



COUNCIL REPORT

DATE: January 23, 2024

CATEGORY: Consent

DEPT.: Public Works

TITLE: **South Bay Salt Pond Restoration, Project 18-53—Agreement with California State Coastal Conservancy**

RECOMMENDATION

1. Authorize the City Manager or designee to execute a Memorandum of Agreement with the California State Coastal Conservancy to design and construct the erosion protection, Bay Trail reconstruction, and Mitigation Channel outfall projects at the Shoreline at Mountain View Regional Park to support the South Bay Salt Pond Restoration, Project 18-53, Phase 2 of the Alviso-Mountain View pond complex at Pond A2W.
2. Find that in accordance with the California Environmental Quality Act requirements, the erosion protection project is categorically exempt as Class 1, Existing Facilities, under California Public Resources Code Section 15301, and the Bay Trail reconstruction and Mitigation Channel outfall projects are categorically exempt as Class 1, Existing Facilities, and Class 2, Replacement or Reconstruction, under California Public Resources Code Section 15301 and Section 15302.

BACKGROUND

The San Francisco Bay has lost an estimated 85% of its historic wetlands to fill or alteration. This dramatic decline in tidal marsh habitats has caused populations of marsh-dependent fish and wildlife to dwindle. It has also decreased water quality and increased local flood risks. The South Bay Salt Pond Restoration project (SBSP Project or Project) is the largest tidal wetland restoration project on the West Coast and seeks to restore 15,100 acres of industrial salt ponds to tidal wetlands and other habitats.

The goals of the Project are to:

- Restore and enhance a mix of wetland habitats;
- Provide wildlife-oriented public access and recreation; and
- Provide for flood management in the South Bay Salt Pond areas.

Phase 2 of the SBSP Project is currently under way with the goal of restoring or enhancing 2,400 acres of former salt ponds, including Ponds A1 and A2W, located immediately north of Mountain View. Figure 1 shows the Phase 2 Project components in Mountain View ponds.

