1. INTRODUCTION: The California Department of Transportation (Caltrans), District 5 (POC: Ms. Sarah Sandstrom, 559-908-2709, Sarah.Sandstrom@dot.ca.gov), 50 Higuera Street, San Luis Obispo, California, 93401, has applied to the U.S. Army Corps of Engineers (USACE), San Francisco District, for a Department of the Army Permit to discharge fill material into jurisdictional waters of the United States associated with the construction of an overpass and a series of roundabout intersections to replace the existing Castroville Boulevard signalized, at-grade intersection with State Route 156 (SR-156). This Department of the Army permit application is being processed pursuant to the provisions of Section 404 of the Clean Water Act of 1972, as amended (33 U.S.C. § 1344 et seq.).

2. PROPOSED PROJECT:

Project Site Location: The project area comprises approximately 128 acres and is located on SR-156 between post mile (PM) 1.4 and PM 2.1, at the interchange with Castroville Boulevard, near the City of Castroville in unincorporated Monterey County, California (36.7706°N, 121.7387°W). The project area includes portions of APN 133-073-001-000, 133-073-002-000, 133-073-003-000, 133-073-004-000, and 133-073-005-000. It falls within the Prunedale USGS Quadrangle Map in Township 13S, Range E, and Section 0.

Project Site Description: The project area includes portions of SR-156 and Castroville Boulevard, the SR-156 bridge over Moro Cojo Slough, and adjacent agricultural land. SR-156 provides east-west access between SR-1 and US-101. The project area is located approximately three miles east of the Pacific Coast and is situated amid rolling hills, near the upper extent of the tidally-influenced Moro Cojo Slough. The surrounding area consists of a combination of grassland, coastal chaparral, agriculture, and rural residential development. Surface water runoff from the agricultural fields and roadways typically flows from east to west through a network of depressional wetlands and ditches, ultimately exiting the project area to the west through an agricultural ditch into a marsh or drainage conveyance channel that is near the Union Pacific Railroad. Potentially jurisdictional waters of the U.S. that are situated within the project area include six wetlands totaling 3.823 acres and a tributary stream comprising 0.054 acre.

Project Description: As shown in the attached drawings, the applicant proposes to construct an overpass and a series of three roundabout intersections to replace the existing Castroville Boulevard signalized, at-grade intersection with SR-156. A new roundabout would be located on both sides of the new overpass, while the third roundabout would connect a new road running north/south between Castroville Boulevard and SR-156. The project would also construct new bike lanes, driveways, drainage infrastructure, and on- and off-ramps associated with the overpass. Other components of the project would include clearing, grading, placement of road fill, preparation of subgrade, paving, installation of drainage culverts and outfall structures to manage stormwater conveyance, and installation of guardrail, dikes, signage, striping, and erosion control. The project would maintain the existing alignment of SR-156 at the proposed location of the Castroville Interchange and would not construct a new bridge crossing over Moro Cojo Slough. This project is one of three phases of a larger proposal to convert SR-156 to a four-lane expressway between Castroville and US-101, but funding for the other two phases is not currently
available and the timeline of funding availability is unknown.

The project would permanently fill portions of three wetlands totaling 0.92 acre to accommodate the road prism associated with the new overpass, roundabouts, and on- and off-ramps. Rock slope protection (RSP) pads planted with willow poles would be added at the outlets of three drainage systems to attenuate flows entering the wetland. Adjacent to the RSP pads, there would be an additional 0.35 acre of temporary impacts when the area is regraded into a series of bioengineered ponds and planted with a combination of native emergent and scrub-shrub vegetation to enhance hydrologic and vegetative diversity.

Basic Project Purpose: The basic project purpose comprises the fundamental, essential, or irreducible purpose of the project, and is used by USACE to determine whether the project is water dependent. The basic project purpose is to improve highway traffic and safety conditions near the interchange of SR-156 and Castroville Boulevard.

