



# JOINT REPORT

**DATE:** March 13, 2025

**CATEGORY:** Consent

**DEPT.:** Public Works

**TITLE:** **South Bay Salt Pond Restoration,  
Project 18-53—Various Actions**

## **RECOMMENDATION**

Acting in its capacity as Board of Directors of the Shoreline Regional Park Community:

1. Appropriate and transfer \$3,625,000 from the Sea Level Rise Reserve in the Shoreline Regional Park Community Fund to the South Bay Salt Pond Restoration, Project 18-53, increasing the project budget from \$4,975,000 to \$8,600,000.
2. Approve plans and specifications for the Bay Trail Improvements at Pond A2W (a subproject of South Bay Salt Pond Restoration, Project 18-53) and authorize staff to advertise the project for bids.
3. Authorize the Community Manager or designee to award a construction contract to the lowest responsible responsive bidder if the low bid is within the project budget of \$8,600,000.
4. Authorize the Community Manager or designee to execute an Agreement for Sale of Mitigation Credits with San Francisco Bay Wetland Mitigation Bank for 0.1 acre of wetland mitigation credit and 0.05 acre of other waters mitigation credit to meet the San Francisco Bay Regional Water Quality Control Board mitigation requirements for the Bay Trail Improvements at Pond A2W, under South Bay Salt Pond Restoration, Project 18-53, in a not-to-exceed amount of \$345,000.
5. Authorize the Community Manager or designee to amend the professional services agreement with GHD, Inc., a California corporation (Entity No. 2889127), for South Bay Salt Pond Restoration, Project 18-53, increasing compensation by \$1,200,000 for additional design services, for a total amount not to exceed \$1,800,000.
6. Authorize the Community Manager or designee to amend the professional services agreement with Marina Construction Management, Inc., a California corporation (Entity No. 6081240), for South Bay Salt Pond Restoration, Project 18-53, increasing compensation

by \$432,680 for additional construction engineering services, for a total not-to-exceed amount of \$680,000.