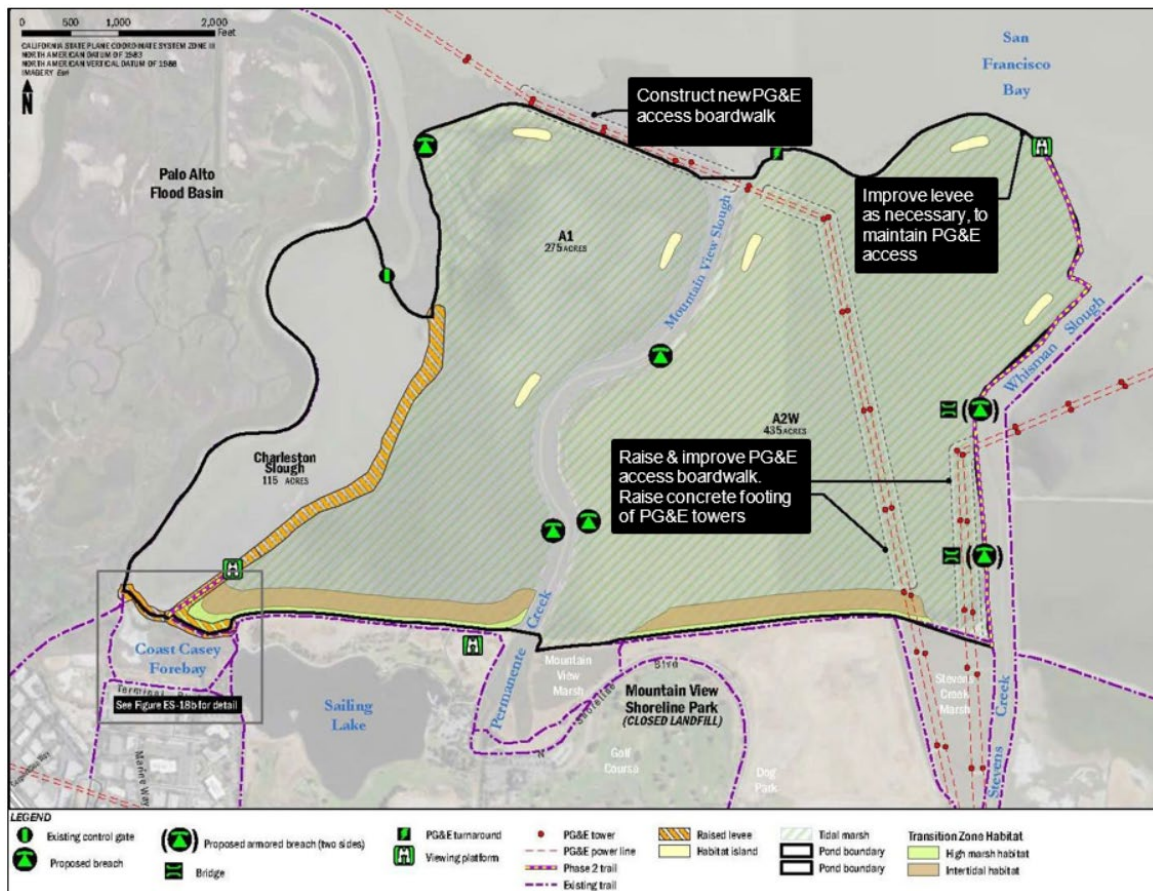


Figure 1: South Bay Salt Pond Restoration Project, Phase 2, Mountain View Ponds
 (Source: South Bay Salt Pond Restoration Project—Phase 2, EIS/EIR)

SBSP Project Partners

Listed below are the Project partners who are directly involved in the SBSP Project, Phase 2, for the Mountain View ponds:

- United States Fish and Wildlife Service (USFWS) administers the land on behalf of the United States of America, the land owner of Ponds A1 and A2W. The USFWS will be responsible for the long-term monitoring, operation, and maintenance of the restoration Project.

- California State Coastal Conservancy (CSCC) is the program manager and is responsible for project funding. The CSCC leads the management of project planning, permitting, design, and construction, and provides grant funding to the Project.
- Ducks Unlimited (DU) is a nonprofit organization receiving grant funding from the CSCC and providing design, permitting, bidding, and construction management services for the Project. DU has also applied for and obtained separate grants on their own to support this Project. DU manages the construction contractor.
- City of Mountain View is a local partner to the SBSP Project. The Project provides many benefits to the City, including preparation for sea level rise along the shoreline and enhancing the wildlife environment with the creation of the habitat transition zone. The Project construction will have both short-term and long-term impacts to the City, especially to the level of service, habitats, and City infrastructure at Shoreline at Mountain View Regional Park (Shoreline Regional Park). These issues are being addressed through project agreements and the excavation permit process.

SBSP Project Description

The portion of the SBSP Project at Mountain View ponds has three major components: restoration of Pond A1, restoration of Pond A2W, and City Projects. The restoration is starting with Pond A2W construction to be followed by Pond A1. This Council report and the terms of the proposed project agreement address Pond A2W and related City projects. The SBSP Project team and City staff are continuing to finalize the design plans and agreements for Pond A1 and will bring them to Council for review in the future.

Pond A2W Restoration

The SBSP Project will restore Pond A2W adjacent to Shoreline Regional Park from open water ponds enclosed by levees to tidal marsh by allowing silt to settle in the pond so marsh plants can establish. To allow tidal flow into the ponds, the levees adjacent to Permanente Creek and Stevens Creek will be breached. The SBSP Project at Pond A2W consists of the following project components:

- Habitat Transition Zone—Habitat complexity will be increased by adding islands and a “habitat transition zone” from the open water to the levee.
- Levee Breach—Several locations along the Pond A2W levees will be breached to provide connections to the external sloughs and create tidal conditions within the pond to support habitat restoration. The breach locations were selected based on the locations of historical sloughs in Pond A2W.

- **Nesting Island Habitat**—A temporary nesting island habitat will be constructed to provide nesting grounds for the western snowy plover, California least tern, or other bird species of interest to support the habitat restoration. Depending on the availability of fill material, three to five nesting islands are planned within Pond A2W. The nesting islands will be constructed of Bay mud or material imported from off-site upland excavation projects. 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. They are not designed to be permanent features.
- **Recreational Improvements**—The project includes improvement to public access areas that provide visitors with opportunities to view habitats, wildlife, and the restoration project. The project area currently contains multiple public trails. Existing trails will be rehabilitated and approximately 6,400' of new trail will be constructed.

