yearly attendance at Avila Beach. The economics literature was reviewed regarding the economic value of beach recreation and pier usage, and then applied to estimates of both lost beach visits and impaired or diminished quality recreational visits.

Information regarding the frequency of various types of recreational boating at Port San Luis was also available to CDFG from the Unocal pipeline spill in 1992. Estimates were made based upon the number of boating trips canceled as well as the potential number of trips that may have been taken even though the boaters had some level of concern about the Unocal cleanup and the impacts from traffic, degraded water quality, and other factors that could reduce the quality of the boating trip. The economics literature was reviewed to determine the value that the public places on various types of boating recreation.

The CDFG did not estimate cleanup impacts to visitors of Avila Beach for the sole purpose of shopping or use of restaurants. These types of activities, while clearly impacted as a result of the cleanup, do not involve the use of natural resources. These types of public activities are not subject to a claim by CDFG on behalf of the public for lost uses of natural resources under the Department's trusteeship.

6. Nexus to Recreational Restoration Projects

All the proposed projects were originally submitted to CDFG from the community. The projects selected for funding will enhance 1) beach use, 2) use of San Luis Obispo Bay, and 3) other recreational activities such as biking to the beach and visiting the lighthouse.

D. DESCRIPTION OF SETTLEMENT AGREEMENTS, MOU, AND APCD MITIGATION FUNDS

In May 1997, the Environmental Law Foundation, Citizens for a Better Environment, and the Avila Alliance (private plaintiffs) initiated a suit against Unocal based on violations of federal environmental laws resulting from the discharges in Avila Beach. The State Attorney General, on behalf of the RWQCB and the CDFG, and the County of San Luis Obispo (County) joined the suit in the summer of 1997. In June 1998, Unocal, CDFG, RWQCB, the County , the Environmental Law Foundation, Citizens for a Better Environment, and the Avila Alliance entered into an agreement to settle the lawsuit. The agreement was incorporated into a court judgement and the settlement totaled $18 million.

The CDFG received $6 million for restoration projects. Of this amount, $2.5 million was allocated for use on studies concerning impacts to biological resources in the marine environment and restoration projects relating to injuries to biological resources impacted by the oil release and subsequent clean up. The CDFG's remaining $3.5 million was allocated for restoration projects compensating for lost use and enjoyment of natural resources and public facilities in Avila Beach, including the beach.

Following the Settlement process, the CDFG entered into a Memorandum of Understanding (MOU), dated September 9, 1998 to work jointly with the California Coastal Commission (CCC) on the review and selection of restoration projects for funding.

The other plaintiffs in the settlement received the following settlement allocations outlined in the table below. (Settlement funds acquired by the Environmental Law Foundation, Citizens for a Better Environment, and the Avila Alliance were combined to form the Avila Beach Community Foundation).

RWQCB	$1,000,000	Water quality related projects at or near Avila Beach.
Avila Beach Community Foundation	$3,000,000	Enhancement and betterment of the Avila Beach community.
San Luis Obispo County	$3,500,000	Front Street Enhancement Project and transfer of title to three properties in Avila Beach. Unocal also agreed to expend $500,000 to develop one of these properties into a community park.

Excavation and construction activities associated with Unocal's Avila Beach Remediation project resulted in the generation of substantial emissions of air pollutants. Based on local air quality regulations and the CEQA, Unocal was required to control emissions on equipment to the maximum extent feasible. The remaining emissions were required to be offset through a MOU negotiated by the APCD with Unocal in November 1998. The terms of the MOU required Unocal to establish a mitigation fund, administered by the APCD, to fund projects that mitigate the air quality impacts of the remediation projects. Approximately $895,000 is available through this fund for emission reduction projects.

II. PROJECT SELECTION PROCESS

A. COORDINATION WITH OTHER REGULATORY AGENCIES

The CDFG and CCC staff joined with staff from RWQCB and the APCD to conduct a combined restoration / mitigation proposal and review process. Public participation meetings and informational mailings were combined so Avila Beach residents and the general public were able to follow the restoration planning process more closely and present their input to multiple agencies in a more efficient manner.

The combined approach utilized by the agencies created a more economically efficient process which resulted in more funding being available for restoration projects. Additionally, the combined approach was beneficial to the community as it simplified the public input and participation processes. Moreover, submitted proposals were shared among each agency allowing multiple agency review of each project and increasing the opportunity for project funding and joint funding.

B. COMMUNITY INVOLVEMENT

The restoration project selection process involved an unprecedented level of public involvement. A series of public workshops were held to solicit project ideas, rank project proposals, and provide input on the selection process. These workshops are described below.

Public Workshop Number 1

In October 1999, a request for proposals was sent to an extensive mailing list of approximately 400 people that included residents of Avila Beach, as well as other interested parties. On October 14, 1999, CDFG, RWQCB and APCD staff conducted a joint public workshop at which each agency detailed its respective restoration / mitigation project evaluation criteria. These criteria were included in both the initial mailer and presented by agency staff during the workshop (CDFG criteria are described in Section III below). A deadline for submitting restoration project proposals was established for December 15, 1999, and approximately 100 proposals were received by the three agencies.

After restoration projects were received, agency staff shared projects that had overlapping jurisdictional subjects. For example, a bike path project originally submitted to CDFG as a recreational project was subsequently shared with the APCD due to the project's air emission reduction potential. After all the proposed projects were shared, CDFG reviewed and ranked a total of 41 biological projects and 47 recreation projects from the community (details of project evaluation and ranking procedures are detailed in section C below). A summary of the projects and the preliminary ranking were mailed out to approximately 500 interested parties prior to the second public workshop.

Public Workshop Number 2

The purpose of this workshop, held on July 18, 2000, was to solicit public input regarding the various proposals that were submitted to the agencies, and to assess the alignment of the agencies' preliminary rankings with the public's preferences. In addition to the written materials distributed as part of an information package that was mailed out prior to the workshop, CDFG staff also made themselves available to the public on July 17, 2000 to discuss the proposed projects, the agencies' rankings, and to receive comments, (The information package for the second workshop included initial project rankings from the RWQCB and APCD as well).

To facilitate review of all the proposed projects, they were organized into categories related to

the impacts being addressed and the source of funding being requested: recreational, biological, air quality, water quality impacts, and proposals originally submitted to more than one agency for funding. The CDFG was principally concerned with recreational and biological projects because those were the restoration categories assigned in the Settlement Agreement. Prior to the public workshop, several projects were rejected because they did not meet the CDFG's minimum Threshold Criteria. These projects not meeting minimum Threshold Criteria were still listed for public review.

At the workshop, the public was invited to rank each project on a scale from one to nine. These scores were then tabulated through electronic input during the workshop and from mail-in results compiled by Strategic Initiatives, a professional facilitation consultant. This method allowed the public's ranking of the projects to be efficiently analyzed and compared to the initial agency rankings. In total, 218 individuals provided input to the ranking process at the July workshop. A final report was prepared detailing workshop results (Final Report: Avila Beach Mitigation Projects Public Workshop, Strategic Initiatives, July 2000).

The recreational category was the largest group with 47 proposed projects. Generally, with a few exceptions , projects with high public rankings were also ranked high by CDFG. For example, projects R-1 (beach cleaning machine), R-3 (guardrail/ladder on Avila Pier), R-4 (playground equipment), and R-9 (lifeguard towers) received the highest overall rankings from the public and were all ranked in the high category by CDFG (Strategic Initiatives, July 2000). Some projects in the CDFG medium category were ranked high by the public. Those public rankings were considered by the CDFG during the next evaluation phase.

There were 28 proposed projects in the biological category. There was also a high correlation between the public and agency rankings for these projects. For example, there was strong public support for project B-13 (salmon rearing project), B-2 (Port San Luis boat yard renovation), and B-20 (oil and grease filters in stormwater drains). Each of these projects was also ranked high by CDFG (Strategic Initiatives, July 2000). Several projects ranked medium or not meeting minimum criteria by the CDFG were ranked relatively high by the public. The CDFG considered this information in their allocation process.

Public Workshop Number 3

Agency staff took into account the input received from the public during the second workshop when developing the Draft Funding Plan. All three agencies collaborated in the production of the Plan which presented the proposals slated for funding. This draft plan, included in Appendix A, was distributed to interested parties prior to a third public workshop held on September 12, 2000. During this third workshop, the CDFG and the other participating agencies received comments from the public on the proposed funding allocations. The CDFG staff also accepted letters and written comments to the Draft Plan through October 12, 2000. A summary of these comments and the agency's responses are included in Appendix B.

III. CDFG PROJECT EVALUATION AND RANKING CRITERIA

While public rankings were considered in the project selection process, projects proposed for funding were first required to meet standardized criteria established by the CDFG and the CCC. The proposed projects had to achieve a minimum level of acceptance under the "Threshold Criteria" in order to receive further consideration under the "Additional Criteria," (see below). These criteria were used by the agency committees to screen and rank all projects submitted for funding under the settlement with Unocal. This included both projects to compensate for public recreation losses, and projects to restore natural resources.

Recreational projects were evaluated by five CDFG staff members (two of which were local San Luis Obispo County staff) and one CCC staff person. Biological projects were reviewed by a 13 member Technical Advisory Committee (TAC) consisting of CDFG staff members, a CCC biologist, and other local technical experts (e.g. professors from the California Polytechnic State University, San Luis Obispo Biological Sciences Department and local environmental consultants). Both committees used the restoration planning criteria described below. Committee members individually reviewed each project and assigned a score of zero to five for each of the nine criteria and from these a total score was computed for each project. The committee then jointly discussed individual scores and committee members were able to modify their score based on the discussion. The individual scores of each committee member were then averaged to achieve one overall project score. These scores were then divided into high, medium, and low categories based on clear breaks in the numerical score distribution. Projects that did not meet the minimum "Threshold" criteria were categorized as such and removed from further consideration by the committee.

A. THRESHOLD CRITERIA

Technical feasibility:
A proposed restoration project must be technically sound. The committees will consider the level of uncertainty or risk involved in implementing the project. A proven track record that shows past successes of similar projects will be beneficial.

Consistency with the agency's restoration goals:
Proposed projects must meet the agency's intent to compensate the public for lost recreation benefits or restore natural resources that were impacted as a result of the spilled oil and cleanup activities.

Compliance with laws and public safety:
A proposed restoration project must comply with all applicable laws and should not create a risk to public health or safety.

B. ADDITIONAL CRITERIA

Connection to impacts caused by the spill and cleanup:
Under this criterion, projects that benefit the same type of recreation that was lost (e.g., beach use, pier fishing) or benefit natural resources impacted by the spill (e.g., sand crabs, marine birds) are preferred over projects benefiting other activities or resources.

Likelihood of success:
The committees will consider factors affecting the likely success of a project. Projects that have less risk or uncertainty (e.g., technical, regulatory) regarding the potential to succeed are preferred under this criterion. The committees also consider the ability to monitor and evaluate project success, to correct problems that arise during implementation, and the qualifications of companies or individuals expected to implement a project.

Opportunities for partners or collaboration:
The committees will consider the possibility of receiving matching funds or other forms of support to increase the expected benefits of a proposed project. Under this criterion the committees will also evaluate the coordination with other ongoing or proposed projects.

Benefits and costs*:*
The committees will consider the relationship of expected resource and service benefits from each proposal to the expected project costs, seeking the least costly (i.e., most cost efficient) means to deliver an equivalent quality and amount of benefits.

Multiple types of benefits:
The committees will consider the extent to which a proposed project will benefit more than one type of recreational activity or natural resource. Project benefits will be measured in terms of the quality and amount of benefit to recreational users or natural resources. For example, construction of a bike and pedestrian path at the edge of a beach would benefit multiple types of activities along the beach (e.g., joggers, dog walking).

Long-lasting and protected benefits:
The committees will evaluate the long-lasting nature of project benefits. The ability to protect project benefits and ways to ensure protection of benefits will also be considered.

IV. PROJECT CONCEPTS PROPOSED FOR FUNDING

During the proposal period, the CDFG reviewed 47 recreational and 41 biological proposals (including the shared projects). See Appendix C for table summarizing projects to be funded.

A. RECREATIONAL PROJECTS APPROVED FOR FUNDING

The CDFG has selected 19 recreational projects for funding. The projects directly increase the number of recreational opportunities, enhance recreational safety, and improve recreational quality.

Project # R-1: Beach Cleaning Machine

Project Location: Avila Beach / Old Port Beach
Funding Requested: $148,500
Allocated Funding: $148,500
Project Applicant: Avila Beach Community Foundation

Introduction

Avila Beach is a popular public beach frequented by local residents and area visitors alike. This beach was contaminated by the oil spill and people were unable to use it for over a year. Enhancing the recreational quality of the beach will compensate for this temporary loss.

This project was originally submitted by the Port San Luis Harbor District. The District subsequently decided to transfer receipt of the funds for this project to the Avila Beach Community Foundation. The Foundation will now purchase the beach cleaner.

Avila Beach gets very dirty from high public use during the April-October beach season. Winter storms wash debris down San Luis Obispo Creek and on Avila and Olde Port Beaches. The Harbor District does not own beach cleaning equipment. Rather, the District rents machinery from other agencies to keep the beach clean.

Project Description

The project is for the purchase of a Beach Tech 2000 beach cleaner. It is a high quality machine that is in use at many area beaches. The Beach Tech 2000, which must be towed with a tractor, picks up a greater percentage of small items such as cigarette butts and is superior to the machinery currently used.

Project Benefits
Avila Beach will be cleaner, and cleaned more often. Thousands of visitors and Avila residents will enjoy a cleaner beach. Regular beach cleaning will remove most of the safety hazards to bare feet, and thus provide beach users with a higher level of public safety. The new machine will also be made available to other local agencies that serve beach recreation areas.

Feasibility
The Port San Luis Harbor District currently cleans the beach using a rented machine that is similar though not as effective as the Beach Tech 2000. The Port has sufficient funds to cover the labor cost for cleaning operations in their current budget.

Project # R-2: Pier Crane

Project Location: Port San Luis and nearby pier facilities.
Requested Funding: $210,000
Allocated Funding: $210,000
Project Applicant: Port San Luis Harbor District.

Introduction
Two classic wooden piers (Avila Pier and Harford Pier) are the recreational centerpieces of San Luis Obispo Bay. The public benefits greatly from these piers through access for fishing and recreational boating. These recreational activities were impacted by the spill and associated clean-up project. In fact, part of the Avila Pier was demolished to facilitate the clean up and the public was unable to use the pier for over a year.

A principle piece of equipment used to maintain the piers is an aging and unreliable crane. This equipment is not sufficient for adequate facility maintenance.

Project Description
Purchase of a Little Giant, Model SP-48H, self-propelled, 20-ton lattice boom crane. The Harbor District will provide matching funds and is ready to purchase the crane. This crane is a mobile unit that could be driven to each of the area piers for use.

Project Benefits
A new and reliable crane will assure continued maintenance of these piers for public use and enjoyment for the next 30 years. Maintenance activities include driving piles and moving other heavy items.

The District could easily share this crane with, or provide crane support to, the Avila Beach Community Services District, SLO County, CDF/County Fire, and the Office of Emergency Services. Cranes are expensive and scarce, and are often a critical piece of equipment in disaster situations such as storms, floods, and earthquakes.