## **BACKGROUND**

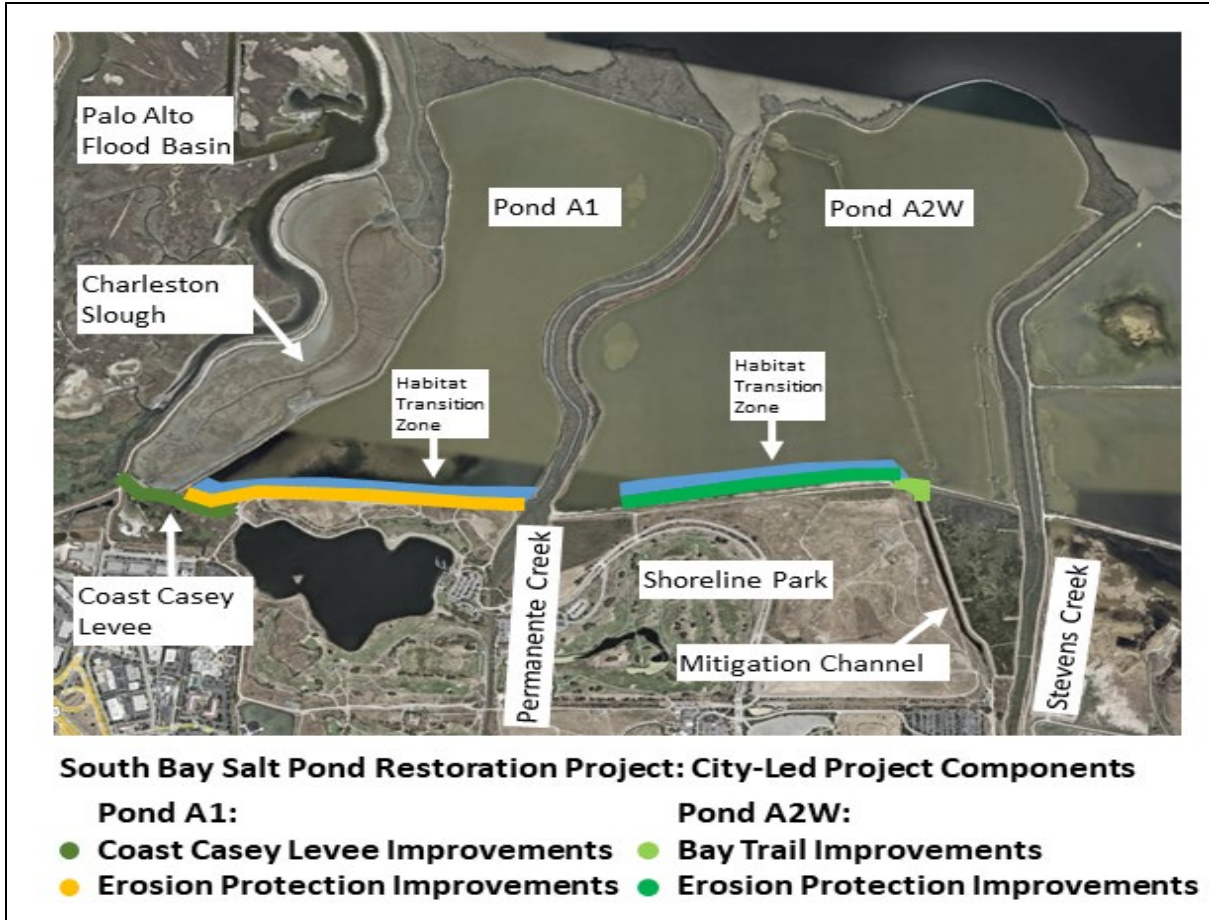
The United States Fish and Wildlife Service (USFWS), California State Coastal Conservancy (CSCC), Ducks Unlimited (DU), and other partnering agencies are working on Phase II of the South Bay Salt Pond Restoration Project (SBSP Project) to restore former salt ponds to tidal wetlands and wildlife habitats. The Phase II SBSP Project includes Salt Ponds A1 and A2W, located north of Shoreline at Mountain View Regional Park (Shoreline at Mountain View) (see Figure 1). These ponds are on properties owned by the USFWS. The SBSP Project consists of USFWS-led project components and City-led project components. The USFWS-led project components are as follows:

- **Habitat Transition Zone**—The habitat transition zone is a gradual slope of soil fill that will be placed along the southern edge of the ponds that will accelerate the establishment of vegetated tidal marsh, provide a range of habitats at the fringe of the ponds, and reduce coastal flood risk by dampening the waves against the City’s shoreline.
- **Levee Breach**—Several locations along the Pond A2W and Pond A1 levees will be breached to provide connections to the external sloughs and create tidal conditions within the pond to support habitat restoration.
- **Nesting Island Habitat**—A temporary nesting island habitat will be constructed to provide nesting grounds for the western snowy plover, California least tern, and other bird species of interest to support habitat restoration. The islands are designed with relatively steep side slopes and are expected to erode or slump over time to become high spots in the restored marsh.
- **Recreational Improvements**—Improvements to public access areas that provide visitors with opportunities to view habitats, wildlife, and the restoration project.

Over the past decade, the City has coordinated and partnered with the USFWS and CSCC to incorporate sea level rise improvements that are recommended in the City’s Sea Level Rise Capital Improvement Program and complement the South Bay Salt Pond Restoration Project. These City-led project components include the following:

- **Erosion Protection Improvements at Pond A1 and Pond A2W**—The City landfill levee contains the contents of the closed landfill that underlies Shoreline at Mountain View. To address the impacts to the City from the SBSP Project and future sea level rise, buried rock slope protection will be installed along the existing landfill levee to reduce the risk of potential erosion from coastal waves.