SBSP Project Status

The current status of the City's efforts to support the SBSP Project is as follows:

- **Soil Import**—The City issued an excavation permit and license agreement in July 2021 to DU for soil import to Pond A2W for the habitat transition zone construction. DU has imported approximately 60,000 cubic yards of soil to Pond A2W. Figure 2 shows the imported soil along the shoreline at Pond A2W. Additional soil import is anticipated in 2024, pending soil availability from suitable import sources.
- **Project Agreements**—The USFWS and the City have executed a Memorandum of Agreement (MOA) and a Habitat Easement Deed and Habitat Maintenance Agreement for the Pond A2W project. The MOA's terms were approved by City Council on [December 14, 2021](#). The MOA stipulates the individual project responsibilities for the City and USFWS. The Habitat Easement Deed and Habitat Maintenance Agreement allow USFWS to construct parts of the habitat transition zone on City property.
- **Project Design**—The CSCC completed the 100% design plan for the Pond A2W project. Once USFWS/CSCC provides a recorded Habitat Easement from the County of Santa Clara, staff will amend the City's excavation permit and license agreement for construction of the Project.



Figure 2: Google Earth Aerial Images Showing Imported Soil at Pond A2W

ANALYSIS

City Projects Adjacent to Pond A2W

The SBSP Project provides significant tidal marsh restoration and coastal protection benefits; however, it also introduces immediate impacts to the City's Shoreline Regional Park due to the increased tidal range and water level in Pond A2W. In order to support the SBSP Project and move forward with Pond A2W construction, the following City Projects on City property are needed: erosion protection, Bay Trail reconstruction, and Mitigation Channel outfall (see Figure 3). These projects are described below, and the design and construction of these projects are included in the terms for the recommended MOA with the CSCC.



Figure 3: City Shoreline Protection Projects at Pond A2W

- **Erosion Protection**—The SBSP Project will restore natural tidal flow in Pond A2W. While it provides a much-needed hydrologic connection between the pond and the Bay, it will also increase tidal range and water level in Pond A2W. This has the potential to increase the City’s landfill levee exposure to coastal erosion. The City landfill levee contains the contents of the closed landfill. To address the impacts to the City from the SBSP Project and future sea level rise, this project element will protect the landfill levee from the increased risk of potential erosion/scour and seepage that would accompany full tidal flow in Pond A2W. The habitat transition zone, created as an element of the SBSP Project at Pond A2W, has a top elevation of 9’ (NAVD88). Upslope of the habitat transition zone, to the City’s long-term erosion protection target elevation of 15’ (NAVD88), the erosion protection will be constructed of riprap covered in earthen fill. Portions of the selected erosion protection

feature may extend into the upper portions of the habitat transition zone. Figure 4 shows the concept design of the erosion protection along the City landfill levee.