Overall Project Purpose: The overall project purpose serves as the basis for the Section 404(b)(1) alternatives analysis and is determined by further defining the basic project purpose in a manner that more specifically describes the applicant’s goals for the project while allowing a reasonable range of alternatives to be analyzed. The overall project purpose is to rehabilitate SR-156 near the interchange with Castroville Boulevard to improve public safety, existing traffic congestion, highway access between the City of Castroville and US-101, local access to the nearby development of Monte Del Lago, and capacity for anticipated future increases in traffic volumes.

Project Impacts: The project would result in the permanent loss of 0.92 acre of palustrine, emergent wetlands from the discharge of 75,100 cubic yards of clean fill material to construct the new road prism of the realigned Castroville Boulevard, the westbound on- and off-ramps, and the northern and central roundabouts. There would also be 67 cubic yards of rock slope protection (RSP) placed at the culvert outlets to attenuate flows and a bioengineered filtration area installed below the culvert outlets, which is intended to lessen water flows through the culverts while enhancing the geomorphic, hydrologic, and vegetative diversity of the site’s remaining wetland. An additional 0.35 acre of wetlands would be temporarily impacted during construction.

Proposed Mitigation: The applicant has proposed permittee-responsible mitigation both on-site and off-site. The proposed on-site mitigation component would restore and enhance 0.35 acre of wetlands temporarily impacted during project construction by planting native willows and native emergent vegetation. The proposed off-site compensatory mitigation would mitigate for the permanent loss of 0.92 acre of palustrine, emergent wetlands in-kind through the preservation of 2.00 acres of wetlands, creation of 3.36 acres of wetlands, and rehabilitation of 0.14 acre of wetlands. The off-site mitigation component is proposed to be located within the same Moro Cojo sub-watershed nearby at the Elkhorn Highlands Reserve, a parcel acquired by Caltrans in 2017 as mitigation for another project that is now owned and managed by the Elkhorn Slough Foundation.

USACE has not endorsed the submitted compensatory mitigation proposal at this time and will conduct an independent review of the mitigation proposal before reaching a final mitigation decision.

Project Alternatives: The applicant has submitted an alternatives analysis consisting of four action alternatives, referred to in the submittal as Final Environmental Document (FED) Alternatives 11, 12, Compact Diamond, and Roundabout, and one no-action alternative.

Each of the four action alternatives would convert the existing SR-156 roadway in the project area from a two-lane conventional highway to a four-lane freeway with 12-foot-wide traffic lanes, 10-foot outside shoulders and 5-foot inside shoulders. These alternatives would each also include an interchange in lieu of the current at-grade intersection at Castroville Boulevard and SR-156.

FED Alternative 11 would realign Castroville Boulevard as an undercrossing beneath a new elevated segment of SR-156, construct a compact diamond configuration on the north side of the interchange and a spread diamond on the south side, build a four-lane bridge (or two two-lane bridges) to route traffic over the southern arm of Moro Cojo Slough, and realign SR-156 with four new lanes south of the existing highway before reconnecting to the existing highway to the west, with the existing SR-156 roadway remaining to function as a frontage road. FED Alternative 12 would differ from Alternative 11 primarily in that SR-156 would follow its existing alignment across Moro Cojo Slough, in addition to SR-156 being elevated above its current alignment, acceleration lanes added in the eastbound direction, the existing road-fill embankment separating Moro Cojo
Slough from its southern arm removed, and two two-lane bridges constructed. The Compact Diamond Alternative would maintain the existing alignment of SR-156 at the Castroville Boulevard interchange but would shift the SR-156 alignment slightly southward east of the intersection, while converting a portion of the existing SR-156 alignment to a local access road to Monte Del Lago, adding a compact diamond on both the north and south sides of SR-156, and building a new crossing over Moro Cojo Slough. The Roundabout Alternative, which is the applicant’s preferred alternative described in detail above, would avoid building a new crossing over Moro Cojo Slough, maintain the existing alignment of SR-156 at the Castroville Boulevard interchange, incorporate a cloverleaf onramp for eastbound traffic, and construct three roundabouts on Castroville Boulevard instead of signalized intersections. Lastly, the no-action alternative would retain the current roadway alignment and would not make any improvements to the interchange at this time.