The public would benefit from the new crane through enhanced pier maintenance and construction. The District has also used a crane in the past to remove such items as a sunken fuel tank, an inoperable National Oceanic and Atmospheric Administration weather buoy, and pieces of boats. The crane will result in a better maintained pier and the ability to rapidly remove large debris from the Bay.

The District's Pier Crew will benefit by having a safer, more reliable piece of equipment when performing inherently dangerous work.

Feasibility

The Harbor District will provide matching funds and is ready to purchase the crane. Carde Pacific Corporation, the Southern California Little Giant dealer, has provided a proposal and price guarantee.

Project # R-3: Guardrail and Ladder for Avila Pier

Project Location: Port San Luis / Avila Pier
Requested Funding: $42,700
Allocated Funding: $42,700
Project Applicant: Port San Luis Harbor District

Introduction

The Avila Pier is a significant recreational centerpiece of Avila Beach and a source of community identity. New Front Street improvements will give the Pier even more prominence. The Pier was impacted by the spill because part of the oil spill plume that was underneath the pier. In addition, the base of the Pier was demolished to facilitate the clean up. To enhance the functioning and safety of this public structure, a new guardrail and a set of new ladders are proposed.

Project Description

This project will replace the 3,540 linear feet of guardrail along the perimeter of Avila Pier. It will also include fabrication and installation of three new stainless steel ladders on Avila Pier. The existing guardrail does not have sufficient strength to be functional, and it does not conform to the 1997 Uniform Building Code. Over the last 15 years the guardrail has become a public safety concern.

Three steel ladders provide boaters access to the pier. These ladders have rusted and do not meet current Occupational Safety and Health Administration requirements. New ladders would be of better design, and constructed of stainless steel for maximum strength and longevity.

Project Benefits

The general public will benefit from a new protective guardrail in the form of enhanced safety. The boating public will benefit through safer access ladders.

Feasibility
The Port San Luis Harbor District has matching funding in the amount of $17,000 for the project and has experience installing similar equipment.

Project # R-4: Playground Equipment

Project Location: Avila Pier / Avila Beach
Requested Funding: $12,000
Allocated Funding: $12,000
Project Applicant: Port San Luis Harbor District

Introduction
The existing playground equipment was on the site of the oil spill and had to be removed for over a year during the clean-up project. As a result, the public was unable to recreate in the area, or use the equipment.

Project Description
Purchase and install the following equipment: Swing sets (2), Sliding board (1), Picnic tables [standard] (3), Picnic tables [wheelchair] (3), Barbecue stands (6). The new playground equipment will have galvanized steel frames and high quality accessories lasting for 20 years or more.

Project Benefits
Families will once again be able to enjoy picnics at the beach. There will be three wheelchair-accessible picnic tables for people with disabilities. Beach use for these activities will increase over previous levels with the addition of this equipment.

Feasibility
The Port San Luis Harbor District has long term experience installing and maintaining this type of equipment.

Project # R-6: Walkway and Trees along Hartford Dr.

Project Location: Avila Beach / Port San Luis
Requested Funding: $172,000
Allocated Funding: $172,000
Project Applicant: None selected at this time

Introduction
With more visitors expected in Avila Beach following the clean-up and implementation of the Front Street enhancement plan, visitors can be expected to walk around more and many will walk towards Port San Luis. Most walkers use the parking lane if there are no cars since it is easier to use than the existing dirt path. When cars are present, many walkers still walk outside of the cars towards the oncoming traffic from Port San Luis. Traffic from Diablo Canyon can be heavy at times along Hartford Drive, causing a hazardous condition.

Construction of a bluff top walkway from near the San Luis Obispo Creek bridge to the entrance of Port San Luis will increase the recreational opportunities and provide enhanced public safety for the users.

Project Description

This project is for the construction of a walkway approximately 0.8 miles in length extending from near the entrance to Port San Luis Harbor (near the fishermen's memorial) to near the base of the Unocal pier. A simple walkway will be constructed of concrete. Palm trees of a suitable variety will be planted at appropriate intervals along the walkway and a drip irrigation system will deliver water to each tree. Funding will be set aside to pay for watering the trees for three years and provide maintenance for up to five years. Other alternatives for landscape plants would be native shrubs and trees such as toyon and live oaks.

Project Benefits

The proposed walkway will increase public safety while promoting recreational walking and biking between Avila Beach and Port San Luis. It will also enhance the view of the bay from Hartford Drive through elimination of weedy tobacco plants on the bluff top and framing the view with palm trees. Finally, the project may help control erosion of the bluff top.

Feasibility

A project manager will be solicited and selected by CDFG. Some cost analysis will also be undertaken prior to awarding of the contract.

Project # R-7: Bob Jones Bike Trail, Phase 2

Project Location: Avila Beach
Requested Funding: $300,000
Allocated Funding: $300,000
Project Applicant: San Luis Obispo County General Services

Introduction

The Bob Jones Bike Trail is a multi-phased trail that will join the City of San Luis Obispo to the Sea at Avila Beach. It will provide an alternative transportation to Avila Beach and a recreational amenity to both communities. The trail will help offset recreational losses caused by the oil spill and clean-up in Avila Beach by increasing the number of visitors to Avila Beach and providing a new recreational activity. It will also increase safety for area visitors. One section of the trail has already been completed and is popular with local residents and area visitors.

The Bob Jones Trail is consistent with the County's Bikeway Plan, Trails Plan, and the Draft Park and Recreation Element. This project will fund a portion of the project located in Avila Beach.

Project Description

This project will fund Phase II of the Bob Jones Trail, joining the existing route at San Miguel St. in Avila Beach with Front Street (or First St.) in Avila Beach. The project will add the final ½ mile to the Trail and constitute the coastal link. The project involves building a new

section of the trail on property owned by Avila Resort and moving the Avila Beach Dr. crossing point to a safe location where a signal is planned.

Project Benefits

This project will form the coastal link of the Bob Jones Trail, a regional trail that will allow bicycle and pedestrian access from San Luis Obispo to Avila Beach. The project will move the existing crossing point of Avila Beach Dr., currently at San Miguel St., to a safer location with better visibility. The trail will also benefit from a planned crossing light at the new location. This will improve safety of the existing trail and complete coastal access of the larger trail project.

Feasibility

The San Luis Obispo County Department of General Services has already overseen the construction of Phase I of the bikeway immediately east of the proposed project. The County has pledged to provide the additional $36,000 for the project.

Project # R-8: Bob Jones Bike Trail, Phase 3 Construction

Project Location: Avila Beach to San Luis Obispo
Requested Funding: $2,400,000
Allocated Funding: $300,000
Project Applicant: San Luis Obispo County General Services

Introduction

The Bob Jones Bike Trail is a multi-phased trail that will join the City of San Luis Obispo to the Sea at Avila Beach. It will provide an alternative transportation to Avila Beach and a recreational amenity to both communities. The trail will help offset recreational losses caused by the oil spill and clean-up in Avila Beach. One section of the trail has already been completed and is popular with local residents and area visitors. The Bob Jones Trail is consistent with the County's Bikeway Plan, Trails Plan, and the Draft Park and Recreation Element.

Project Description

The proposed project will provide partial funding for a continuous bicycle/pedestrian corridor through the Avila Valley. The corridor would connect the Octagon Barn with the Ontario Road Staging Area and the existing Bob Jones City to the Sea Pathway. The bicycle/pedestrian corridor would be approximately 12 feet wide, providing a paved surface for bicyclists and an unpaved shoulder for pedestrians. In addition to a bike/pedestrian path, Phase III will provide a minimum of 2 acres of creek restoration along San Luis Obispo Creek.

Project Benefits

Construction of Phase III will benefit the Avila Valley by providing alternative transportation within the Avila Valley and recreational opportunities for biking, rollerblading, skateboarding, walking, and picnicking. The trail would also provide an area for local events such as fun runs. Finally, the trail area will constitute an area for nature study, restoration of portions of San Luis Obispo Creek and the local habitat, and a safe corridor for pedestrians and bicyclists. Restoration activities will help improve water quality within San Luis Obispo Creek and provide an aesthetic open space corridor owned and maintained by a public agency.

Feasibility

The County of San Luis Obispo, Department of General Services, has begun preliminary studies related to environmental aspects of the trail. Planning studies are also underway that will identify restoration opportunities.

Agency Coordination

This proposal was originally submitted to the CDFG and the APCD. It was reviewed by both agencies and was allocated funding by each agency in the Draft Funding Plan ($300,000 by CDFG and $100,000 by the APCD). The APCD subsequently withdrew their funding for this project.

Project # R-9: Public Safety Equipment (Lifeguard Towers)

Project Location: Avila Beach
Requested Funding: $42,850
Allocated Funding: $42,850
Project Applicant: Avila Beach Community Foundation

Introduction

The Lifeguard department of Port San Luis performed 10 rescues and over 500 preventions on Avila Beach in 1998. Modern and reliable rescue equipment is necessary to assure public safety. Increasing the safety of beach users through the purchase of safety equipment will compensate for the loss of public accessibility to the beach during the clean-up project.

This project was originally submitted by the Port San Luis harbor District. The District subsequently transferred receipt of these project funds to the Avila Beach Community Foundation. The Foundation will purchase the lifeguard towers.

Project Description
This project is to purchase two lifeguard observation towers, two rescue boards, and two handheld radios, replacing obsolete equipment used by the Avila Beach Lifeguards / Port San Luis Harbor Patrol Department.

The new lifeguard observation towers would be industry standard, state certified, OSHA approved towers. This equipment is required for Port San Luis Harbor District to fulfill its policy of providing lifeguard services to protect the public safety on Avila Beach.

Project Benefits
The beach attracts visitors from throughout the State, and improvements to beach safety will make the beach more attractive to visitors. The project will benefit public safety service not just for swimmers, but for people using kayaks, canoes, and personal watercraft.

Feasibility
The Harbor District has 16 years of ownership and management experience with recreational facilities in Avila Beach. The District annually funds the lifeguard service for Avila Beach. The lifeguard rescue towers have a useful working life of 20 years. Rescue boards and radios have a useful working life of 7 years. The Harbor District's maintenance and capital improvement programs will ensure this equipment is sustained with proper annual maintenance for years of public safety use.

Project # R-10: Fire / Rescue Boat

Project Location: Avila Beach / Port San Luis
Requested Funding: $55,000
Allocated Funding: $55,000
Project Applicant: Port San Luis Harbor District

Introduction
The Harbor Patrol's fire/rescue vessel (Search and Rescue I) needs to be replaced and upgraded. It is only capable of pumping 190 GPM(gallons per minute), which is inadequate to suppress a fire on the Avila Pier.

The base of the Pier was demolished for the clean-up project, resulting in closure of the Pier during the entire clean-up process. The public was denied recreational opportunities on the pier during this time. The displacement of public access from the pier will be compensated by a reduction in the likelihood of future access denial due to fire-related damages.

Project Description
This project will fund the purchase of a new 27-foot vessel with a diesel inboard engine and separate fire suppression system capable of pumping 1,000 GPM. This new vessel would significantly improve the fire fighting protection for the Avila Pier, thus reducing the potential for loss due to a pier fire.

Project Benefits

The public will be compensated for the loss of recreation usage of the Avila Pier by enhancing the fire fighting capabilities of the only fire/rescue vessel in Avila Beach. The project will upgrade the fire fighting resources of the Port San Luis Harbor Patrol providing insurance against a future loss of recreational usage of the Pier due to fire. Suppression of pier fires by water borne action has been proven to be effective if resources are available to handle the fire and can be quickly dispatched to the scene.

Feasibility

The Port San Luis Harbor District has committed an additional $50,000 of matching funds from the annual budget and has also received a grant from the California Department of Boating and Waterways for $40,000 to complete the necessary funding.

Project # R-11: Skiff Racks

Project Location: Port San Luis Pier
Requested Funding: $18,000
Allocated Funding: $18,000
Project Applicant: Port San Luis Harbor District

Introduction

The beach area of Avila Beach was excavated to remove contaminated soil and the public was denied water access opportunities during the clean-up process. The pier was also closed during the oil spill clean-up. This project addresses the lost recreational access to the pier by providing improved access for recreational boating.

Project Description

This project will fund the construction of 18 or more skiff spaces on one of the public piers in San Luis Bay. These racks are for storing small boats. The project will also include new facilities and equipment for launching and retrieving these vessels.

Project Benefits

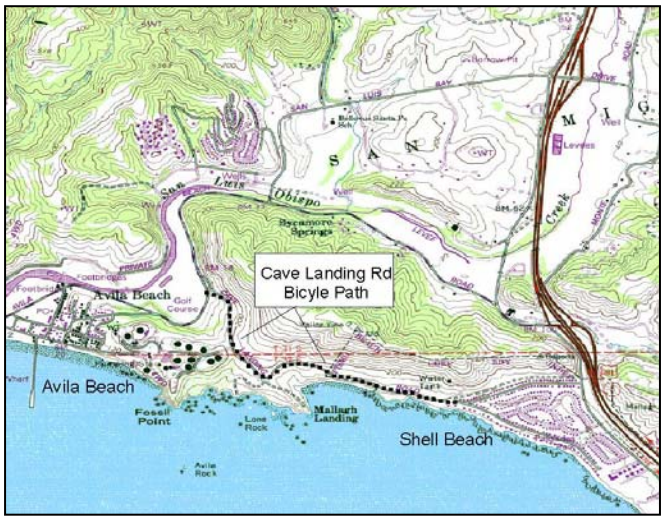
The public will be compensated for the loss of recreation usage of Avila Beach with improved public water access and increased boating opportunities in the San Luis Bay. There are 245 permanently moored vessels in the harbor, but there are only 75 spaces for skiff storage. The boating public would be compensated by the increased storage space for skiffs and increased access to the water.

Feasibility

The Port San Luis Harbor District has allocated an additional $7,000 in matching funds to this project to complete the funding. The District has experience constructing and managing similar facilities and ongoing management will be accommodated in the maintenance budget.

Project # R-14: Cave Landing Bike Path

Project Location: Avila Beach / Shell Beach
Requested Funding: $379,000
Allocated Funding: $379,000
Project Applicant: San Luis Obispo County Planning Department



Introduction

The Cave Landing Road easement joins the communities of Avila Beach and Shell Beach. Currently, however, the road does not have an open connection on the Shell Beach side and there are no plans to construct a roadbed or open this road to automobile traffic . However, if the easement were accessible to bicyclists along the entire length, it would serve as an alternative recreational access to the town.

Much of the beach and town in Avila Beach were excavated for the oil spill clean-up, resulting in loss of recreational use and resulting in related air quality impacts. Addition of recreational bike access from Shell Beach addresses spill damage by improving recreational access to the beach.

Project Description

This project is for construction of a bicycle path for that segment of the Cave Landing Road between Shell Beach and Avila Beach. The project will entail asphalt re-paving, engineering, and design work over a ½ mile section of the abandoned roadway. A landslide along the proposed route will need to be addressed for the path to be stabilized.

Project Benefits

The project will benefit Avila Beach by providing an access for recreational bicyclists to both communities. It will result in more visitors to Avila Beach and provide an additional amenity for those visiting Avila Beach from other communities. It would also enhance regional bicycle access by forming an extended access to multiple communities, including Shell Beach and Pismo Beach, from the Bob Jones City to the Sea Trail joining the City of San Luis Obispo with Avila Beach.