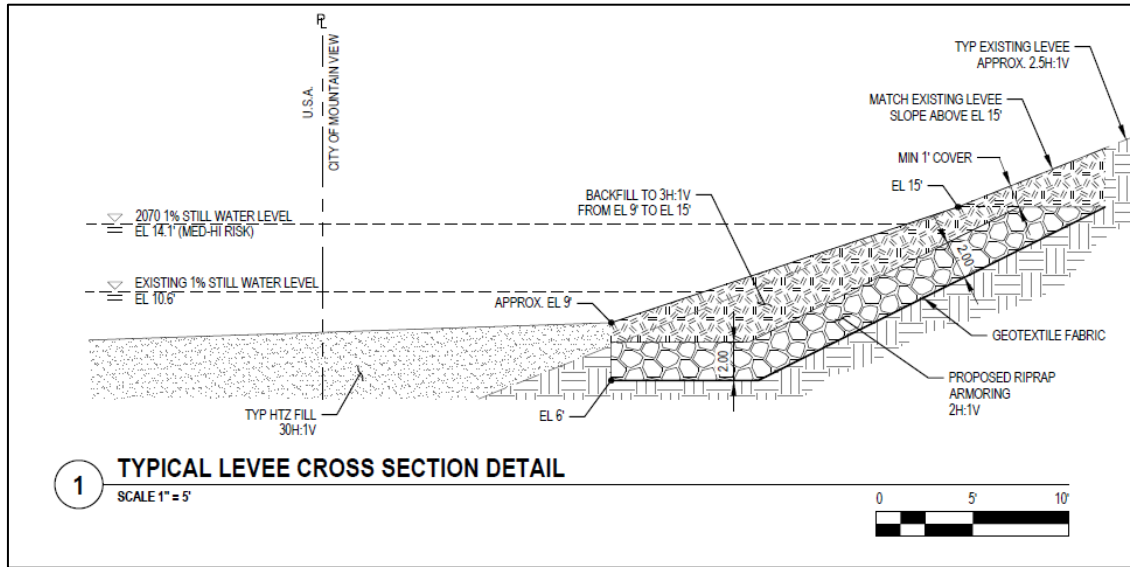


Figure 4: Erosion Protection Design Concept

- **Bay Trail Reconstruction**—The City owns the land under the Bay Trail alignment at the northern end of the Mitigation Channel along the northern limit of Shoreline at Mountain View Regional Park. Because the Pond A2W restoration will raise the tidal water level in Pond A2W, the Bay Trail reconstruction will raise the existing berm at the northern end of the Mitigation Channel to match the adjacent elevations and reconstruct the Bay Trail along City property at a higher elevation. It will prevent tidal water from Pond A2W from overtopping the Bay Trail and ponding in the Mitigation Channel. Figure 5 shows the concept design of the Bay Trail reconstruction.
- **Mitigation Channel Outfall**—The City owns the Mitigation Channel along the eastern limit of Shoreline at Mountain View Regional Park for stormwater detention. Currently, during emergency storms and high-water events, the Mitigation Channel could exceed its storage capacity and overflow into Pond A2W. The Bay Trail reconstruction on its own would block this emergency outfall path. Therefore, the Mitigation Channel outfall project will install new one-way culverts to prevent tidal backflow from entering the Mitigation Channel but allow stormwater to overflow into Pond A2W when needed. Figure 5 shows the concept design of the Mitigation Channel outfall.

