



**CITY OF SALINAS
COUNCIL STAFF REPORT**

DATE: JUNE 16, 2026

DEPARTMENT: PUBLIC WORKS

FROM: DAVID JACOBS, PE, LS, DIRECTOR

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TITLE: BORONDA ROAD CONGESTION RELIEF PROJECT PHASE 2b
(CIP 9510) – SPARLING RANCH CREDITS PURCHASE

RECOMMENDED MOTION:

A motion authorizing the City Manager to enter into an Agreement with South Bay Conservation Resources, LLC for the purchase of 9.7 Sparling Ranch Conservation Credits in an amount not to exceed \$582,000 for the Boronda Road Congestion Relief Project Phase 2b.

EXECUTIVE SUMMARY:

During the environmental phase of the Boronda Road Congestion Relief Project (Project), the United States Army Corps of Engineers (USACE) consulted with the US Fish and Wildlife Service (FWS) for a Biological Opinion (BO) of the Project. The FWS has determined that the area of land impacted by the Project is considered a permanent loss of habitat for the California red-legged frog and California tiger salamander. The FWS issued a revised BO that contains environmental measures to minimize effects on the California red-legged frogs and California tiger salamanders.

The revised BO stated that the City will compensate for the permanent loss of upland California red-legged frog and California tiger salamander habitat by purchasing credits from the Sparling Ranch Conservation Bank (Sparling Ranch). Sparling Ranch is a FWS and CDFW approved conservation bank in good standing for its credits for sale as compensation for the loss of habitat for the California red-legged frog and California tiger salamander.

A Sparling Ranch credit for multi-species costs \$60,000 per credit for credit units 1 to 10. In 2024, City purchased credits for the Phase 1 and Phase 2a Projects. The required credit purchase for Phase 2b is 9.7 credits which amounts to \$582,000.

BACKGROUND:

The Boronda Road Congestion Relief Project (Project) proposes to widen East Boronda Road into a four-lane roadway (two-lanes at each direction) between Dartmouth Way and Independence Boulevard, and to construct roundabouts at McKinnon Street, El Dorado Drive, Natividad Road, and Independence Boulevard. In May 2017, City Council approved the roundabout concept at the

intersections identified above along with Hemingway Drive (Resolution No. 21169). The project includes the construction of bioretention facilities, buffered bike lanes, bus pullouts, sidewalks, ADA-compliant access ramps, storm drain lines, sanitary sewer lines, street lighting, landscaping, and other improvements.

The Project is planned to be built in phases to accommodate funding availability. Phase 1 is building the McKinnon roundabout and associated improvements from east of Dartmouth Way to a point between McKinnon Street and El Dorado Drive. Phase 2 will continue the roadway widening from eastern Phase 1 limit to a point east of Natividad Road. The Phase 2 project is further divided into Phase 2a and Phase 2b. Phase 2a will build the El Dorado roundabout and its associated improvements, and Phase 2b will build the Natividad roundabout and its associated improvements. Phase 3 will continue the remainder of the Project from the eastern Phase 2 limit to a point east of Independence Boulevard, including the construction of the Independence roundabout. Phase 1 is currently in construction and currently scheduled to be completed in fall 2026. Phase 2a and 2b will begin design in summer 2026. Design and construction of future phases are contingent on funding availability and obtaining all the necessary environmental permits.

During the environmental phase of the Project, the USACE performed a site visit and claimed jurisdiction over a portion of the agricultural ditch located between McKinnon Elementary School and East Boronda Road. The USACE agreed to the City's submitting an application for a USACE Nationwide Permit (NWP) for Phases 1 and 2 of the Project. Phase 3 will need a separate environmental permit due to its proximity and possible impacts to the Gabilan Creek. During the NWP permitting process, the USACE consulted with the US Fish and Wildlife Service for a Biological Opinion (BO). The FWS has determined that the area of land impacted by the widening of East Boronda Road, and the construction of the roundabouts is considered a permanent loss of habitat for the California red-legged frog and California tiger salamander. The FWS issued a BO that contains mitigation measures to alleviate effects to the California red-legged frogs and California tiger salamanders. During the BO's review, a minor discrepancy was found on the document related to the numbering of the mitigation measures. Therefore, a revised BO was issued. The FWS's revised BO was then submitted to the California Department of Fish and Wildlife for a consistency determination. A consistency determination (Determination) dated September 22, 2023, was issued by the CDFW. The Determination states that the Service's incidental take statement and accompanying revised BO are consistent with the California Endangered Species Act (CESA).