Increasing bicycle access also encourages a reduction in automobile trips originating in towns to the south of Avila Beach with a destination of Avila Beach and vice versa. This will have the effect of reducing air emissions and increasing air quality in the area.

Agency Coordination

This project was originally submitted as a rough concept to CDFG (Project R-33), a formal proposal to CDFG (Project R-14), and as a formal proposal to APCD (A-16). Both CDFG proposals were for the same project and one (R-14) contained more detailed information.

Therefore, R-33 was merged into R-14. Both the APCD and CDFG considered the project, but only CDFG selected it for funding.

Feasibility

The right of way for the bicycle path already exists and simple design and paving are all that is necessary to complete most off the project. The landslide stabilization will be more complex. For this reason, CDFG will undertake additional feasibility and cost analysis for this project prior to dispensation of funds.

Project # R-22: City to Sea Greenway (City of SLO Portion)

Project Location: San Luis Obispo
Requested Funding: $200,000
Allocated Funding: $200,000
Project Applicant: City of San Luis Obispo

Introduction

This project is referred to as the "City portion" of the Bob Jones City-to-the-Sea Greenway. Its major purpose is to establish a separated, non-motorized trail connecting the City of San Luis Obispo with the community of Avila Beach. Portions of this trail have been installed; however, portions of the proposed trail that lie within the City of San Luis Obispo have not been studied in detail, nor have any portions been constructed as yet. The City of San Luis Obispo Financial Plan and Budget for 1999-2001 allocated $350,000 to undertake detailed route studies and prepare design documents for portions of the trail. Acquisition or donation of one parcel, plus an encroachment permit from CalTrans will be necessary to connect the trail to existing roads. Possibilities for connection to South Higuera Street at the Octagonal Barn may also be explored in more detail as the project moves forward.

This project addresses spill damages that may have reduced the use of the existing section of the bike trail near Avila Beach. Closure of Avila beach, the prime destination of the trail, is likely to have caused reductions in use of the existing trail. This project seeks to increase recreational use of the trail and access to the community resources of Avila Beach.

Project Description

Based on the project designs funded by the City budget, this project will fund portions of the construction for the first 1-mile section of the of the City's portion of the Bob Jones Trail. This trail segment will connect Prado Road to Los Osos Valley Road in San Luis Obispo and possibly include a bike bridge over Prefumo Creek. The trail will complement the trail sections planned by the County of San Luis Obispo by connecting it to the City center and existing transportation routes.

Project Benefits
The City portion of the Bob Jones trail will facilitate access to the larger trail sections that will serve as a conduit from San Luis Obispo to Avila Beach and address spill related recreational losses in Avila Beach by improving recreational access to the town.

Feasibility
Matching funding in the amount of $350,000 has been allocated in the City's budget and design consultants have already been retained. Designs will be complete early in 2001 and this funding will provide additional construction funds. The right of way for the trail is already under City ownership, so access is already assured. This project is considered highly feasible.

Project # R-24: Fossil / Photo Display at Marine Institute

Project Location: Avila Beach
Requested Funding: $100,000
Allocated Funding: $100,000
Project Applicant: Port San Luis Marine Institute

Introduction
Due to the spill clean-up, much of the town of Avila Beach was removed and will be replaced. One goal in the process of restoring the town of Avila Beach is to re-establish community pride by preserving the heritage of the town. A second goal is the establishment of a Marine Institute to provide education regarding the history of the town and the area's natural history.

Project Description
This project will fund preparation of photo displays that recount the history of Avila Beach and acquisition of marine fossil specimens to enhance the educational mission of the Port San Luis Marine Institute (PSLMI). The PSLMI is a 501c3 non-profit corporation located in Avila Beach. The project will include assistance from past and present Avila Beach residents and participation of volunteers. Funds provided to this project will be specifically allocated to acquisition, preservation, and presentation of displays.

Project Benefits
Displays of historic photographs and improvement of educational resources at the Port San Luis Marine Institute will enhance recreational opportunities in the town of Avila Beach to compensate for lost recreational opportunities caused by the spill. In addition, they will contribute to a sense of community in Avila Beach that includes the rich history of the town.

Feasibility
Conceptual construction plans have already been donated for the building and in-kind contributions for it's construction have been partially secured (see R-28 below). Securing the displays will be undertaken in anticipation of the buildings completion.

Project # R-25: Avila Beach Website

Project Location: World Wide Web
Requested Funding: $5,800
Allocated Funding: $ 5,800
Project Applicant: Port San Luis Marine Institute

Introduction

The spill and subsequent clean-up in Avila Beach displaced resident, visitors, and local businesses. The clean-up is now mostly complete and efforts are necessary to promote the community to attract visitors and re-integrate the local community. Among the tools available for promotion of Avila Beach recreation is the internet, via the world-wide web (WWW).

Project Description

This project will fund the creation of AvilaBeach.com, a homepage on the WWW. This site will be used to promote recreational opportunities in Avila Beach and as a community bulletin board for community events. The project provides funding for professional graphic design and web page authoring.

Project Benefits

The AvilaBeach.com site will promote Avila Beach tourism and services worldwide and attract area visitors. It will also promote community integration by providing important local information regarding services, local government, and recreational activities.

Feasibility

The domain name of AvilaBeach.com has already been secured by the PSLMI. Site creation and maintenance services are widely available.

Project # R-28: Marine Institute Building

Project Location: Avila Beach
Requested Funding: $355,300
Allocated Funding: $355,300
Project Applicant: Port San Luis Marine Institute

Introduction

The Port San Luis Marine Institute is a private 501c3 non-profit corporation that provides marine education to area youth. This mission will be enhanced by the addition of a marine science education center located in the town of Avila Beach. This center would also provide a recreation and education destination for Avila Beach visitors and enhance the recreational opportunities in Avila Beach. Construction of the marine science education facility would help compensate for recreational losses caused by the Avila Beach clean-up.

Project Description
This project will provide funding for the construction of a 4,000 square foot marine science education facility with maritime, paleontology, and community historical displays. The project site will be on property located on Front St. in Avila Beach. The site will have access to both the marine environment of San Luis Bay and the estuarine waters of the San Luis Obispo Creek mouth. The building will also be available as a public meeting place. This project will include some furnishing of facility equipment and fixtures.

Project Benefits
The project will benefit Avila Beach by providing an educational destination for local visitors and schoolchildren of all ages. It will encourage the return of schoolchildren and their parents. The building will also be shared with other local organizations and with the community as a meeting place. The concepts taught at the Port San Luis Marine Institute also help foster a culture of stewardship over Avila Beach's marine resources which were damaged by the underground spill.

Feasibility
The Port San Luis Marine Institute has secured funding from the California Coastal Conservancy in the amount of $50,000 for the building, and additional services including preparation of conceptual designs have been donated. The land where the building will lie is currently being transferred from Unocal ownership to the County of San Luis Obispo. The property is currently lightly landscaped pending redevelopment construction. The County has supported use of this property for the Marine Institute building.

Project # R-36: Floating Dock at Avila Pier

Project Location: Avila Pier
Requested Funding: $110,000
Allocated Funding: $110,000
Project Applicant: San Luis Yacht Club

Introduction
The Avila Pier has traditionally been used as an access point for boaters, fisherpeople, visiting yachters and other recreational users in San Luis Bay. The pier was not accessible during the spill clean-up, resulting in a loss of recreational use. Recreational use will benefit from added recreational amenities.

Project Description
This project will fund construction of a floating dock on the eastern side of the Avila Pier. The dock will include a gangway and skiff racks, and will be lifted from the water during the off season.

Project Benefits

The floating dock will improve access to Avila Beach from visiting boaters, providing access to Avila Beach services such as restrooms, restaurants, and shops. It will also improve access to the ocean for a Cal Poly marine research program.

Feasibility

The San Luis Yacht Club will manage the installation and maintenance of the facility once installed. Preliminary discussions with the Port San Luis Harbor District, the pier owner, indicate support for the project. Some additional feasibility analysis will be undertaken prior to the commitment of funding.

Project #R-38: Renovation at Point San Luis Lighthouse

Project Location: Avila Beach / Pecho Coast
Requested Funding: $192,000
Allocated Funding: $192,000
Project Applicant: Point San Luis Lighthouse Keepers

Introduction

The Point San Luis Lightstation near Avila Beach, built by the U.S. Lighthouse Service in 1890, is a critical element of the maritime transportation and development history of San Luis Obispo County. It is now under the ownership of the Port San Luis Harbor District and is listed on the National Register of Historic Places. The Point San Luis Lighthouse Keepers, a 501 c.3 non-profit organization, are in the process of restoring the station to its historic appearance and opening it to the public as an historic, educational and recreational site. The economy of Avila Beach and Port San Luis rely heavily on visitors and tourists and the Lightstation continues to be a steady source of interest from the public.

Project Description

This project consists of building and site improvements to create an historic recreation area with interpretive displays and docent led tours of the 1890 Lighthouse and related buildings. The specific project plans include a site survey, architectural design and plans, building permits, museum displays, access improvements, electrical and lighting improvements, and ADA compliance work. The proposed improvements are critical for the safe and enjoyable operation of the Lightstation property as an historic recreational area.

Project Benefits

Improved access to the Lightstation, will allow the public to experience the significant history of the use and operation of a 1890 Lightstation, as well as learning about the local maritime history of the area. In addition to the historic and recreational aspects of the site, the coastal environment provides a unique educational opportunity as well. The Lightstation and maritime museum will provide a valuable resource for local, historical and environmental

organizations and museums, along with educational institutions consisting of elementary, secondary and nearby Cuesta Community College and California Polytechnic State University, San Luis Obispo.

Improving the Lightstation property to accommodate a maritime museum will also fulfill a goal of the 1994 Port San Luis Harbor District *Port Master Plan*, and broaden the recreation experience of area visitors.

Feasibility

The infrastructure necessary for the use of the Point San Luis Lightstation property already exists. The buildings are structurally sound and are currently under renovation. In addition, up to $60,000 of matching funds and in-kind services are available to complete the project.

Project # R-41: Point San Luis Lighthouse Road Improvements

Project Location: Avila Beach / Pecho Coast
Requested Funding: $341,600
Allocated Funding: $341,600
Project Applicant: Point San Luis Harbor District

Introduction

The Point San Luis Lightstation near Avila Beach, built by the U.S. Lighthouse Service in 1890, is a critical element of the transportation and development history of San Luis Obispo County. It is now under the ownership of the Port San Luis Harbor District and is listed on the National Register of Historic Places. The Point San Luis Lighthouse Keepers are in the process of restoring the station to its historic appearance and opening it to the public as an historic, educational and recreational site.

Most recreational facilities in the Avila area, including the lighthouse have been effected by the spill and cleanup. If only because of the public perception that the beach was closed, fewer people came to the area. Providing better access and promoting the lighthouse as a recreational opportunity will help offset that deficit.

Project Description

The goal of this portion of the project is to facilitate access to a wider segment of the population, especially those with disabilities, by improving the road and installing an accessible path and ramp system around the site. The access road improvements will be undertaken over a 2.2 mile length.

Currently the only way to get to the Lightstation is to take the PG&E docent-guided hike along the Pecho Coast trail or the Sierra Club guided kayak tours. There is a road to the station but it is narrow and almost impassable in bad weather.

Project Benefits
The economy of Avila Beach and Port San Luis rely heavily on visitors and tourists and the Lightstation continues to be a steady source of interest from the public. Accessibility improvements to the Lightstation will serve the Avila Beach area by broadening the recreation options in the area and improving safety along the route.

Access to the Lightstation will allow the public to experience, first-hand, unspoiled sections of the central coast. Undeveloped coastal bluffs and beaches; whales, otters and sea lions and many species of birds and native plant species can be seen from the site. In addition to the historic and recreational aspects of the site, the coastal environment provides a unique educational opportunity as well.

Feasibility
A road to the lighthouse already exists and a topographic map and drainage evaluation have already been prepared as well. Additional funding totaling $262,700 has also been committed to the project by the San Luis Obispo Council of Governments and the Federal Emergency Management Agency (FEMA).

Project # R-48: Weather Station

Project Location: Avila Beach
Requested Funding: $10,725
Allocated Funding: $10,725
Project Applicant: Port San Luis Marine Institute

Introduction
The spill and resulting clean-up reduced recreational use at Avila Beach. Re-establishing recreational use through new or enhanced recreational opportunities and outreach materials will help mitigate for the spill damage. Outreach includes the dissemination of information about Avila Beach that helps potential users make the most of their recreational experience. This project is for sharing weather information with potential users to complement a wider array of new and enhanced recreational opportunities arising in Avila Beach.

Project Description
This project is for the purchase of a Q-net Integrated Weather Monitoring System. This real-time weather monitoring station will be installed on the Avila Pier and monitored by the Port San Luis Marine Institute. The station will be connected to the internet as well, providing real-time weather information to recreational beach users and fisherman. Among the information provided by the station are temperature, barometric pressure, wind direction and speed, wave conditions, and rainfall totals.

Project Benefits
Weather information accessible via the internet will help recreational users and local fisherman plan for beach use and trip planning. The system will also be put to educational use and for logging scientific data . This project will also assist in making Avila Beach visible to a larger community, encouraging recreational visits.

Feasibility
The computer and internet connections are already established by the Marine Institute and the operation and maintenance of the station will be undertaken by the Institute at no additional cost. The funding through this program completes the necessary capital cost of the equipment.

B. BIOLOGICAL PROJECTS APPROVED FOR FUNDING

A total of 13 biological projects were selected for funding, four from the original list of biological projects (the first four listed below) and nine for shared funding with the RWQCB or APCD (the later nine listed below). The selected projects improve primary biological productivity in the Avila Beach area through enhancements to San Luis Obispo Creek, nearby streams, watershed lands, and San Luis Obispo Bay water quality.

In addition to the biological projects listed below, CDFG is still involved with the intertidal/subtidal area of contamination around Avila Pier currently being assessed. CDFG is jointly funding, with Unocal, an ecological risk assessment. Per the settlement agreement, out of the 2.5 million dollars allocated to biological resources, an unspecified dollar amount is to be used for studies concerning impacts to biological resources in the marine environment. CDFG has allotted approximately $300,000 for these biological studies.

Project # B-6: Red-legged Frog Study

Project Location: San Luis Obispo Creek Watershed
Requested Funding: $900,000
Allocated Funding: $75,000
Project Applicant: Hunt & Associates

Introduction
Bullfrogs were introduced into California over 100 year ago and have become a major predator of California red-legged frogs and a host of other sensitive aquatic amphibians and reptiles. To date, there have been no systematic studies of the habitat and microhabitat relationships, dispersal, and thermal relations of bullfrogs in California. Effective control and management of this nuisance species requires detailed knowledge of these key features of its natural history. The San Luis Obispo Creek watershed provides an ideal model for initiating such a study because it is relatively small (83 square miles) and contains both species of frogs.