USACE has not endorsed the submitted alternatives analysis at this time. USACE will conduct an independent review of the project alternatives prior to reaching a final permit decision.

3. STATE AND LOCAL APPROVALS:

Water Quality Certification: State water quality certification or a waiver thereof is a prerequisite for the issuance of a Department of the Army Permit to conduct any activity which may result in a fill or pollutant discharge into waters of the United States, pursuant to Section 401 of the Clean Water Act of 1972, as amended (33 U.S.C. § 1341 et seq.). The applicant has recently submitted an application to the California Regional Water Quality Control Board (RWQCB) to obtain water quality certification for the project. No Department of the Army Permit will be issued until the applicant obtains the required certification or a waiver of certification. A waiver can be explicit, or it may be presumed if the RWQCB fails or refuses to act on a complete application for water quality certification within 60 days of receipt, unless the District Engineer determines a shorter or longer period is a reasonable time for the RWQCB to act.

Water quality issues should be directed to the Executive Officer, California Regional Water Quality Control Board, Central Coast Region, 895 Aerovista Place, Suite 101, San Luis Obispo, California 93401, by the close of the comment period.

Coastal Zone Management: Section 307(c) of the Coastal Zone Management Act of 1972, as amended (16 U.S.C. § 1456(c) et seq.), requires a Federal applicant seeking a federal license or permit to conduct any activity occurring in or affecting the coastal zone to obtain a Consistency Determination that indicates the activity conforms with the state’s coastal zone management program. Generally, no federal license or permit will be granted until the appropriate State agency has issued a Consistency Determination or has waived its right to do so. The project does not occur in the coastal zone, and a preliminary review by USACE indicates the project is not likely to affect coastal zone resources. This presumption of effect, however, remains subject to a final determination by the California Coastal Commission.

Coastal zone management issues should be directed to the District Manager, California Coastal Commission, Central Coast District Office, 725 Front Street, Suite 300, Santa Cruz, California 95060-4508, by the close of the comment period.

Other Local Approvals: The applicant will be applying for the following additional governmental authorizations for the project: a Lake or Streambed Alteration Agreement to be issued by the California Department of Fish and Wildlife and a Coastal Development Permit to be issued by the Monterey County Department of Planning and Building Services.

4. COMPLIANCE WITH VARIOUS FEDERAL LAWS:

National Environmental Policy Act (NEPA): Upon review of the Department of the Army permit application and other supporting documentation, USACE has made a preliminary determination that the project neither qualifies for a Categorical Exclusion nor requires the preparation of an Environmental Impact Statement for the purposes of NEPA. At the conclusion of the public comment period, USACE will assess the environmental impacts of the project in accordance with the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. §§ 4321-4347), the Council on Environmental Quality's regulations at 40 C.F.R. § 1500-1508, and USACE regulations at 33 C.F.R. § 325. The final NEPA analysis will normally address the direct, indirect, and cumulative impacts that result from regulated activities within the jurisdiction of USACE and other non-regulated activities USACE determines to be within its purview of Federal control and responsibility to justify an expanded scope of analysis for NEPA purposes. The final NEPA analysis
Endangered Species Act (ESA): Section 7(a)(2) of the ESA of 1973, as amended (16 U.S.C. § 1531 et seq.), requires Federal agencies to consult with the U.S. Fish and Wildlife Service (USFWS) and/or the National Marine Fisheries Service (NMFS) to ensure actions authorized, funded, or undertaken by the agency are not likely to jeopardize the continued existence of any federally-listed species or result in the adverse modification of designated critical habitat. As the federal lead agency for this project via a memorandum of agreement with the Federal Highway Administration (FHWA), Caltrans will be responsible for determining the presence or absence of federally-listed species and designated critical habitat and the need to conduct consultation.