The revised BO stated that the City will compensate for the permanent loss of upland California red-legged frog and California tiger salamander habitat by purchasing credits from Sparling Ranch Conservation Bank. Sparling Ranch is a FWS and CDFW approved conservation bank in good standing for its credits for sale as compensation for the loss of habitat for the California red-legged frog and California tiger salamander.

The City will need to secure compensatory mitigation for each phase of the project in advance of the beginning of each phase. The required credit purchase for each phase is as follows: Phase 1 – 4.72 credits, Phase 2a – 6.34 credits, and Phase 2b – 9.7 credits. The City will then need to submit to the FWS and CDFW a copy of the bill of sale(s) and payment receipt prior to construction of each phase of the project.

In 2024, City Council approved the purchase of 11.06 credits for the Phase 1 and Phase 2a Projects for a total of \$608,300 (Resolution No. 22955). A Sparling Ranch Credit for multi-species currently costs \$60,000 per credit for credit units 1 to 10. The required credit purchase for Phase 2b is 9.7 credits which amounts to \$582,000.

CEQA CONSIDERATION:

The environmental impacts of the project have been analyzed in accordance with CEQA guidelines. An Initial Study (IS) was prepared to evaluate the potential impacts associated with the project. Based upon review of the IS, the proposed project will not have a significant effect on the environment because the mitigation measures outlined in the Mitigation Monitoring and Reporting Program (MMRP) have been included in the project.

A Mitigated Negative Declaration (MND) was prepared for this project pursuant to the provisions of CEQA, and on November 3, 2020, the Salinas City Council adopted and approved the MND and MMRP for the project.

In addition, the following Environmental Permits have been received for Phases 1 & 2 of the Project:

A. Central Coast Regional Water Quality Control Board (Water Board):

Section 401 Permit/Water Quality Certification was issued by the Water Board in October 2021.

B. US Army Corps of Engineers (USACE):

USACE Nationwide Permit (NWP) for Phases 1 & 2 was received on May 9, 2023.

- a. On April 24, 2023, a reinitiated Biological Opinion was issued by the US Fish and Wildlife Service, through the USACE consultation process. The reinitiated BO contains environmental measures to minimize effects to California red-legged frogs and California tiger salamanders.
- b. A Consistency Determination dated September 22, 2023, was issued by the California Department of Fish and Wildlife. The Determination states that the Service's incidental take statement and accompanying revised BO are consistent with the California Endangered Species Act (CESA).

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

The project addresses the City Council's Strategic Goals of Infrastructure, Public Safety, and Economic Development.

DEPARTMENTAL COORDINATION:

The process of administering the environmental phase of the project involves Public Works, Community Development, Finance, and Legal Departments. Public Works Department is the lead

on this Project in close coordination with Community Development and Legal Departments in the review of the CEQA Documents. The Finance Department manages the proper disbursement of funds, and will be involved with reporting requirements of certain grants/funds.

In addition, there has been an extensive and iterative coordination effort between West Area Specific Plan and Central Area Specific Plan developers to ensure consistency with the projects.

FISCAL AND SUSTAINABILITY IMPACT:

This action has no anticipated impact on the General Fund. Funding is available and appropriated.

CIP 9510 funding sources are as follows:

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
1200	50.9510-66.4000	Capital Outlays – Improvements Other than Bldg.	\$414,191	\$414,191
2401	50.9510-66.4000	Capital Outlays – Improvements Other than Bldg.	\$300,000	\$167,809

Balance based on CIP reimbursement sheet, March 2026.

ATTACHMENTS:

- Resolution
- Sparling Ranch Purchase Agreement
- Revised Biological Opinion from the US Fish and Wildlife Service
- Project Phasing Layout