Project Description
The original project description consisted of a red-legged frog and bullfrog census using radio tracking equipment, analysis of the behavior and seasonal movements of each frog type, and included instituting a watershed-wide bullfrog control program. The project will be modified to be the first step in a multi-year study of thermoregulatory behavior and dispersal movements of both species (red-legged frogs and bullfrogs) and will include census of red-legged frog and bullfrog densities in all accessible portions of the SLO Creek watershed. The major secondary watersheds, such as See Canyon, Prefumo Canyon, as well as the main

stem of San Luis Obispo Creek, will provide the setting for initial censuses. Students from the California Polytechnic State University, San Luis Obispo and the local junior colleges will be trained and led by a professional herpetologist to conduct the censuses.

Egg masses, larvae, metamorphs, subadults, and adults of both species will be censused. Standard time-constrained diurnal and nocturnal amphibian survey techniques will be used to collect relative density information of frogs (# frogs/unit time and # frogs/linear stream segment). Each watercourse will be surveyed twice during the year (February-April and August-October). Diurnal and nocturnal surveys will be conducted on the same day at a particular site. The locations of all sightings will be determined with a Global Positioning System (GPS). This information will be downloaded as a data layer that can be superimposed on top of vegetation and terrain maps to create habitat relationship models for each species.

Project Benefits

The data generated from this project will identify spatial patterns of variation in red-legged frog and bullfrog densities in relation to habitat and microhabitat information, and form the basis for future studies of dispersal, microhabitat selection, and bullfrog control to be funded by other sources.

Feasibility

The project managers are professional biologists and experts in the fields of herpetology, field ecology, and radio-telemetry. The materials and methods proposed in this project have been employed with success in other research studies. Additionally, there are many opportunities for collaboration with other herpetoloists and students from local universities.

Project # B-13: Salmon Rearing Project in Avila Beach

Project Location: Port San Luis **Requested Funding**: $125,000
Allocated Funding: $125,000
Project Applicant: Central Coast Salmon Enhancement, Inc. (CCSE)

Introduction

Avila Beach is the gateway to San Luis Bay and Port San Luis, and is a popular destination for local and visiting recreational salmon anglers. A strong salmon rearing and release project will continue to bring fisherman to the area. Continuing to stock the bay with fish will ensure a strong recreational fishing industry. Additionally, the contamination may have impacted San Luis Obispo Creek estuary, a stretch of salmon habitat.

Project Description
This project will fund the expansion of an existing Chinook Salmon rearing program from 70,000 fish annually to 140,000 fish annually for a period of five years. Chinook salmon are brought in from a Department of Fish and Game Hatchery. When the fish arrive they are introduced into plastic lined floating rearing pens filled with fresh water. For the first three to eight days, the fish are acclimated to salt water. During this process the fish are imprinted with the water from San Luis Bay and San Luis Obispo Creek causing them to return to the area as adults.

Throughout the project, the fish are cared for daily by hand feeding, monitoring oxygen levels, temperature and fish health. Common fish diseases must be recognized and treated quickly for the health of the entire group. CCSE works closely with CDFG contract managers and pathologist to determine the best course of treatment for the fish. Releases are made when the fish have reached a predetermined crowding density.

Project Benefits
Through coded wire nose tag identification CCSE has confirmed that these fish grow from approximately six inch fish to twenty-six inches in a single year, contribute to the commercial and recreational fisheries from Santa Barbara to San Francisco, and show survival rates that top industry standards. The additional fish will support a more vigorous commercial and sport fishery in the Avila Beach Area and directly increase the numbers of a type of fish that may have been injured by the oil contamination.

Feasibility
CCSE is a non-profit, tax-exempt, volunteer corporation dedicated to the enhancement and restoration of the Central Coast salmon fishery and local creeks. CCSE is also devoted to educating the community on the ecology and economy of these resources and has run a salmon rearing program for 16 years.

Project # B-17: Mature Oak Tree Installation

Project Location: Avila Beach
Requested Funding: $32,500
Allocated Funding: $32,500
Project Applicant: Trees to Go of California, Inc.

Introduction
The spill and subsequent clean-up of Avila Beach resulted in the excavation of large portions of the beach and Front St. The landscape that was removed included the trees located along Front Street. These trees provided shade for recreational uses, improved the visual appeal of Avila Beach, and provided roosting and nesting areas for local birds. This project addresses the replacement of the removed trees.

Project Description
This project is for the replacement of 50 mature trees in the Avila Beach area. The trees to be transplanted are native Coast Live Oak trees that are slated for removal from another location. Habitats surrounding Avila Beach contain rich oak woodlands and the proposed trees will be

consistent with the habitats and visual appeal of the Avila area. The trees will be approximately 16 feet tall.

Project Benefits
Installation of large trees will provide the immediate benefits of shade for recreational users, visual appeal, and bird roosting / nesting in Avila Beach.

Feasibility
Trees to Go will maintain the installed trees and guarantee them for one year. In addition, matching funding has been secured that will cover more that half of the retail cost of the service. Funding through this program will complete the necessary funding for the project.

Project # R-8: Bob Jones Trail, Phase 3 San Luis Creek Restoration

Project Location: Avila Beach to San Luis Obispo
Requested Funding: $100,000 for creek restoration (out of the $2,400,000 for entire bike path project)
Allocated Funding: $100,000
Project Applicant: San Luis Obispo County Department of General services

Introduction
The Bob Jones Bike Trail is a multi-phased trail, that will include creek restoration, and will join the City of San Luis Obispo to the Sea at Avila Beach. It will provide an alternative transportation to Avila Beach and a recreational amenity to both communities.

Project Description
The San Luis Obispo Creek restoration portion of the Bob Jones Phase 3 bike path will enhance a section of creek habitat along the trail route. The specific creek restoration location will be chosen based on the environmental studies and trail plan.

Project Benefits
Restoration of San Luis Obispo Creek will increase the extent and quality of riparian habitats upstream of the impacted area. The enhanced habitat will be used by fish and wildlife, some species of which may have been impacted by the spill and clean-up. The restoration projects will also enhance the beauty of the trail.

Feasibility
The County of San Luis Obispo, Department of General Services, has begun preliminary studies related to environmental aspects of the trail. Planning studies are also underway that will identify restoration opportunities.

Project # B-2: Port San Luis Harbor District Boat Yard Upgrade

Project Location: Port San Luis
Requested Funding: $265,000
Allocated Funding: $132,500 from CDFG / $132,500 from RWQCB

Project Applicant: Port San Luis Harbor District

Introduction

During the course of normal port operations various activities in the Harbor District's existing boatyard can generate polluting substances. Some of these activities include boat maintenance and cleaning. Paint sandings and chippings, oil and grease, fuel and detergents are some examples. It is important to control and minimize the entry of these substances into state waters.

Project Description

The Port San Luis Harbor District proposes to reduce non-point-source pollution from the existing boatyard by providing the best available facility to minimize the entry of harmful substances into State waters. The existing facility will be upgraded to include a water collection and treatment system. The area of the existing boatyard will not be increased nor will additional land be acquired.

Project Benefits

The boatyard improvements will prevent contaminated storm water discharge from entering into San Luis Obispo Bay, creating a cleaner and safer environment. These improvements will provide cost effective and environmentally sound public facilities for all boaters.

Agency Coordination

This project was submitted to both CDFG and the RWQCB (Project W-4). Each agency found that the project met selection criteria and allocated 50% of the funding.

Feasibility

The PSLHD already manages boatyard facilities and will continue to manage the upgraded facility. An additional $132,500 allocated by the RWQCB will complete the necessary funding.

Project # B-18: Irish Hills Land Acquisition, Leucadia Ranch

Project Location: Avila Beach / Pecho Coast
Requested Funding: $1,250,000
Allocated Funding: $1,000,000 from CDFG / $250,000 from the RWQCB
Project Applicant: The Nature Conservancy

Introduction

The oil spill and associated clean-up caused damage to natural resources at Avila Beach. Many of the natural resources impacted are similar to those that will be permanently protected by securing ownership and perpetual conservation of open space lands adjacent to Avila Beach. This project is geographically adjacent to the spill area.

Project Description

The strategy for protecting the proposed Irish Hills Natural Area involves purchase of fee interests to, or conservation easements on, the large private ranches in the region. This will achieve multiple purposes, including permanent protection of extensive ecological, scenic, and agricultural resources. Some of these resources include creeks, riparian areas, and watersheds. The creeks on site contain many of the same species that were most likely impacted by the contamination including red-legged frogs, tidewater gobies, western pond turtles and steelhead trout. In addition, this project will protect a Bishop pine forest, coast live oak woodlands, coastal scrub, maritime chaparral, and a serpentine community. Additionally, numerous listed plant species can be found on this property.

This project implements the Irish Hills Natural Area strategy through acquisition of two consecutive 99-year leases on the Leucadia Ranch, a 2,600 acre property adjacent to the town of Avila Beach. The existing leases contain all the rights of ownership so the project can provide all the protections of ownership. The current lease is approximately 20 years old, so the time remaining on the two leases together is approximately 170 years.

Project Benefits

The Leucadia Ranch is part of a larger conservation project aimed at protecting over 20,000 acres and a complex of watersheds within the Irish Hills region. The benefits include long term protection for a variety of scenic and ecologically important lands in the immediate vicinity of Avila Beach. In addition to the biological resources conserved through this project, these lands will provide new recreational opportunities such as public hiking trails and scenic overlooks for Avila Beach residents and other visitors. The value of this project is enhanced by the adjacent and nearby conservation lands that include Montana de Oro State Park, and the 1500-acre Hibberd Preserve owned by the Land Conservancy of San Luis Obispo County.

Agency Coordination
This proposal was submitted to the CDFG and to the Regional Water Quality Control Board (Project W-9). The project was reviewed by each agency and was found to meet the project criteria. CDFG has allocated $1,000,000 and the RWQCB has allocated $250,000.

Feasibility
The Nature Conservancy is a national land conservation organization with land acquisition experience along California's Central Coast. Additional funding is also allocated by the RWQCB and private foundations for this project, providing extensive matching funds.

Project # B-19: East Fork Wetland Restoration

Project Location: East Fork / San Luis Obispo Creek Confluence
Amount Requested: $100,000
Allocated Funding: $50,000 from CDFG / $50,000 from RWQCB
Project Applicant: Land Conservancy of San Luis Obispo County

Introduction
Wetlands are a valuable resource in California supporting habitat for numerous plants and animals. Wetland resources have been severely impacted statewide making them a rare and special habitat area. In the San Luis Obispo area wetland resources are limited and there are only a few sites where enhancement of this habitat type is possible. This proposal is for enhancement and re-establishment of a wetland complex in one of these unique areas.

The proposed project site lies on the East Fork tributary of San Luis Obispo Creek immediately upstream of the confluence with San Luis Obispo Creek. The location's geographic nexus to the Avila Beach spill lies in the close association between water quality in San Luis Obispo Creek, a function of conditions in the watershed above, and the quality of aquatic habitats and other beneficial uses in the Avila Beach area. The riparian areas are in extremely poor condition due to historic practices and recent grading damage. In addition, this site was subjected to severe damage by the 1928 Unocal Tank Farm explosion and oil spill and no remediation has ever been completed on the site.

Project Description

The goal of this project is to enhance the degraded wetlands on the site and repair the damage to the riparian corridor, thus improving water quality in the east Fork tributary and nearby San Luis Obispo Creek. The proposed project involves restoration of wetland and riparian resources.

The project will begin with a site restoration plan which is already underway. The plan will delineate the optimal channel size and location for the East Fork and locations for additional pocket wetlands. Funding through this settlement will be used during the implementation phase when the site must be graded, stabilized and replanted with thousands of native plants. When complete, the project will have restored approximately 4 acres of wetland, 4 acres of riparian habitat, and 4 acres of upland riparian habitat.

Project Benefits

Restoration of a functioning wetland system and a stable riparian corridor on this site will reduce sedimentation delivery to San Luis Obispo Creek. Current sediment loads cause the filing of deep pool steelhead habitat, spoiling of potential spawning beds, and can even contribute to limitations in channel capacity downstream. Restoration will also lower water temperatures by providing shade over the riparian corridor. Steelhead trout and other fish thrive in cooler water but current site conditions expose the water to solar heating. Wetland vegetation also has the ability to metabolize nitrates in the waters of the East Fork prior to discharge into San Luis Obispo Creek. Reducing nitrates in the creek will reduce algae blooms, reducing the threat of dissolved oxygen deficiencies downstream.

Agency Coordination

This proposal was submitted to the CDFG and to the Regional Water Quality Control Board (Project W-19). The project was reviewed by each agency and was found to meet the project criteria. CDFG has allocated $50,000 and the RWQCB has allocated $50,000.

Feasibility

A preliminary groundwater survey and red-legged frog habitat survey, both completed in 1997, indicate great potential of creating standing and seasonal wetlands and expanding red-legged frog habitat on the site. Additional funding from the RWQCB, County of San Luis Obispo, City of San Luis Obispo, the David and Lucille Packard Foundation, and settlement funds from another spill complete the necessary funding.

Project # B-20: Oil and Grease Filters

Project Location: San Luis Obispo Creek Watershed
Requested Funding: $30,920
Allocated Funding: $15,460 from CDFG / $15,460 from RWQCB
Project Applicant: Tenera

Introduction

San Luis Obispo Creek and its receiving water body, San Luis Bay, are characterized by diverse assemblages of aquatic species. Many of these species support economically important commercial or recreational fisheries and several are classified by regulatory agencies as threatened or endangered. These species are dependent upon the water quality of the creek system and the condition of it's associated riparian corridor.

Petroleum hydrocarbons, present in surface runoff, are known stressors to the existence and health of aquatic organisms. Exposure to hydrocarbons can affect organisms through a variety of mechanisms, including direct toxicity, physical coating, habitat disruption, physiological and behavioral impairment, and bioaccumulation.

Hydrocarbons are introduced into aquatic systems via a number of pathways including urban stormwater runoff. Total Petroleum Hydrocarbons (TPHs), originating largely from the operation of automobiles and motorized equipment, accumulate throughout the year on roadways. Constructed stormwater drains throughout the San Luis Obispo Creek watershed capture this contaminant-laden surface runoff during rainfall events and discharge it to the creek.

The Avila Beach oil spill introduced hydrocarbons into the environment in the Avila Beach Area. This project will address the spill impacts by reducing future hydrocarbon levels in the waters of San Luis Obispo Creek.

Project Description

The purpose of this project is to retrofit existing stormwater inlets with oil and grease filter units at selected locations within the San Luis Obispo Creek watershed. Fossil Filters, manufactured by KriStar Enterprises, Inc., will be installed within several existing stormwater inlets in the San Luis Obispo Creek watershed. Filter units are EPA-approved, and are constructed of stainless steel and HDPE.

The project will begin with identification of filter locations. This effort will be concentrated largely within the town of Avila Beach, but may expand into the city limits of San Luis Obispo. Ten inlets will be selected as locations for filter installation. Agency personnel may be contacted to determine or refine optimum locations for filter installation.

Storm drains with fitted filter units will require three maintenance visits each year. Each service will include removal of debris from the inlet and the filter media, sweeping the storm grate area, and inspection of the filter unit and media material. Once annually, the adsorbent media will be replaced and the contaminated media properly handled and disposed of at a

Class II facility. For the purpose of this proposal, a five-year maintenance term is specified. After this term, additional funding will need to be secured for future maintenance of the filter units.