- Bay Trail Improvements at Pond A2W—The City owns the Mitigation Channel along the eastern limit of Shoreline at Mountain View and the Bay Trail along the northern limit of Shoreline at Mountain View. The Mitigation Channel and a segment of the Bay Trail along the northern limit of the Mitigation Channel will be inundated from full tidal flow as a result of the SBSP Project at Pond A2W. To mitigate the SBSP Project impacts, the City needs to raise the Bay Trail and replace the Mitigation Channel Overflow located on City property. Replacing the Mitigation Channel Overflow will prevent backwater flow from Pond A2W into the City’s Mitigation Channel and maintain the City’s current ability to discharge water from the Mitigation Channel to Pond A2W.
- Coast-Casey Levee Improvements at Pond A1—The City owns the land under the Bay Trail alignment and the Coast-Casey North Levee at the northern end of the Coast-Casey Forebay along the northern limit of Shoreline at Mountain View. Because the SBSP Project will raise the tidal water level in Pond A1, the existing Coast-Casey North Levee needs to be raised and the Bay Trail along City property needs to be reconstructed at a higher elevation to maintain the freeboard and to prevent waters from Pond A1 from overtopping the Coast-Casey North Levee, as well as to provide long-term sea level rise protection and flood risk management.



**Figure 1: Location of Ponds A1, A2W, and SBSP Project Components**

Pond A2W Project Agreements

On [December 14, 2021](#), the City Council approved a Memorandum of Agreement (MOA) and a Habitat Easement Agreement with the USFWS to design, construct, and maintain portions of the SBSP Project at Pond A2W. On [January 23, 2024](#), Council authorized the City Manager to execute an MOA with the CSCC to share costs on project components led by the City. Table 1 provides a summary status of various agreements and phases of the projects at Pond A2W.

The City issued an excavation permit and a license agreement in July 2021 to DU for importing soil to Pond A2W for the habitat transition zone construction, which will be immediately north of the City’s proposed Erosion Protection Improvements project. DU completed the soil import in 2024 and added approximately 150,000 cubic yards of soil to Pond A2W. Using the imported soil, DU plans to start the construction of the habitat transition zone and other restoration components at Pond A2W in the summer of 2025 and anticipate completion in the spring of 2026.

**Table 1: Project Status Summary—  
South Bay Salt Pond Restoration Project Phase II at Pond A2W**

	Pond A2W	
	<u>S BSP Project</u> Project Components	<u>City of Mountain View</u> Project Components
<b>Funding</b>		
Funded by SBSP Project	All	<i>(Design funded by City)</i> Erosion Protection Improvements
Funded by City of Mountain View	NA	Bay Trail Improvements
<b>Agreements</b>		
MOA and Property Rights Agreement with USFWS	Completed 12/2021	NA
Cost Sharing with CA State Coastal Conservancy	NA	Completed 1/2024
<b>Planning, Environmental, and Design</b>		
Planning and Permitting	Completed	Plans Completed Last Permit Completing in Spring 2025
Design	Completing Spring 2025	Completing Spring 2025
<b>Construction</b>		
Soil Import	Started in Summer 2021 and Completed in 2024	Start Summer 2025
Bid for Construction	Spring 2025	Spring 2025
Construction (scheduled)	Start Summer 2025	Start Summer 2025

Pond A2W City-Led Project Components—Consultant Services and Permits

Per the Pond A2W MOA with USFWS and CSCC, the City prepared the design for the erosion protection along the City shoreline levee at Pond A2W (Erosion Protection Improvements) and designed, and will construct, improvements to the Bay Trail segment across the Mitigation Channel and its outfall to address immediate impacts on the City's stormwater infrastructure (Bay Trail Improvements). DU and CSCC will fund and construct the Erosion Protection Improvements.

To support the City with its sea level rise capital improvement program, on August 15, 2017, the City executed an agreement with GHD, Inc. (GHD), for \$92,700 to provide on-call engineering services for both Charleston Slough Feasibility Study, Project 17-31, for \$51,500; and South Bay Salt Pond Restoration, Project 18-53, for \$41,200. On [February 12, 2019](#), Council approved amending the agreement for additional services with GHD to add \$40,000 to Project 17-31 and \$60,000 to Project 18-53, bringing the total contract value to \$192,700.

GHD's tasks for South Bay Salt Pond Restoration, Project 18-53, have included providing technical planning and engineering support to the City in collaboration with USFWS and CSCC, assisting in preparing interagency agreements, reviewing design plans and reports, and preparing engineering analyses to assess impacts to the City from the South Bay Salt Pond Restoration Project. This agreement expired on June 30, 2021.