The following federally-listed species are present at the project location or in its vicinity and may be affected by project implementation. Caltrans has made a preliminary determination that the proposed project may adversely affect the California tiger salamander (Ambystoma californiense), California red-legged frog (Rana draytonii), and Santa Cruz long-toed Salamander (Ambystoma macrodactylum croceum). These species may be present in the vicinity of the project area while utilizing the site’s wetlands for breeding, foraging, aestivation, or larval development or while sheltering or dispersing in upland habitat. Each species may be negatively impacted by ground, noise, and vibratory disturbances during construction; permanent and temporary losses of aquatic habitat; vegetation clearing; temporary relocation outside of the projects area; and displacement into areas where they might be prone to increased predation, exposure, starvation, or other stresses.

Caltrans initiated formal consultation with the USFWS for these species, pursuant to Section 7(a) of the Act. USACE will render a final determination on the need for consultation at the close of the comment period, taking into account any comments provided by the USFWS. To complete the administrative record and the decision on whether to issue a Department of the Army Permit for the project, USACE will obtain all necessary supporting documentation from the applicant concerning the consultation process. Any required consultation must be concluded prior to the issuance of a Department of the Army Permit for the project.

Magunson-Stevens Fishery Conservation and Management Act (MSFCMA): Section 305(b)(2) of the MSFCMA of 1966, as amended (16 U.S.C. § 1801 et seq.), requires Federal agencies to consult with the NMFS on all proposed actions authorized, funded, or undertaken by the agency that may adversely affect essential fish habitat (EFH). EFH is defined as those waters and substrate necessary to fish for spawning, breeding, feeding, or growth to maturity. EFH is designated only for those species managed under a Federal Fisheries Management Plan (FMP), such as the Pacific Groundfish FMP, the Coastal Pelagic FMP, or the Pacific Coast Salmon FMP. As the federal lead agency for this project via a memorandum of agreement with the Federal Highway Administration (FHWA), Caltrans will be responsible for determining the presence or absence of EFH and the need to conduct consultation, pursuant to Section 305(5)(b)(2) of the Act.

Caltrans has made a preliminary determination that EFH is not present at the project location or in its vicinity and that consultation will not be required. USACE will render a final determination on the need for consultation at the close of the comment period, taking into account any comments provided by the NMFS. To complete the administrative record and the decision on whether to issue a Department of the Army Permit for the project, USACE will obtain all necessary supporting documentation from the applicant concerning the consultation process. Any required consultation must be concluded prior to the issuance of a Department of the Army Permit for the project.

Marine Protection, Research, and Sanctuaries Act (MPRSA): Section 302 of the MPRSA of 1972, as amended (16 U.S.C. § 1432 et seq.), authorizes the Secretary of Commerce, in part, to designate areas of ocean waters, such as the Cordell Bank, Gulf of the Farallones, and Monterey Bay, as National Marine Sanctuaries for the purpose of preserving or restoring such areas for their conservation, recreational, ecological, or aesthetic values. After such designation, activities in sanctuary waters authorized under other authorities are valid only if the Secretary of Commerce certifies that the activities are consistent with Title III of the Act. No Department of the Army Permit will be issued until the applicant obtains any required certification or permit. The project does not occur in sanctuary waters, and a preliminary review by USACE indicates the project is not likely to affect sanctuary resources. This presumption of
effect, however, remains subject to a final determination by the Secretary of Commerce or his designee.

National Historic Preservation Act (NHPA): Section 106 of the NHPA of 1966, as amended (16 U.S.C. § 470 et seq.), requires Federal agencies to consult with the appropriate State Historic Preservation Officer to take into account the effects of their undertakings on historic properties listed in or eligible for listing in the National Register of Historic Places. Section 106 of the Act further requires Federal agencies to consult with the appropriate Tribal Historic Preservation Officer or any Indian tribe to take into account the effects of their undertakings on historic properties, including traditional cultural properties, trust resources, and sacred sites, to which Indian tribes attach historic, religious, and cultural significance.