The project will also include a public education component. Arrangements will be made with a grade school classroom within the San Luis Coastal Unified School District to visit each of the storm drain sites after retrofitting is complete. Each storm drain will be painted with the message "**Drains to Creek**", using a stencil provided by the San Luis Obispo Land Conservancy. A local television station (e.g., KSBY) may be contacted to film the grade school painting effort, and Tenera will host a brief presentation to the students and media on the function and benefits of the installed filter units, and the ecology of San Luis Obispo Creek.

Project Benefits

Reducing petroleum hydrocarbon levels within SLO Creek and San Luis Bay improve the quality and health of aquatic species and their habitats. Petroleum hydrocarbon filters are protective of several beneficial uses of surface water, and their installation is consistent with water quality objectives of the State Water Resources Control Board (SWRCB) and the RWQCB's.

Agency Coordination

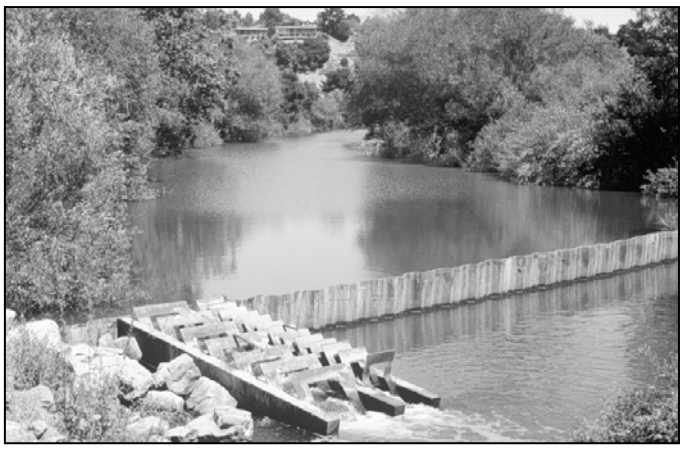
This proposal was submitted to the CDFG and to the Regional Water Quality Control Board (Project W-4). The project was reviewed by each agency and was found to meet the project criteria. CDFG has allocated $15,420 and the RWQCB has allocated $15,420.

Feasibility

Tenera has recently and successfully completed a similar project in Morro Bay. The funding from the two agencies completes the necessary funding for the project.

Project # B-30: Marre Weir Modifications

Project Location: Avila Beach
Requested Funding: 100,000
Allocated Funding: $50,000 from CDFG / $50,000 from RWQCB
Project Applicant: Land Conservancy of San Luis Obispo County



Introduction

The Marre Weir is a sheet-metal dam in San Luis Obispo Creek located above the golf course in Avila Beach. The purpose of the structure is to protect upstream wells from salt water intrusion. However, the dam acts as a barrier to the migration of steelhead trout and limits the habitat available to the Tidewater Goby. Steelhead trout migration and extension of Goby habitat can be achieved through construction of a permanent

structure designed to provide free migration routes for fish. By placing this structure upstream of the current dam location, the habitat suitable for the Tidewater Goby can be expanded.

The Weir currently has a fish ladder, but this structure is only marginally effective and only works under higher flow conditions. Under current conditions, most fish pass through a fractured section of the weir during high tide when the pool depth to jump height ratio is low. During low tides fish accumulate in the downstream pool and are vulnerable to poaching and predation.

The Avila beach oil spill had the potential of harming anadromous fish such as the southern steelhead trout. This project will improve access for steelhead trout to their necessary spawning grounds and facilitate increase breeding of native steelhead trout in the San Luis Obispo Creek Watershed.

Description

This project will modify the Marre Weir to provide enhanced fish passage routes into the San Luis Obispo Creek Watershed. A feasibility study and preliminary design for the fish passage project will be funded through a Coastal Resources Grant Program award. This restoration program will fund the construction of the preferred alternative. The precise design is unknown, but will likely include a set of step weirs that provide multiple migration routes.

Project Benefits

Steelhead trout passage into the San Luis Obispo Creek watershed will be improved. Better access to spawning areas is expected to increase spawning success and increases in the numbers of these fish. This project is complimentary of projects to remove 10 other migration barriers in this watershed that are funded by a previous Avila Beach oil spill settlement.

The project will directly improve conditions for a species that was likely impacted by the Avila Beach spill. In addition, if the structure is moved upstream or elevations modified appropriately, habitat for the Tidewater Goby may also be increase. Today, the Tidewater Goby survives in a very limited area.

Feasibility

The Land Conservancy of San Luis Obispo County has met with interested parties and landowners to assess the feasibility of the project. All parties are interested in seeing improved fish passage but will need to be assured of minimal impacts to their current operations in the area. The Conservancy has received a grant for $17,000 to undertake a feasibility study of the project and preliminary design investigation. In addition, $270,000 may be made available for this project from a previous oil spill settlement in the area.

The Land Conservancy has experience managing barrier modification projects and is currently managing the removal of 10 additional barriers under the direction of the Department of Fish and Game’s Office of Spill Prevention and Response and the U.S. Fish and Wildlife Service.

Agency Coordination and Public Input
This proposal was received by both CDFG and the RWQCB (Project W-33). It was found to meet the evaluation criteria of both agencies and has received an allocation of $50,000 from each agency.

Project # W-17: Avila Beach Spill Response Program

Project Location: Avila Beach
Requested Funding: $50,000
Allocated Funding: $25,000 from CDFG / $25,000 from RWQCB
Project Applicant: Metson Marine, Inc.

Introduction
Avila Beach has been subject to a number of oil spills in the last decade that have impacted biological and recreational resources. Damage from spills occurs rapidly and fast response is critical. Establishment of rapid spill response capability in the Avila Beach area will help protect San Luis Obispo Bay in the event of a spill.

Project Description
The goal of the program is to have oil spill response equipment and trained personnel available in San Luis Obispo County, primarily in San Luis Obispo Bay, for immediate use in the event of an oil spill. Since the few marine oil facilities in San Luis Obispo County no longer exist, appropriate oil spill response equipment is lacking in the County, primarily at Port San Luis and Morro Bay where the occasional boat sinks or over-tops it's fuel tank. This project was originally submitted by California Polytechnic State University San Luis Obispo who withdrew this project. However, CDFG staff found another project sponsor, Metson Marine, Inc. Staff from Metson Marine will work with agency staff from CDFG, U.S. Coast Guard, and others and other spill response organizations (such as Clean Seas and Fisherman's Oil Spill Response Team) to identify spill response and training needs and to identify and purchase appropriate response equipment.

Project Benefits
Rapid oil spill response will reduce future impacts to biological resources in the event of an oil spill in the waters surrounding Avila Beach.

Agency Coordination
The RWQCB shared this project with CDFG and each agency will fund 50% of the requested funding.

The goal is to combine this project with project A-17/W-12, The Clean Engine Coalition project described below. Specifically, Task 4 from project A-17/W-12 includes an oil pollution prevention element and is being funded for $33,140. So combining this project with project A-17/W-12 will provide $88,140 for spill response equipment and training.

Feasibility
Metson Marine has many years of oil spill response experience. Metson Marine also has a long-term relationship with the Fisherman's Oil Spill Response Team and with Clean Seas the local oil spill cooperative.

Project # W-18: Ayers (Johnson Ranch) Acquisition

Project Location: Avila Valley
Requested Funding: $100,000
Allocated Funding: $50,000 from CDFG / $50,000 from RWQCB
Project Applicant: City of San Luis Obispo

Introduction
The Avila spill has had an adverse effect on aquatic life, including anadromous fish. These impacts can be mitigated by preserving open space lands that form the watersheds for local streams. Land preservation helps maintain clean water by preventing destructive development and providing for new land management methods that reduce erosion, sedimentation, and nutrient loading. The Johnson Ranch is within the San Luis Obispo Creek watershed, and lies approximately 5 ½ miles from the site of the Avila spill along San Luis Obispo Creek.

Project Description
The purpose of the project is to preserve in its natural state the 242-acre Ayers property (also known as the "Johnson Ranch") with its natural waterway flowing through the property and into San Luis Obispo Creek. This is considered important because of the intact nature of this tributary and the ability to re-establish a healthy riparian corridor.

The property occupies approximately 242 acres west of Highway 101 at the northern end of Ontario Road. The property consists of rolling grasslands, steeper woodland, and brush. It also includes a reach of approximately one mile of an unnamed tributary to San Luis Obispo Creek. Given its relative susceptibility to development impacts, the Ayers property is perceived as an important component in the protection of this watershed.

The condition of the creek on the property can be characterized as fair to good, although the access by livestock into the creek over time has damaged banks and reduced the amount of streamside vegetation. In addition, there has been some past gravel mining in the streambed. However, there continue to be a number of large sycamores and several oaks and willows along the stream, providing shade and protection for fish that may occur here.

Project Benefits

Acquisition of this property and institution of improved management practices will increase the environmental quality of this sub-basin of the watershed by reducing erosion and sedimentation, nutrient loading, and reducing solar heating of the stream. The effect will be increased quality of water entering San Luis Obispo Creek and the ocean at Avila Beach.

Modifications to the agricultural program on the property, such as restricting access by livestock to the creek, would also have beneficial effects by rapidly producing improved water quality and stream cover.

Ayers Creek does dry up late in the season, however there is a pond on the property that is believed to provide potential habitat for two other species of concern, the southwestern pond turtle (believed to inhabit the pond on the property) and the red-legged frog, which can benefit from resource protection.

Agency Coordination

This proposal was submitted to the Regional Water Quality Control Board (Project W-18) and shared with the CDFG. It was found to meet the criteria established by CDFG and was added to the considered projects by CDFG. The RWQCB will fund $50,000 of this project and CDFG will fund an additional $50,000.

Feasibility

The City of San Luis Obispo has already secured $400,000 for the acquisition and is expected to allocate an additional $250,000 from the City budget for their Greenbelt program. The City has successfully completed a number of similar transactions and is committed to raising the additional funds needed within the period of this mitigation program.

Project # A-17/W-12: Harbor District Boat Engine Re-Power

Project Location: San Luis Obispo Bay / Port San Luis
Amount Requested: $420,500
Allocated Funding: $134,000
Project Applicant: Ryerson, Master and Associates, Inc. (RMA)

Introduction

Marine vessel engines can release large amounts of oil and other hydrocarbon pollutants into the marine environment during their normal operation. Many two-cycle gasoline and diesel engines have been shown to be significant contributors to the pollution of marine and fresh water bodies. Marine vessels with two-stroke outboard gasoline engines, especially those requiring premixing of the oil with the gasoline, use high quantities of motor oil. The hydrocarbons from the fuel and oil are either combusted, or are emitted (non-combusted) during the exhaust cycle into the marine environment.

Most older two-stroke diesel engines also use large amounts of oil. A significant quantity of oil from these engines is released as a mist into the vessel's engine room water during crankcase ventilation. This oil can accumulate in vessel's bilge water. While most vessel operators strive to minimize the release of oil, the normal operation of these older engine designs results in excessive use of oil. A significant quantity of this oil is discharged to the

bay during normal engine operation through the exhaust system or into the bilge water. The Avila Beach spill resulted in pollution of local waters with petroleum products similar to those that can be reduced through the use of more efficient and low-emission engines.

Project Description
This project will replace three older design diesel engines and two gasoline engines used in Port San Luis Harbor District vessels in San Luis Obispo Bay. Specifically, three marine vessel engines, one crane engine, and one dredge engine will be replaced. Modern technological advances have resulted in a new generation of low pollution engines which substantially reduce the potential for hydrocarbon releases into the ocean. These engines use less oil, are cleaner burning, and are often more fuel efficient than the older diesel and gasoline engines used in most marine vessels. Substantial reductions in the amount of hydrocarbons discharged in the exhaust system and discharged into the engine rooms can be achieved through the use of these modern engines.

Project Benefits
Water quality (habitat for marine organisms) in San Luis Obispo Bay will be improved directly by reducing the amount of oil and other pollutants from Harbor District's marine vessels. Over time, this will prevent large amounts of oil and other petroleum products from being discharged to the bay.

Agency Coordination
This project was originally submitted to the RWQCB (W-12) and the APCD(A-17). It was shared with CDFG by those agencies and certain parts of the proposal met CDFG criteria and were selected for funding. The APCD will fund marine engine re-power projects for non-Harbor District vessels and CDFG will only fund re-power projects for the Harbor District engines.

Feasibility
Through the multi-agency funding allocated, sufficient funding exists to complete the project.

Project # A-17/W-12: Oil Pollution Prevention Education Program -Task #4

Project Location: San Luis Obispo Bay / Port San Luis
Amount Requested: $33,140 (part of the $420,500 total for the full project)
Allocated Funding: $33,140
Project Applicant: Ryerson, Master and Associates, Inc. (RMA)

Introduction
An Oil Pollution Prevention Education Program (Task 4) will be implemented as part of the larger Clean Engine Coalition project.

Project Description
This education program will focus on ways that vessel operators can reduce oil pollution through proper oil handing procedures and waste recycling. The distribution of oil absorbent

materials, oil collection containers, and oil change pumps will be included in the Pollution Prevention Program.

Project Benefits
Water quality (habitat to marine organisms) in San Luis Obispo Bay will be improved directly by reducing the amount of oil and other pollutants from the marine vessels and by improved education of vessel operators on pollution prevention and recycling. Improved programs for oil discharge prevention will reduce the occurrence of small oil spills that are more frequent than large spills. Over time, this will prevent large amounts of oil and other petroleum products from being discharged to the bay.

Agency Coordination
This project was originally submitted to the RWQCB (W-12) and the APCD(A-17). It was shared with CDFG by those agencies and certain parts of the proposal met CDFG criteria and were selected for funding.

The goal is to combine this project with project W-17 the Oil Spill Response Program described above. Project W-17 is being funded jointly from CDFG and RWQCB for $50,000. So, combining this project with project W-17 will provide $88,140 for spill response education, recycling, equipment, and training.

Feasibility
Through the collaborative approach of combining this project with W-17, a successful spill response and educational program should be achieved.

C. PROJECTS NOT APPROVED FOR FUNDING

Projects not approved for funding were so designated based on the following: Failure to meet the "Threshold" criteria, or they were ranked in the "Low" category, or similar projects were already being funded, or because there was not sufficient money to cover all the amounts requested. A complete list of projects that were not selected for funding, including brief explanations, is provided in Appendix C.

D. CHANGES FROM THE DRAFT FUNDING PLAN

During the third public workshop (December, 2000), the Avila Beach Community Services District (CSD) requested emergency funding for several water supply and fire protection improvement projects needed for full development of the Avila Beach downtown area. The CSD also requested assistance in paying for State and Lopez Lake water needed for future

development in Avila Beach. This new CSD project dominated the public comment discussion at this third workshop.

This CSD project was submitted too late to be considered as part of the established project review process. However, CDFG reviewed the proposal and determined that this project would be funded from the moneys previously set aside as a contingency (to cover cost over-

runs) as well as the interest earned on the settlement fund.

Replacement of Water Storage Tank and Main Distribution Pipe

Project Location: Avila Beach
Amount Requested: $800,000
Allocated Funding: $500,000 grant and a $147,000 no-interest loan
Project Applicant: Avila Beach Community Services District

Background

The spill clean-up resulted in excavation of much of Front Street, and included the removal of numerous buildings. Re-building under current building codes requires a 12" water main and adequate water storage for fire suppression. The current water line is undersized and insufficient. A water storage and delivery system will help provide water to visitor service locations such as the Avila Pier.