On June 7, 2022, the City executed a new agreement with GHD for \$600,000 to complete California Environmental Quality Act (CEQA) and environmental regulatory permitting, engineering analysis, design work, and construction support services for the Erosion Protection Improvements and Bay Trail Improvements at Pond A2W. Additionally, GHD's scope of work included providing on-call technical planning and engineering support for the City in coordination with CSCC, USFWS, and other regulatory agencies on the South Bay Salt Pond Restoration Project and other City-led sea level rise adaptation projects.

On April 12, 2024, the City issued a Request for Qualifications for professional construction management and inspection services for the City's capital projects. On May 10, 2024, several consulting firms submitted Statements of Qualification (SOQ). A review panel of Public Works staff reviewed the SOQs and prepared an eligibility list of qualified firms who could perform construction and inspection services on behalf of the City. Based on the past experience of the firm's staff that worked at Shoreline at Mountain View and on sea level rise projects, City staff selected Marina Construction Management, Inc. (MCM), to perform the construction management and inspection services for Pond A2W. On December 6, 2024, the City executed an agreement with MCM for \$247,320 to provide constructability review and construction planning coordination for Pond A2W projects and construction management for the soil import to Pond A1.

On [January 23, 2024](#), staff reported CEQA analysis findings to Council for Pond A2W. In accordance with CEQA, staff has reviewed the scope of the Project and determined that the Erosion Protection Improvements project is categorically exempt as Class 1, Existing Facilities, under California Public Resources Code Section 15301. The Bay Trail Improvements is categorically exempt as Class 1, Existing Facilities, and Class 2, Replacement or Reconstruction, under California Public Resources Code Section 15301 and Section 15302. The environmental review did not identify any significant effects that would occur from these two project components, and the exceptions listed in Section 15300.2 of the CEQA Guidelines were found not to apply to the projects.

On November 27, 2024, the San Francisco Bay Regional Water Quality Control Board issued a Clean Water Act Section 401 Water Quality Certification and Order to the City of Mountain View for the Bay Trail Improvements (Regional Board Permit). On December 20, 2024, the U.S. Army Corps of Engineers, San Francisco District, issued a Nationwide Permit 14 authorization, pursuant to Section 404 of the Clean Water Act. Lastly, the Bay Conservation and Development

Commission (BCDC) is processing an administrative permit application for the project and planning to issue the permit to the City in April 2025.

Pond A1 Project Agreements

In addition to the work at Pond A2W, staff is currently working with USFWS, CSCC, and DU to plan the restoration work at Pond A1. This includes drafting collaboration agreements and easements, conducting engineering design, securing CEQA and environmental regulatory permitting, and arranging cost-sharing terms. Staff anticipates bringing these items for Council review and approval later in 2025. Table 2 provides a summary status of various agreements and phases of the projects at Pond A1.

While the design work has not officially started, the City has issued an excavation permit and license agreement in November 2024 to DU for soil import to Pond A1 for their habitat transition zone construction and pond perimeter berms improvements. DU has started the soil import to Pond A1. More soil is required for the Pond A1 project, and DU is actively searching for additional soil material.

**Table 2: Project Status Summary—  
South Bay Salt Pond Restoration Project Phase II at Pond A1**

	Pond A1	
	<u>S BSP Project</u> Project Components	<u>City of Mountain View</u> Project Components
<b>Funding (in negotiation)</b>		
<b>Agreements</b>		
MOA and Property Rights Agreement with USFWS	Draft available in Spring 2025	NA
Cost Sharing with CA State Coastal Conservancy	NA	Draft available in Spring 2025
<b>Planning, Environmental, and Design</b>		
Planning and Permitting	Completed	Started in 2024 and ongoing
Design	Ongoing	Start Spring 2025
<b>Construction</b>		
Soil Import	Started in Fall 2024 and ongoing	TBD
Bid for Construction	TBD	TBD
Construction (scheduled)	TBD	TBD