As the federal lead agency for this undertaking via a memorandum of agreement with the Federal Highway Administration (FHWA), Caltrans will be responsible for determining the presence or absence of historic properties or archaeological resources and the need to conduct consultation. Caltrans has made a preliminary determination that historic or archaeological resources are not likely to be present in the permit area and that the project either has no potential to cause effects to these resources or has no effect to these resources.

To complete the administrative record and the decision on whether to issue a Department of the Army Permit for the project, USACE will obtain all necessary supporting documentation from Caltrans concerning the consultation process. USACE will render a final determination on the need for consultation at the close of the comment period, taking into account any comments provided by the State Historic Preservation Officer, the Tribal Historic Preservation Officer, the Advisory Council on Historic Preservation, and Native American Nations or other tribal governments. Any required consultation must be concluded prior to the issuance of a Department of the Army Permit for the project.

If unrecorded archaeological resources are discovered during project implementation, those operations affecting such resources will be temporarily suspended until USACE concludes Section 106 consultation with the State Historic Preservation Officer or the Tribal Historic Preservation Officer to take into account any project related impacts to those resources.

5. COMPLIANCE WITH THE SECTION 404(b)(1) GUIDELINES: Projects resulting in discharges of dredged or fill material into waters of the United States must comply with the Guidelines promulgated by the Administrator of the Environmental Protection Agency under Section 404(b) of the Clean Water Act (33 U.S.C. § 1344(b)). An evaluation pursuant to the Guidelines indicates the project is not dependent on location in or proximity to waters of the United States to achieve the basic project purpose. This conclusion raises the (rebuttable) presumption of the availability of a less environmentally damaging practicable alternative to the project that does not require the discharge of dredged or fill material into special aquatic sites. The applicant has submitted an analysis of project alternatives that is being reviewed by USACE.

6. PUBLIC INTEREST EVALUATION: The decision on whether to issue a Department of the Army Permit will be based on an evaluation of the probable impacts, including cumulative impacts, of the project and its intended use on the public interest. Evaluation of the probable impacts requires a careful weighing of the public interest factors relevant in each particular case. The benefits that may accrue from the project must be balanced against any reasonably foreseeable detriments of project implementation. The decision on permit issuance will, therefore, reflect the national concern for both protection and utilization of important resources. Public interest factors which may be relevant to the decision process include conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people.

7. CONSIDERATION OF COMMENTS: USACE is soliciting comments from the public; Federal, State, and local agencies and officials; Native American Nations or other tribal governments; and other interested parties in order to consider and evaluate the impacts of the project. All comments received by USACE will be considered in the decision on whether to issue, modify, condition, or deny a Department of the Army Permit for the project. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, and other environmental or public interest factors addressed in a final environmental assessment or environmental impact statement. Comments are also used
to determine the need for a public hearing and to determine the overall public interest in the project.

8. **SUBMITTING COMMENTS:** During the specified comment period, interested parties may submit written comments to Daniel Breen, San Francisco District, Regulatory Division, 450 Golden Gate Avenue, 4th Floor, San Francisco, California 94102-3404; comment letters should cite the project name, applicant name, and public notice number to facilitate review by the Regulatory Permit Manager. Comments may include a request for a public hearing on the project prior to a determination on the Department of the Army permit application; such requests shall state, with particularity, the reasons for holding a public hearing. All substantive comments will be forwarded to the applicant for resolution or rebuttal. Additional project information or details on any subsequent project modifications of a minor nature may be obtained from the applicant and/or agent or by contacting the Regulatory Permit Manager by telephone or e-mail (cited in the public notice letterhead). An electronic version of this public notice may be viewed under the Public Notices tab on the USACE website: https://www.spn.usace.army.mil/Missions/Regulatory.