Project Description

This project will fund the purchase of a 500,000 gallon water storage tank and installation of a 12" water line between the tank and the community of Avila Beach. The project has an approximate life span of 30-40 years.

Project Benefits

The project will result in compliance with current fire safety codes and facilitate the re-building of Front St. and provide water for visitor services.

Agency Coordination

This project was proposed following the multi-agency coordination process so it was considered individually as an "emergency" project by CDFG. The other trustee agencies did not provide funding for this project through their respective processes.

Feasibility

The Avila Beach Community Services District is proposing to provide $52,259 in additional funding. The CDFG will be coordinating with the Avila Beach Community Services District to further analyze funding needs and feasibility.

V. OVERVIEW OF IMPLEMENTATION PROCESS FOR APPROVED CONCEPTS/PROJECTS

A. FUNDING DISPENSATION

The projects described in this plan will be completed by the project proponents or, in cases where no project proponent is specified, contractors selected by the CDFG. Project proponents requesting funds for simple equipment purchases will be reimbursed upon the submittal of an invoice and appropriate documentation of the purchases. More complex projects will be funded through individual contracts between the CDFG and the project proponents. The project contracts will include oversight mechanisms to assure financial responsibility and include monitoring requirements to describe the relative success of the project. The CDFG will also be requiring confirmation of the commitment of matching funds for those projects that are not being fully funded through the CDFG. If any funds remain after implementation of any of the above projects, CDFG may allocate the savings to other projects described in this plan.

B. PROJECT BUDGET AND FEASIBILITY CONSIDERATIONS

The CDFG is aware that many of the project budgets for the proposed projects were based on rough estimates. In addition, the short time period for accepting proposals limited the feasibility analysis of some proposals. Therefore, prior to dispensing funds for more complex projects, the CDFG will hire a consultant to investigate project feasibility and budgets more closely.

C. CONTINGENCY FUNDS

In the Draft Funding Plan, contingency funds were established in the amount of $504,525 for recreation projects and $375,000 for biological projects. These funds were set aside in the event that selected projects may require additional funding for unanticipated costs.

The CSD water tank project described above, however, will be funded out of the previously established contingency fund for recreational projects, leaving the recreational contingency with insufficient funds. This unexpected expenditure may necessitate reductions in funding for one or more of the projects described in this Plan. However, the CDFG will work closely with all the projects proponents to achieve maximum cost savings in an attempt to make contingency funds available for those projects requiring them. All contingency funds will remain in the Avila Beach Restoration Trust account established with the National Fish and Wildlife Foundation.

D. ENVIRONMENTAL COMPLIANCE

The funding of all projects will be made contingent on each project proponent acquiring all necessary federal, state, and local permits. Each applicant will also be responsible for complying with specific environmental reviews associated with those permits.

REFERENCES

Arthur D. Little. Unocal Avila Beach Clean-Up Project Environmental Impact Report / Statement Final Report. February 1998.

California Department of Fish and Game. 1997 Phase I Study Compilation of Sand Crab, Mussel and Toxicity Test Data Avila Beach, California. December 2000.

California Department of Fish and Game. 1998 Phase II Study Compilation of Sand Crab and Mussel Data Avila Beach, California. December 2000.

CH2M Hill. Final Supplemental Investigation Report: Outlier / Pier Hydrocarbon Occurrences, Avila Beach, California. July 2000.

Strategic Initiatives. Avila Beach Mitigation Projects Public Workshop, July 18, 2000, Final Report.

APPENDIX A. - DRAFT FUNDING PLAN

Distributed prior to Public Workshop #3 held September 12, 2000

AVILA BEACH OIL SPILL MITIGATION PROJECTS
DRAFT FUNDING PLAN

PUBLIC WORKSHOP SEPTEMBER 12, 2000, 6:30 pm - 9:30 pm
SYCAMORE MINERAL SPRINGS RESORT
1215 AVILA BEACH DRIVE, AVILA BEACH

Dear Interested Party:

As you may be aware, the Department of Fish and Game Office of Spill Prevention and Response (DFG), Regional Water Quality Control Board (RWQCB), and the San Luis Obispo Air Pollution Control District (APCD) have been working together to identify projects which will help provide mitigation for the recreation and environmental impacts resulting from the oil spill contamination and clean-up at Avila Beach.

Background: As a result of the June 1998 settlement agreement Unocal Corporation was required to allocate approximately $7 million dollars to restore the recreation, biological and water resources impacted by the contamination and remediation project. From these funds, a one million dollar trust fund was established and is administered by the RWQCB, most of which is allocated to water quality-related mitigation projects with a nexus to the water quality problems in the Avila Beach area. The other $6 million is administered by the DFG; per the settlement agreement, these funds are to be used for biological and recreational restoration projects. Additionally, requirements under APCD regulations and the California Environmental Quality Act (CEQA) resulted in a separate agreement between Unocal and the APCD to establish an $890,000 air quality mitigation fund administered by the APCD. The funds from both agreements are currently held in trust by the three agencies (DFG, RWQCB, and APCD) pending project selection.

The agencies conducted a comprehensive public outreach program to solicit input regarding this mitigation planning process. In October 1999 the agencies held their first Public Workshop and began soliciting mitigation project ideas from the public. Between the three agencies, nearly 100 project proposals were received. Preliminary project rankings were then prepared by each agency based on established criteria and distributed for public review via an extensive mailing list. On July 18, 2000 the agencies held a second Workshop to obtain public input on the proposed restoration projects and on the preliminary agency rankings. After this

Workshop, the three agencies met to coordinate efforts to incorporate the public input into our separate funding recommendations.

Results of the public survey conducted by mail and at the July 2000 Workshop are summarized in a report titled *Final Report Avila Beach Mitigation Projects Public Workshop* prepared by the agency consultant, Charles Anders with Strategic Initiatives. This Final Report is available at the Strategic Initiatives web site located at http:www.strategicinit.com/avilareport.htm or you can contact Brian Stark with the Land Conservancy at (805) 544-9096 for a copy. While the three agencies have been working closely together on this mitigation planning process, each agency has its own specific criteria for evaluating and ranking the project proposals and each agency has its own project selection process described briefly below.

RWQCB Process/Summary: The RWQCB's criteria for evaluating and ranking mitigation project proposals specify the need for a nexus or link between the proposed project and water quality problems associated with Avila Beach and the lower San Luis Obispo Creek watershed. These criteria were adapted by the RWQCB during their July 1998 public meeting. The seven criteria used to evaluate the proposals included: Water quality focus – proposals must have a direct water quality focus; geographic nexus – proposals should have a nexus with the watershed in which the discharge occurred; spill type or violation similarity – credit is given for proposals that consider the spill type (hydrocarbon); beneficial use protection – protects or mitigates damages to impacted, water-quality based beneficial use(s); region-wide use or benefit – proposals may have the combined benefit to both the geographic area of impact and elsewhere in the region; ability to leverage funding – credit is given where Regional Board funding acts as seed money for further funding; and institutional stability and capacity – this is a measure of the proponents ability to complete the mitigation proposal's scope of work.

Regional Board staff completed an initial project ranking using the criteria outlined above. Mitigation proposals that met multiple criteria were ranked higher than proposals meeting only one. The above criteria and public input were then considered in the development of the RWQCB's Draft Funding Plan included in the attached table. Each of the mitigation project proposals tentatively scheduled for funding under this Draft Funding Plan received a high score from both the RWQCB staff per the criteria review process and from the public during the July 2000 public input period. Other project proposals received high rankings from either the RWQCB staff or the public, but due to the limited amount of funding, only the top-ranked projects in the high category can be funded.

A final draft Funding Plan will be brought before the Regional Board at one of their regularly scheduled meetings during October or November of this year. The Regional Board will make the final project selections. The public, project proponents, and other agencies will have an additional opportunity to comment on the draft Funding Plan prior to the Regional Board making its selections.

DFG Process/Summary: Of the 6 million dollars allocated to DFG, the settlement agreement provides that $2.5 million of these funds: "shall be used for studies concerning impacts to

biological resources in the marine environment and restoration projects relating to injuries to biological resources impacted by the oil release at Avila Beach." In addition, the settlement agreement provides that $3.5 million: "shall be used for restoration projects relating to lost use and enjoyment of natural resources, public beaches, and other public facilities in the Avila area impacted by the oil release."

DFG has nine specific criteria used for evaluating and ranking the project proposals. These criteria include: Technical feasibility; consistency with restoration goals (to compensate the public for lost beach recreation and impacts to biological resources); compliance with laws and public safety; connection to spill and cleanup (project should benefit same types of recreation or biological resources impacted); likelihood of success; opportunities for collaboration; cost benefit; types of benefits; and duration of benefits. The DFG staff have been working closely with RWQCB and APCD in this mitigation planning process. Additionally, DFG signed a Memorandum Of Understanding (MOU) in September of 1998 with the California Coastal Commission recognizing the agencies need to coordinate restoration planning for these impacts in the coastal zone at Avila Beach to identify appropriate biological and recreation project concepts. Using the established criteria, DFG and Coastal Commission staff have formed committees to evaluate the proposed projects provided by the public. For the biological project review process a Technical Advisory Committee (TAC) was formed with 13 biological experts, including biology professors from Cal Poly, UCSB, and Cuesta College, environmental consultants, Fish and Game marine and inland fisheries biologists, and others. The role of the TAC was to assist and advise DFG and Coastal Commission staff in the review and selection of biological proposals.

Following the recent public workshop on July 18, 2000, DFG staff were very encouraged to see that local community rankings of project concepts closely paralleled those of the agencies. For example, the proposed list of recreation projects includes 15 of the public"s top 18 ranked recreation projects.

The actual or final cost of many restoration project concepts submitted to DFG is difficult to estimate with extreme precision. Projects that involve the drafting of plans, permitting, bidding of contractors, and combined with establishment of performance criteria, often yield preliminary cost figures that under estimate actual costs by 25% to 50% at completion of the project. The DFG and Coastal Commission staff believe that a contingency budget of approximately 15%, while conservatively low, should be adequate to cover cost uncertainties of approved projects. A portion of the contingency funds will also be used by agency staff to monitor the implementation of approved projects and ensure that performance or success criteria are met by parties receiving restoration funds. In addition to this contingency, per the settlement agreement, some of the funds specified for biological projects may be used for studies relating to the remaining subtidal area of contamination near Avila Pier.

Both DFG and the Coastal Commission recognize the benefits of timely restoration and this MOU states by December 1, 2000 that DFG shall have granted approval of all projects to be funded with the $3.5 million and the $2.5 million. Agency staff will review all written and

verbal public input from the September 12, 2000 Public Workshop and produce a final

restoration plan for biological and recreation resources prior to December 1, 2000.

APCD Process/Summary: The APCD signed a Memorandum Of Understanding (MOU) with Unocal in November 1998 to mitigate the air quality impacts of the Avila Beach Remediation Project. Approximately $890,000 is available through this air quality mitigation fund. The APCD used specific criteria, adopted by their Board in September 1998, to evaluate and preliminarily rank mitigation project proposals. Those criteria include: Amount of emission reductions achieved; location of emission reductions; cost-effectiveness of the project; community benefit of the project; implementation feasibility and timeline; and availability and level of matching funds.

In addition to the two joint Public Workshops held with DFG and RWQCB, the APCD also held two meetings with the Avila community. After incorporating the public input received during July 2000, the APCD has revised their funding recommendations as outlined on the attached table. The APCD funding recommendations align well with the public survey results. A final draft of APCD's funding recommendations will be presented for consideration and approval by the Air Pollution Control Board at their regularly scheduled public hearing on September 27, 2000. This represents another opportunity for the public, project proponents and other interested parties to provide input prior to final project selection by our Board.

Proposed Project Funding: Attached are four tables that list all the projects submitted for review, and the proposed funding for each. There are three tables for projects that will receive funding from an individual agency, as well as a table for those projects that will receive funding from more than one agency. In addition to the amount of proposed funding, each table lists the projects by title and identification number, shows the ranking given to the project by the agency to whom it was submitted, and the score developed through public input. The projects are grouped according to the agency ranking (either a high, medium or low category) which was developed using the criteria described above. Then, within each of those categories, projects are listed in the order of the public score which was based on a scale of 1 to 9, with 9 being the highest.

Public Comment: The public is now invited to provide the agencies with input on this Draft Funding Plan. At the Public Workshop on September 12th we will be accepting public comment on the list of projects we propose to fund.

If you cannot attend the Public Workshop, you may submit your comments in writing to DFG and RWQCB by Oct. 12, 2000, and to APCD by September 26, 2000. Please mail your comments to the agency staff listed at the end of this letter. If you have any questions or if you would like to discuss any of the project proposals in detail prior to the Public Workshop you can contact any of the agencies below:

Dept. of Fish & Game: Melissa Boggs-Blalack at (805) 772-1756
213 Beach Street, Morro Bay, CA 93442; or
Marian Ashe at (916) 324-9803
P.O. Box 944209
Sacramento, CA 94244-2090

Regional Water Quality Control Board: John Robertson at (805) 542-4630, or
Gerhardt Hubner at (805) 542-4647
81 Higuera St., Suite 200, San Luis Obispo, CA 93401;

Air Pollution Control District: Barry Lajoie or Larry Allen at (805) 781-5912,
3433 Roberto Court, San Luis Obispo, CA 93401.

We appreciate your interest in the Avila Beach mitigation planning process and we look forward to seeing you at the Public Workshop on September 12th.