## **ANALYSIS**

### **Pond A2W**

During the design of the City-led Bay Trail Improvements at Pond A2W, design engineers identified that additional foundation improvements will be required to raise the Bay Trail elevation. Engineered fill being used will compress the bay mud foundation and create differential settlement across the Bay Trail and the Mitigation Channel culverts. To mitigate future settlement due to the proposed fill, a Deep Mixing Method will be used to treat the native soil in-situ by blending it with cementitious and/or other materials in uniformly-spaced columns. The additional foundation improvements will reduce the risk of potential damages to the Bay Trail and the Mitigation Channel culverts due to differential settlement. This construction method along with escalation of construction material and labor costs since the project budget was established in 2017 have increased project costs and additional funding will be required as addressed in the Fiscal Impact section below.

The design plans and specifications for the City-led project components at Pond A2W are completed. Staff will provide the Erosion Protection Improvements design package to DU for the partnering agencies to pay for and construct the improvements as a part of the Pond A2W habitat restoration project. Similarly, the City is ready to advertise the Bay Trail Improvements for public bidding. If the recommended actions are approved and a responsive bid from a responsible contractor within the project budget is received, construction is anticipated to begin in summer 2025 and be completed in early 2026.

### **Pond A2W Mitigation**

The Bay Trail project will impact the waters of the state at the Mitigation Channel and require mitigation. During project design and permit application process, staff explored mitigation options, and determined that purchasing mitigation credit is the most flexible, expeditious, and cost-effective option. The Regional Board Permit for the Bay Trail Improvements requires the City to purchase 0.06 acre of wetland mitigation credit and 0.02 acre of other water mitigation credit from the San Francisco Bay Mitigation Bank to mitigate the anticipated project impacts. The smallest unit of wetland creation credits sold by the San Francisco Bay Mitigation Bank is 0.1 acre, and the smallest unit of other waters creation credits sold by the San Francisco Bay Mitigation Bank is 0.05 acre. The total cost of the mitigation credits is \$345,000.

Fortunately, with the purchase of excess mitigation acreage, the Regional Board will accept the application of 0.04 acre of excess wetland creation credit and 0.03 acre of excess other waters creation credits to another City project (staff proposes to use the excess credit for the City's Stevens Creek Levee Improvement, Project 18-52). To apply the excess credit to Stevens Creek Levee Improvement, Project 18-52, the Regional Board Permit for that project must be issued



by December 31, 2029. Mitigation credit purchases are part of the Regional Board Permit conditions that must be satisfied prior to construction.

Due to the large volume of construction activities in the City, staff needs the support of consultants to supplement staff for construction inspection services. Staff recommends hiring MCM to support this project due to their experience on the SBSP Project and various projects in Shoreline at Mountain View. Staff recommends amending the MCM Agreement with an additional \$432,680 to provide construction management and inspection support for the City. This would bring the total not-to-exceed contract amount to \$680,000 under the existing contract.

### Pond A1

The City will soon begin designing the erosion protection needed along the City shoreline levee at Pond A1. The design will be similar to the improvements at Pond A2W. In addition, the City will design and construct improvements to the Coast-Casey North Levee along the northern edge of the Coast-Casey Forebay, adjacent to Pond A1 and Charleston Slough. Staff will require additional technical support for this work at Pond A1.

Due to GHD's project history at Pond A2W and extensive experience with sea level rise and erosion protection work, staff recommends amending the agreement with GHD to provide additional engineering services for this project. These services include CEQA and environmental regulatory permitting, engineering analysis, and design work for the City-led project components at Pond A1, and construction support and biological monitoring services for the City-led project components at Pond A2W. Additionally, GHD will continue to provide on-call technical planning and engineering support to the City, assisting with coordination on the South Bay Salt Pond Restoration Project and other sea level rise adaptation projects in Shoreline at Mountain View.

Staff recommends amending the GHD Agreement with an additional \$1,200,000 to provide support for the City. This would bring the total not-to-exceed contract amount to \$1,800,000 under the existing contract. Combined with the previous allocation of \$101,200 for South Bay Salt Pond Restoration, Project 18-53, total compensation to GHD for Project 18-53 would be \$1,901,200.