AVILA BEACH DRAFT FUNDING PLAN
PROJECTS CONSIDERED BY MORE THAN ONE AGENCY

ID #	Project Title	Public Score	Funding Detail Requested	DFG	APCD	RWQCB	TOTAL
B18 W9	Irish Hills Land Acquisition	3.8	2,000,000	1,000,000	0.00	250,000	1,250,000
B20 W4	Tenera, Oil and Grease Filters	6.0	30,920	15,460	0.00	15,460	30,920
B2 W11	PSLHD Boat Yard Upgrade	5.6	265,000	132,500	0.00	132,500	265,000
B11 W16	Artificial Reef	4.2	800,000	0.00	0.00	0.00	0.00
A17 W12(a)	Vessel Engine Repower	4.4	420,500	0.00	170,000	0.00	170,000
A17 W12(a)	Vessel Engines for Harbor District Boats	4.4	above	134,000	0.00	0.00	134,000
A17 W12(b)	Oil Pollution Prevention; Task 4	4.4	33,140	33,140	0.00	0.00	33,140
B19 W19	East Fork Wetland Restoration	3.7	100,000	50,000	0.00	50,000	100,000
A16 R14	Cave Landing Bikepath	4.3	379,000	379,000	0.00	0.00	379,000
B23 W5	Replace Wastewater Outfalll Diffuser	5.1	200,000	0.00	0.00	200,000	200,000
B16 W3	TPH Fingerprinting in Avila Subtidal	3.6	306,656	0.00	0.00	0.00	0.00
B05 W10	BMP in Brizziolari and Stenner Creeks	2.7	65,500	0.00	0.00	0.00	0.00
B14 W8	Upland Watershed Bio Resources Study	2.5	132,984	0.00	0.00	0.00	0.00
R42 W14	Wetlands Creation	2.6	45,500	0.00	0.00	0.00	0.00
R39 W13	Field Guide	2.8	141,620	0.00	0.00	0.00	0.00
A18 R34	Tank Farm Parking Lot	3.6	100,000	0.00	0.00	0.00	0.00
B25 W7	Improvements to Wastewater System	4.7	200,000	0.00	0.00	0.00	0.00
B24 W6	Influent Pump Replace & Well Rehab	4.6	200,000	0.00	0.00	0.00	0.00
A10 R15	2nd Street Steps	3.2	124,000	0.00	0.00	0.00	0.00
R8	Bob Jones Bikepath, Phase III	3.6	2,400,000	300,000	100,000	0.00	400,000
W1	Storm Drain Flapgate	6.3	100,000	0.00	0.00	0.00	0.00
W2	Natural Attenuation of PAH's	4.0	129,326	0.00	0.00	0.00	0.00
W15	Continuous Water Quality Monitoring	5.7	215,000	0.00	0.00	107,500	107,500
W17	Avila Oil Spill Response Program	6.1	50,000	25,000	0.00	25,000	50,000
W18	Ayers Property Aquisition	4.4	100,000	50,000	0.00	50,000	100,000
R47 A7 A15	Shuttlebus	4.6	290,000	0.00	140,000	0.00	140,000
B30 W33	Marre Wier Modifications	5.3	100,000	50,000	0.00	50,000	100,000
	TOTAL		*8,929,146*	*2,169,100*	*410,000*	*880,460*	*3,459,560*

Notes: APCD: San Luis Obispo Air Pollution Control District
DFG: Department of Fish & Game
RWQCB: Regional Water Quality Control Board

AVILA BEACH DRAFT FUNDING PLAN
PROPOSED FUNDING FOR RECREATIONAL PROJECTS

ID #	*Project Title*	Ranking DFG	Ranking Public	$ Requested	$ Funded
R-09	Lifeguard Towers	High	6.5	42,850	42,850
R-04	Playground Equipment	High	6.3	12,000	12,000
R-03	Guardrail/Ladder on Avila Pier	High	6.2	42,700	42,700
R-01	Zamboni Beach Cleaner	High	5.9	148,500	148,500
R-38	Lighthouse Renovation	High	5.6	192,000	192,000
R-28	Marine Institute Building	High	5.4	355,300	355,300
R-36	Floating Dock at Avila Pier	High	5.3	110,000	110,000
R-07	Bob Jones Bikepath, Phase II	High	4.9	300,000	300,000
R-11	Skiff Racks	High	4.7	18,000	18,000
R-48	Weather Station	High	4.5	10,725	10,725
R-02	Pier Crane	High	4.4	210,000	210,000
R-06	Walkway/Trees along Hartford Dr.	High	4.1	172,000	172,000
R-22	City to Sea Greenway	High	3.9	200,000	200,000
R-10	Fire/Rescue Boat	Medium	5.1	55,000	55,000
R-41	Lighthouse Access Road	Medium	4.5	341,600	341,600
R-50	Mooring Buoys	Medium	4.4	45,000	0.00
R-24	Fossil/Photo Display at Marine Inst.	Medium	4.2	100,000	100,000
R-35	Sport Launch Area Improvements	Medium	4.2	1,130,000	0.00
R-26	Underwater Camera	Medium	3.9	644	0.00
R-32	Aquarium on Pier	Medium	3.8	568,500	0.00
R-49	Kelp Info Display	Medium	3.9	46,000	0.00
R-27	Research Vessel	Medium	3.8	50,000	0.00
R-12	Pedestrian Passage (from parking lot)	Medium	3.6	718,537	0.00
R-25	Web Page	Medium	3.3	5,800	5,800
R-19	Marketing Program for Avila	Medium	2.6	186,000	0.00
R-45	Billboards	Medium	1.6	Unknown	0.00
	SUBTOTAL			*5,061,156*	*2,316,475*
	DFG's portion of funding for projects considered by more than one agency *				*679,000*
	Contingency to cover potential cost overuns				*504,525*
	TOTAL (Recreational Projects)				*$3,500,000*

* See the Table of "Projects Considered by More Than One Agency" for proposed funding detail.

Recreational Project List (Continued)

The Following List is for Discussion Purposes

No Projects in the "LOW" or "FAILED TO MEET MINIMUM CRITERIA" Categories Received Funding

ID #	*Project Title*	DFG Rank	Public Rank	$ Requested	$ Funded
R-13	Curbs/Gutters/Sidewalks in Town	LOW	3.8	380,000.00	0.00
R-20	Fireworks	LOW	3.7	88,000.00	0.00
R-23	Live Theater Program	LOW	3.1	106,000.00	0.00
R-30	Lecture Series	LOW	3.3	42,000.00	0.00
R-43	Transportation Scholarships	LOW	3.3	50,000.00	0.00
R-29	Hostel	LOW	3.8	202,950.00	0.00
R-17	Public Art/Gateway Improvements	LOW	3.1	50,000.00	0.00
R-21	Economic Model for Avila Area	FAILED	1.3	175,000.00	0.00
R-16	Study Beach Ownership Transfer	FAILED	2.5	50,000.00	0.00
R-44	Shanty Man	FAILED	1.9	200,000.00	0.00
R-40	Artificial Surfing Reef	FAILED	2.7	unknown	0.00
R-37	Public Library	FAILED	3.8	unknown	0.00
R-05	Artificial Surfing Reef	FAILED	2.8	450,000.00	0.00
R-18	Underground Utilities	FAILED	4.0	400,000.00	0.00
R-46	Climbing Structures (covered under R-04)	See R-04		unknown	0.00
	TOTAL			$2,193,950	$0.00

AVILA BEACH DRAFT FUNDING PLAN
PROPOSED FUNDING FOR AIR QUALITY PROJECTS

ID#	Project Title	APCD Rank	Public Score	Requested Funding	Proposed Funding
A5	Booster Pump Elec.	High	6.2	$15,000	$15,000
A3	Water Taxi	High	5.2	$5,000	$5,000
A11	Bike Lane @ Avila Valley	High	4.1	$220,000	$175,000
A13	NG Recycle Truck	High	3.9	$270,000	$220,000
A8	Avila Met Station	Medium	3.6	$100,000	$0
A6	F/V Johnathan	Medium	3.0	$33,600	$0
A9	Abalone Farm Repower	Medium	2.9	$74,200	$70,000
A14	PG&E Van Pools	Medium	2.6	$315,000	$0
A19	Residential Woodstove	High	2.4	$1,451	$0
			SUBTOTAL:	$1,034,251	$485,000
			APCD's portion of "shared projects":		$410,000
			Contingency:		$2,875
			TOTAL:		$897,875

AVILA BEACH DRAFT FUNDING PLAN
PROPOSED FUNDING FOR BIOLOGICAL PROJECTS

		Ranking			
ID #	***Project Title***	**DFG**	**Public**	**$ Requested**	**$ Funded**
B-13	CCSE Salmon Rearing Project	High	6.80	125,000	125,000
B-04	Linear Wetland TPH Filter	High	4.80	131,700	0.00
B32/31	Marine Habitat Biodiversity Assessment	High	3.60	800,000	0.00
R-08	Bob Jones Bikepath, Phase III	High	3.60	2,400,000	100,000
B-12	CCSE, Grow Out Program	Medium	5.20	withdrawn	0.00
B-17	Oak Tree Relocation	Low	4.40	32,500	32,500
B-03	SLO Co. 1/2 Acre Wetland Restoration	Low	3.50	100,000	0.00
B-22	Exotic Plant Removal/Wetland Planting	Low	2.50	19,805	0.00
B-06	Red-legged Frog Project	Low	2.10	900,000	75,000
	SUBTOTAL			*4,509,005*	*332,500*
	DFG's portion of funding for projects considered by more than one agency *				*1,490,100*
	Contingency to cover biological studies of oil spill impacts				*302,400*
	Contingency to cover potential cost overuns				*375,000*
	TOTAL (Biological Projects)				*$2,500,000*

* See the Table of "Projects Considered by More Than One Agency" for proposed funding detail.

The Following List is for Discussion Purposes

No Projects in the "FAILED TO MEET MINIMUM CRITERIA" Category Received Funding

		DFG	**Public**		
ID #	***Project Title***	**Rank**	**Rank**	**$ Requested**	**$ Funded**
B-07	4 water pumps to oxygenate SLO Creek	FAILED	2.9	6,000.00	0.00
B-08	Pismo & butter clam introduction to Avila Beach	FAILED	3.8	80,440.00	0.00
B-15	SLO Creek bank & revegetation improvements	FAILED	2.2	0.00	0.00
B-21	Study and prep restoration plan for lower SLO Creek	FAILED	2.4	1,195,000.00	0.00
B-26	Abalone recovery project	FAILED	3.9	60,000.00	0.00
R-49	Quantification of kelp	FAILED	3.9	27,000.00	0.00
	TOTAL			$1,368,440	$0.00

APPENDIX B. - SUMMARY OF PUBLIC COMMENTS ON THE DRAFT FUNDING PLAN

General written comments and agency responses:

- Five people commented that the money should stay in Avila Beach. Response is that all the funds set aside to mitigate for the recreational impacts of the spill are being spent within the area generally recognized as Avila Beach. Most of the projects are actually in the town of Avila, and none could be described as being in an outlying area. Most importantly, all the projects will enhance the use and enjoyment of the beach as was the intent of the settlement agreement. Regarding biological projects, they are either in Avila Beach, Avila Valley, Avila Bay, or in the San Luis Obispo Creek watershed. After the beach excavation was complete and the beach was re-contoured, recovery of beach biota takes place naturally and relatively quickly. CDFG is not aware of intertidal/supratidal restoration projects that are technically feasible. The contamination likely impacted the estuary of San Luis Obispo Creek, migratory birds, anadromous fish and other species whose range exceeds the local Avila Beach community.

- Seven people commented that they were in support of funding the "emergency water tank/main." This project was first brought up at the September 12th workshop where it dominated the discussion, and was proposed nearly one year after the deadline for submission of projects. As such, this project did not go through the established review and ranking process. However, after discussions with the Avila CSD, and CDFG management, this project is receiving partial funding.

- Three people commented they were not in support of funding the "emergency water tank/main." Comment noted.

- Two people commented they were in support of all the recommended projects. Comment noted. Comment supports decision to fund the selected projects.

- One person suggested installing parking meters as an alternative source of funding for various Avila restoration projects. Response is that the Department does not have the authority to require the installation of parking meters. That is the purview of local government. The extent to which funds collected from meters may be used for varying projects is also a matter for local government officials to decide.

Written comments and responses related to recreation projects:

- Drop Pirates Cove bike trail due to landslide; money could be better used for Avila "emergency request." Response is that this bike trail will provide a recreational benefit for bikers, walkers, joggers and others. Regarding the landslide issue, we are aware of this concern and any geologic issues will be addressed in the final project plans that have yet to be developed. See "emergency request" comments above.

- In support of Pirates Cove bike trail. Comment noted and supports agency decision to fund this project in full.

- In support of R-41, lighthouse access road. Comment noted and supports agency decision to fund this project in full.

- Two people stated they were in support of lighthouse renovation. Comment noted and supports agency decision to fund this project in full.

- In support of a shuttle service. This project does not address lost recreational use therefore the CDFG and Coastal Commission are not proposing to fund this project. However, the APCD is funding this project for $140,000.

- Two people commented they were in support of the Bob Jones bike path. Comment supports agency decision to fund Phase II in full and to substantially fund Phase III.

- Four people commented they were in support of pedestrian walk-through. This project does not address lost recreational days. Agency staff proposing not to fund this project.

- In support of all the Port San Luis Harbor District projects. Comment supports agency decision to fund these projects in full.

Written comments and responses related to Biological projects:

- Two people stated they were in support of the artificial reef project. Agency response is that while an artificial reef near the Avila Pier would likely increase fisheries in the local area, the associated increased fishing would likely negate the increase in local fish populations. As such, this project was thought to be more of a recreational project and there are other projects being funded to enhance fishing opportunities (e.g., salmon rearing project, the San Luis Obispo Creek restoration projects, and the vessel engine repower project) . It was decided that if there is any excess money from the biological funds that this project would be reconsidered.

- Three people commented they were in support of the Irish Hills project. Comment supports agency decision to partially fund this project.

- Not in support of Irish Hills. Comment noted. However, the agencies are proposing to partially fund this land acquisition project. Protecting this land will conserve the San Luis Obispo Creek and Wild Cherry Canyon watersheds that drain into San Luis Bay. Permanent protection of lands within the Irish Hills region will benefit ecological and recreational resources. This project has strong support from the public (75% support for Measure A, the DREAM initiative). This project also has significant leveraging support and increases recreational opportunities for residents of Avila Beach, the County, and out-of-area visitors.

  Biological nexus includes protecting riparian habitat and associated species including red-

legged frogs, tidewater gobies, western pond turtles and steelhead trout.

- Redirect oil spill project money to W-15 water quality monitoring. Response is that monitoring (project W-15) does not constitute restoration and as such, this project does not meet the minimum Threshold Criteria. The oil spill project will provide for oil spill response training, equipment, and deployment in the Port San Luis and Avila Bay area. Port San Luis and Avila are heavily used commercial fishing and recreational boating areas and oil discharges to marine waters are relatively common. Currently, there is an absence of oil spill response capabilities in the area and the oil spill project will help fill this response shortfall.

- In support of the water quality monitoring project - W15. Response is that monitoring does not constitute restoration and as such, this project does not meet the minimum Threshold Criteria.

- In support of the biological survey projects - B31/32. Response is that monitoring does not constitute restoration and as such, this project does not meet the minimum Threshold Criteria. However, contamination in the subtidal zone is still being assessed. If agencies determine some sort of remedial action is warranted, a pre-project survey may be needed. If that is the case this project will be reassessed at that time.

General oral comments received at September 12, 2000 Workshop (transcribed from recording):

- What we are dealing with is the Avila Visitor Services Water Emergency. The contributing factors to this particular finical crisis are these: There is the failed water tank (estimated replacement cost is at least $500,000). Second, a new 12-inch line is needed to help fight fires on Front Street. Third is an unexpected $30,000 assessment to pay Avila's share on the renovation to Lopez Lake dam. More importantly, no one sat down to figure out how to offset the loss of revenue. In December, an annual $85,000 subsidy from Unocal to the water system ends. That will leave a third of the users from four years ago (49 users compared to 157 in 1996) left to pay for twice as much water as they will need. Avila Beach has entitlement to twice that amount. You have the opportunity to help us, not to fracture us. Some bad planning is crushing us. We are looking at a $1.31 million burden to rebuild their town over the next five years- an average of an extra $1,000 a year per user for water they will never use. Without Unocal paying for the other half of the community's water that is an additional loss of revenue to the water district of $75,999 a year. This simply is a cash-flow issue. And the longer the rebuild takes, the more severe the cash-flow problem becomes.

- You can't expect 49 people to pay for this whole thing. Give us the money we are entitled to (reference to water tank).

- I'm here on the behalf of the 280,000 residents of the county. What we are saying is without water we have no public toilets, that's the connection-without water we can't

provide the services. Why is that important? Because the other 28 million people in the state have a vested right in this beach.

- As much as I love open spaces, what good is it if there is no town. It's heartbreaking.

- I'm interested in natural resources. I'm a member of the yacht club. Shame on us if we don't see that the basic needs are to the Community Service District (reference to water tank).

- Think of it as if your house was on fire and was burnt down- would you appreciate it if other people came to you and tried to take money that was suppose to come to you. I ask you to prioritize and think of it as your own.

- What about the three million in the Foundation? Why can't we have both the water tank and Irish Hills projects? We have a historic opportunity to protect a main piece of property.

- I'm trying to rebuild my property and its suppose to finish by the end of this year. I'm already a year behind and the cost of building went up about 25% in the last year and if its held up for another 2-3 years I won't have enough money.

- The Foundation was established for the betterment of the community. The three million dollars is earning interest. There will be additional problems 5-10 years from now. That's why the Foundation exists. To provide long-term income, to try to meet the needs year after year in the community.

- My question to you is if Avila doesn't come back then what good are all these projects (reference to water tank)?

- Avila residents put everything at risk in order to make the excavation happen. It was the renters who put it at risk. They had everything to lose. It was the average person who lived there, and who has been there for generations and generations.

- We spent many years putting the Front Street Enhancement Plan together. That particular project is not designed to be existing in a vacuum, the only way we are going to eliminate that vacuum is to find money to actually get the businesses hooked up with water and electricity. The Irish Hills project has no bearing what so ever on the business community of Avila Beach.

- The concept of preserving our land, and protecting are boarders is very important. We don't even have a place in town to buy a quart of milk-were fighting for the most basic functions in Avila. We have an emergency situation and we have to take care of the basics first.

- All this money shouldn't be given away until Avila beach is being taken care of and their needs are met anything else outside that is just plain garbage.

- I have a problem with the way these green packets were distributed. There was no control over the way the process was run.

- According to settlement agreement even Unocal stated that they wanted this money for projects that will directly benefit Avila Beach.

- I don't think we should be buying any more land. We have got to support the area we have now that's affected by the impact.

Oral comments related to recreational projects received at September 12, 2000 Workshop:

- The bike path needs a light included-so traffic can be controlled where bike path crosses Avila Bay for safety of children.

- Happy to see Bob Jones bike path has at least partial funding.

- Regarding the floating dock, I am pleased that it got broad support. It will help in the downtown. Having the dock will help rejuvenate the recreational part of town.

- We of Avila Beach are the ones that put up with the noise, excavation, fumes, homes being torn down. We planed for a pedestrian walkway to pass through from existing parking lot through the buildings to the beach for families. It's for visitors not for us [the residents]. Please approve this project. If you will not we will be left with a dark alley.

Oral comments related to Biological projects received at September 12, 2000 Workshop

- The artificial reef project would enhance fishing in the area. Please reconsider.

- Regarding the flap gate project why doesn't this fit the criteria?

- In support of the Wild Cherry Canyon Ranch [Irish Hills]. When a community has an opportunity to create a park of 2600 acres directly adjacent to an area that's undergoing rapid growth and re-development support the park. A resource we can set aside for many generations to come.

- The Clean Engine Coalition submitted proposals to purchase new engines to reduce the pollution from fishing vessels, and harbor equipment. We are pleased that the agencies are proposing to allocate funds to this project. However, disappointed that the funding was limited to $170,000.

- In the long term natural resources are what we really need to protect. Without them we won't have a community to worry about. The Irish Hills project is a large amount of money and it concerns a lot of you. I think that preserving the land is an opportunity for the community of Avila for the future. It allows the community of Avila to be surrounded by pristine natural resources, which we all benefit from.

- Many of us endorse the Irish Hills project.

- The Irish Hills conservation project is an investment in our community. We will be proud of it for a long time. Foresight for our children.

- In support of the Cherry Canyon [Irish Hills] project which is adjacent to your homes.

- Irish Hills Project is a state project and an Avila project. We will be a State Park if we are successful in closing this deal.

- I am against the Irish Hills project. I don't think that roughly 20% of money should be spent for this project.

- Why are you interested in salmon if you don't want salmon to spawn?

APPENDIX C. - FINAL LIST OF PROJECTS AND FUNDING LEVELS

AVILA BEACH - RECREATIONAL PROJECT FUNDING

ID #	*Project Title*	RANKING DFG	RANKING Public	$ Requested	$ Funded
R-09	Lifeguard Towers	High	6.5	42,850	42,850
R-04	Playground Equipment	High	6.3	12,000	12,000
R-03	Guardrail/Ladder on Avila Pier	High	6.2	42,700	42,700
R-01	Zamboni Beach Cleaner	High	5.9	148,500	148,500
R-38	Lighthouse Renovation	High	5.6	192,000	192,000
R-28	Marine Institute Building	High	5.4	355,300	355,300
R-36	Floating Dock at Avila Pier	High	5.3	110,000	110,000
R-07	Bob Jones Bikepath, Phase II	High	4.9	300,000	300,000
R-11	Skiff Racks	High	4.7	18,000	18,000
R-48	Weather Station	High	4.5	10,725	10,725
R-02	Pier Crane	High	4.4	210,000	210,000
R-06	Walkway/Trees along Hartford Dr...	High	4.1	172,000	172,000
R-22	City to Sea Greenway	High	3.9	200,000	200,000
R-08	Bob Jones Bikepath, Phase III	High	3.6	2,400,000	300,000
R-10	Fire/Rescue Boat	Medium	5.1	55,000	55,000
R-41	Lighthouse Access Road	Medium	4.5	341,600	341,600
R-50	Mooring Buoys (1)	Medium	4.4	45,000	0.00
R-24	Fossil/Photo Display at Marine Inst.	Medium	4.2	100,000	100,000
R-35	Sport Launch Area Improvements (1)	Medium	4.2	1,130,000	0.00
R-26	Underwater Camera (1)	Medium	3.9	644.00	0.00
R-32	Aquarium on Pier (1)	Medium	3.8	568,500	0.00
R-49	Kelp Info Display (1)	Medium	3.9	46,000	0.00
R-27	Research Vessel (1)	Medium	3.8	50,000	0.00
R-12	Pedestrian Passage (from parking lot) (1)	Medium	3.6	718,537	0.00
R-25	Web Page	Medium	3.3	5,800	5,800
R-19	Marketing Program for Avila (1)	Medium	2.6	186,000	0.00
R-45	Billboards (1)	Medium	1.6	Unknown	0.00
	SUBTOTAL			***$7,461,156***	***$2,616,475***
	DFG's portion of Rec. projects reviewed by more than one agency (2)				***379,000***
None	**CSD Water Tank Purchase**	**Not ranked**	**Not scored**		***647,000***
	($147,000 in form of a loan to CSD)				
	Contingency to cover potential cost overruns				***0***
	TOTAL (Recreational Projects)				***$3,642,475***
	Settlement Authorization				***$3,500,000***
	Balance				***($142,475)***

(1) **Given the amount of money available, DFG funded as many projects in the 'Medium' category as possible.**

(2) **See the Table of "Projects Funded by More Than One Agency" for funding detail.**

Recreational Projects - Continued

No Projects in the "LOW" or "FAILED" (to meet Minimum Criteria) Categories Received Funding (3)

ID #	*Project Title*	CDFG Rank	Public Rank	$ Requested	$ Funded
R-13	Curbs/Gutters/Sidewalks in Town	LOW	3.8	380,000.00	0.00
R-20	Fireworks	LOW	3.7	88,000.00	0.00
R-23	Live Theater Program	LOW	3.1	106,000.00	0.00
R-30	Lecture Series	LOW	3.3	42,000.00	0.00
R-43	Transportation Scholarships	LOW	3.3	50,000.00	0.00
R-29	Hostel	LOW	3.8	202,950.00	0.00
R-17	Public Art/Gateway Improvements	LOW	3.1	50,000.00	0.00
R-21	Econ Model for Avila Area	FAILED	1.3	175,000.00	0.00
R-16	Study Beach Ownership Transfer	FAILED	2.5	50,000.00	0.00
R-44	Shanty Man	FAILED	1.9	200,000.00	0.00
R-40	Artificial Surfing Reef	FAILED	2.7	unknown	0.00
R-37	Public Library	FAILED	3.8	unknown	0.00
R-05	Artificial Surfing Reef	FAILED	2.8	450,000.00	0.00
R-18	Underground Utilities	FAILED	4.0	400,000.00	0.00
R-46	Climbing Structures (covered under R-04)	See R-04		unknown	0.00
	TOTAL			**$2,193,950**	**$0.00**

(3) **There was not sufficient money to fund any of the projects in the 'Low' category.**

AVILA BEACH - BIOLOGICAL PROJECT FUNDING

ID #	*Project Title*	RANKING CDFG	RANKING Public	$ Requested	$ Funded
B-13	CCSE Salmon Rearing Project	High	6.80	125,000	125,000
B-04	Linear Wetland TPH Filter (1)	High	4.80	131,700	0.00
B32/31	Marine Habitat Biodiversity Assessment (2)	High	3.60	800,000	0.00
R-08	Bob Jones Bikepath, Phase III, Creek Restoration Task	High	3.60	2,400,000	100,000
B-12	CCSE, Grow Out Program	Medium	5.20	withdrawn	0.00
B-17	Oak Tree Relocation	Low	4.40	32,500	32,500
B-03	SLO Co. 1/2 Acre Wetland Restoration	Low	3.50	100,000	0.00
B-22	Exotic Plant Removal/Wetland Planting	Low	2.50	19,805	0.00
B-06	Red-legged Frog Project	Low	2.10	900,000	75,000
	SUBTOTAL			***4,509,005***	***332,500***
	DFG's portion of biological projects funded by more than one agency (4)				***1,490,100***
	Contingency to cover biological studies of oil spill impacts				***302,400***
	Contingency to cover potential cost overruns				***375,000***
	TOTAL (Biological Projects)				***$2,500,000***

No Projects in the "FAILED TO MEET MINIMUM CRITERIA" Category Received Funding

ID #	*Project Title*	CDFG Rank	Public Rank	$ Requested	$ Funded
B-1	Pier Pile Wrap (3)	FAILED	Not Scored	464,000.00	0.00
B-07	4 water pumps to oxygenate SLO Creek (3)	FAILED	2.9	6,000.00	0.00
B-08	Pismo & butter clam introduction to Avila Beach (3)	FAILED	3.8	80,440.00	0.00
B-15	SLO Creek bank & revegetation improvements (3)	FAILED	2.2	0.00	0.00
B-21	Study and prep restoration plan for lower SLO Creek (3)	FAILED	2.4	1,195,000.00	0.00
B-26	Abalone recovery project (3)	FAILED	3.9	60,000.00	0.00
R-49	Quantification of kelp (3)	FAILED	3.9	27,000.00	0.00
	TOTAL			**$1,832,440**	**$0.00**

Footnotes

(1) Similar plantings will already be completed because Unocal is required to install plants in the existing drainage ditch described in this project. Additionally, the Port San Luis Harbor District would not approve of the interpretive display / walkway incorporated into the proposed project.

(2) Per the settlement agreement, part of the biological funds can be used on studies under which this project would be considered. If DFG funds another project that requires a biological assessment and / or if this type of assessment is required for the ongoing intertidal / subtidal plume area, this type of assessment may be funded.

(3) Failed to meet the minimum Threshold Criteria, such as technical feasibility.

(4) See the Table of "Projects Funded by More Than One Agency" for funding detail.

AVILA BEACH - PROJECTS FUNDED BY MORE THAN ONE AGENCY

ID #	Project Title	DFG Rank	Public Rank	FUNDING DETAIL Requested	CDFG	APCD	RWQCB	TOTAL
B18 W9	Irish Hills Land Acquisition	High	3.8	2,000,000	1,000,000	0.00	250,000	1,250,000
B20 W4	Tenera, Oil and Grease Filters	High	6.0	30,920	15,460	0.00	15,460	30,920
B2 W11	PSLHD Boat Yard Upgrade	High	5.6	265,000	132,500	0.00	132,500	265,000
B11 W16	Artificial Reef (1)	High	4.2	800,000	0.00	0.00	0.00	0.00
A17 W12(a)	Vessel Engine Repower	Not Scored	4.4	420,500	0.00	170,000	0.00	170,000
A17 W12(a)	Vessel Engines for Harbor District Boats only	High	4.4	above	134,000	0.00	0.00	134,000
A17 W12(b)	Oil Pollution Prevention; Task 4	High	4.4	33,140	33,140	0.00	0.00	33,140
B19 W19	East Fork Wetland Restoration	Medium	3.7	100,000	50,000	0.00	50,000	100,000
A16 R14	Cave Landing Bikepath	High	4.3	379,000	379,000	0.00	0.00	379,000
B23 W5	Replace Wastewater Outfall Diffuser (2)	Failed	5.1	200,000	0.00	0.00	200,000	200,000
B16 W3	TPH Fingerprinting in Avila Subtidal (3)	Medium	3.6	306,656	0.00	0.00	0.00	0.00
B05 W10	BMP in Brizziolari and Stenner Creeks (4)	Medium	2.7	65,500	0.00	0.00	0.00	0.00
B14 W8	Upland Watershed Bio Resources Study (5)	Medium	2.5	132,984	0.00	0.00	0.00	0.00
R42 W14	Wetlands Creation (6)	Low	2.6	45,500	0.00	0.00	0.00	0.00
R39 W13	Field Guide (6)	Low	2.8	141,620	0.00	0.00	0.00	0.00
A18 R34	Tank Farm Parking Lot (7)	Medium	3.6	100,000	0.00	0.00	0.00	0.00
B25 W7	Improvements to Wastewater System (2)	Failed	4.7	200,000	0.00	0.00	200,000	200,000
B24 W6	Influent Pump Replace & Well Rehab (2)	Failed	4.6	200,000	0.00	0.00	0.00	0.00
A10 R15	2nd Street Steps (2)	Failed	3.2	124,000	0.00	0.00	0.00	0.00
W-17	Avila Oil Spill Response Program	High	6.1	50,000	25,000	0.00	25,000	50,000
W-18	Ayers Property Acquisition	Medium	4.40	100,000	50,000	0.00	50,000	100,000
R47 A15	Shuttlebus (7)	Medium	4.6	350,000	0.00	140,000	0.00	140,000
B30 W33	Marre Wier Modifications	Medium	5.3	100,000	50,000	0.00	50,000	100,000
	TOTAL			***6,144,820***	***1,869,100***	***310,000***	***972,960***	***3,152,060***

Footnotes

(1) Biological review committee considered the project to be more of a recreational project. The Recreational review committee concluded that other fishing enhancement projects were already being funded.
(2) Failed to meet minimum Threshold Criteria.
(3) If warranted as part of the ongoing intertidal / subtidal plume project, this type of study may be considered.
(4) The project location was considered to be too far from Avila Beach
(5) A similar San Luis Obispo Creek watershed project is currently ongoing through the San Luis Obispo County Flood Control and Water Conservation District (Zone 9).
(6) There was not sufficient money to fund projects in the "Low" category
(7) Given the amount of money available, DFG funded as many projects in the "Medium" category as possible.