**FISCAL IMPACT**

The estimated cost for the South Bay Salt Pond Restoration, Project 18-53, is as follows:

Construction		\$4,064,000
Construction Contingency		407,000
Project Management		100,000
City Construction Management and Special Inspection		800,000
Consulting Services		1,565,000
Permitting and Mitigation		<u>400,000</u>
	<b>Total for Pond A2W</b>	<b><u>\$7,336,000</u></b>
Consulting Services		<u>\$739,000</u>
	<b>Total for Pond A1</b>	<b><u>\$739,000</u></b>
Subtotal		\$8,075,000
City Administration		<u>525,000</u>
<b>TOTAL PROJECT COST</b>		<b>\$8,600,000</b>
CURRENT PROJECT BUDGET		<u>\$4,975,000</u>
<b>BUDGET SHORTFALL</b>		<b><u>\$3,625,000</u></b>

South Bay Salt Pond Restoration, Project 18-53, is funded with \$4,975,000 from the Sea Level Rise Reserve in the Shoreline Regional Park Community Fund. Project 18-53 was initially established in 2017 as a programmatic budget with minimal detailed project cost information available for work at Ponds A1 and A2W. The current budget shortfall is due to the additional Bay Trail foundation improvements and escalation of construction material and labor costs since the budget was established in 2017. Staff recommends appropriating an additional \$3,625,000 from the Sea Level Rise Reserve in the Shoreline Regional Park Community Fund to South Bay Salt Pond Restoration, Project 18-53, for a total project budget of \$8,600,000. This budget will primarily support the City in completing the construction at Pond A2W. A portion of this budget (\$739,000) will support the design consultant to prepare the design and permitting for Pond A1. Staff anticipates requesting additional funding later in 2025 to support construction at Pond A1. There is sufficient balance in the Sea Level Rise Reserve in the Shoreline Regional Park Community Fund for the recommended appropriations.

## **CONCLUSION**

The design documents for the Erosion Protection Improvements and Bay Trail Improvements at Pond A2W of the SBSP Project have been completed. This project is one of the projects in the City's Sea Level Rise Capital Improvement program and showcases strong collaboration between the City and regional partners working together to achieve complementing goals. The construction of the erosion protection project at Pond A2W is being funded by our partnering agencies. The projects at Pond A2W will provide erosion protection and mitigate impacts to the City's stormwater infrastructure resulting from the implementation of the SBSP Project and projected future sea level rise. If the recommended actions are approved and a responsive bid from a responsible contractor within the project budget is received, construction is expected to begin in the summer of 2025 and be completed by early 2026. In addition, the recommendations will allow for the City to continue regional collaboration with partnering agencies, design, and environmental clearance work at Pond A1.

## **LEVINE ACT**

California Government Code Section 84308 (also known as the Levine Act) prohibits city officials from participating in any proceeding involving a "license, permit, or other entitlement for use" if the official has received a campaign contribution exceeding \$500 from a party, participant, or agent of a party or participant within the last 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more information see the Fair Political Practices Commission website: [www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html](http://www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html)

Please see below for information about whether the recommended action for this agenda item is subject to or exempt from the Levine Act.

## **SUBJECT TO THE LEVINE ACT**

Contract or franchise agreement

## **ALTERNATIVES**

1. Defer construction of City-led project components at Pond A2W.
2. Do not authorize the amendment to the professional services agreement with GHD and direct staff to negotiate a different amendment amount.
3. Do not authorize the amendment to the professional services agreement with MGM and direct staff to negotiate a different amendment amount.
4. Provide other direction.

**PUBLIC NOTICING**—Agenda posting.

Prepared by:

Raymond Wong  
Senior Civil Engineer

Reviewed by:

Lisa Au  
Assistant Public Works Director

Approved by:

Jennifer Ng  
Public Works Director

Audrey Seymour Ramberg  
Assistant City Manager

RW/4/CAM  
931-03-13-25CR  
204978

cc: SMA—Doan, File (18-53)