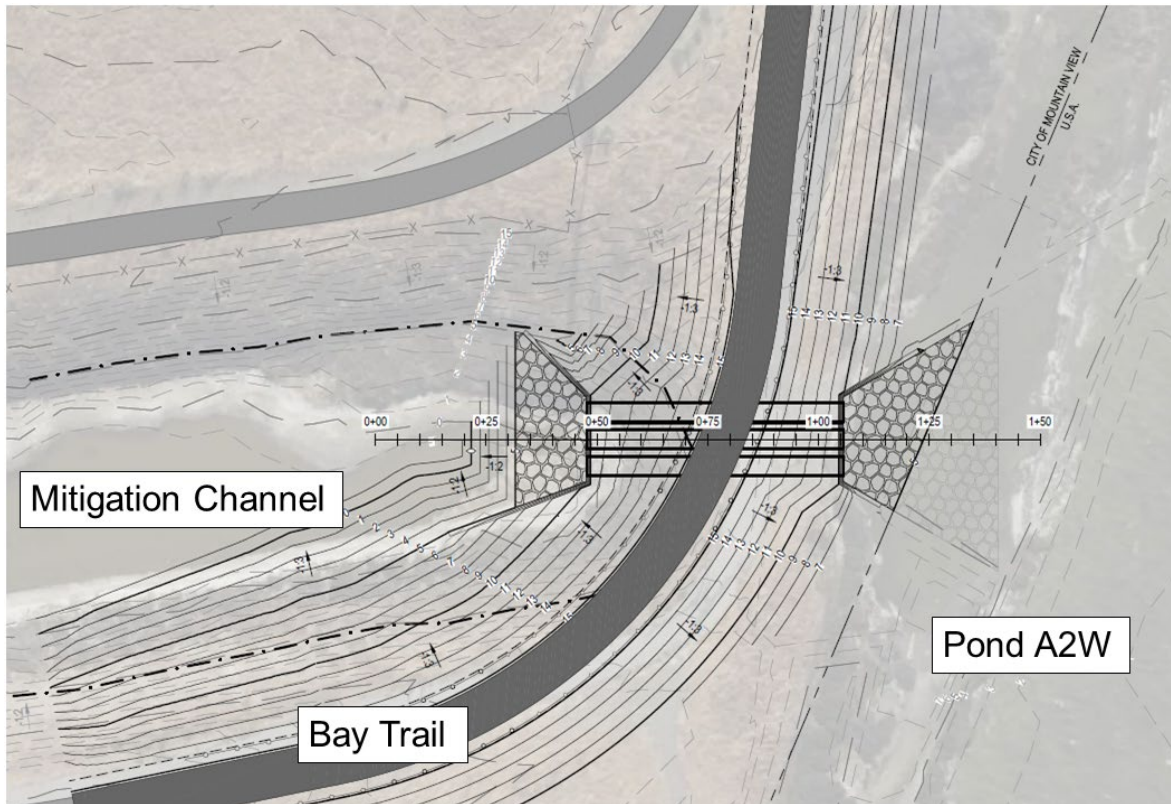


Figure 5: Bay Trail Reconstruction and Mitigation Channel Outfall Design Concept

CSCC Memorandum of Agreement

To support the design and construction of the City Projects adjacent to Pond A2W, staff has been working with the CSCC to establish a MOA between the City and the CSCC. The MOA specifies the terms for cost-sharing between the City and CSCC as follows:

The City will contribute 100% of the current estimates, plus a 15% contingency for the costs of the City Projects components listed below. The current cost estimate is \$2 million.

- Design and permitting costs for the erosion protection project.
- Design, permitting, and construction costs for Bay Trail reconstruction and Mitigation Channel outfall projects.

The CSCC will contribute 100% of the current estimates, plus a 15% contingency, for the construction and construction management costs of the erosion protection project. The current cost estimate is \$3 million. The CSCC cost-sharing contribution will be provided in the form of a grant to DU for construction management and construction implementation. DU will obtain a

City excavation permit and license agreement for the construction of the erosion protection project. The City will accept and maintain the erosion protection project upon completion of construction work and satisfaction of conditions of the excavation permit and license agreement issued by the City.

Project Status

With support from the CSCC, the City completed a California Environmental Quality Act (CEQA) analysis for the erosion protection, Bay Trail reconstruction, and Mitigation Channel outfall projects. Staff is currently preparing environmental regulatory permit applications and engineering design for these three projects elements.

Environmental Clearance

In accordance with CEQA, staff has reviewed the scope of this Project and determined that the erosion protection project is categorically exempt as Class 1, Existing Facilities, under California Public Resources Code Section 15301. The Bay Trail reconstruction and Mitigation Channel outfall projects are 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 the projects, and the exceptions listed in Section 15300.2 of the CEQA Guidelines were found not to apply to the projects. Staff recommends that Council make findings that in accordance with the CEQA requirements:

- The erosion protection project is categorically exempt as a Class 1, Existing Facilities, under CEQA Guidelines (Title 14, Division 6, Chapter 3 of the California Code of Regulations) Section 15301.
- The Bay Trail reconstruction and Mitigation Channel outfall projects are categorically exempt as a Class 1, Existing Facilities, and Class 2, Replacement or Reconstruction, under CEQA Guidelines (Title 14, Division 6, Chapter 3 of the California Code of Regulations) Sections 15301 and 15302, respectively.

FISCAL IMPACT

Per the recommended terms of the MOA, the City will be taking responsibility for the design, permitting, and construction of Bay Trail reconstruction and Mitigation Channel outfall projects and the design and permitting of the erosion protection project along the City's landfill levee. The planning level estimate for the City's cost share is \$2 million. The City's share of the costs will be funded from South Bay Salt Pond Restoration Project, Project 18-53, which has a

\$4,975,000 budget from the Shoreline Regional Park Community Fund. No additional appropriations are required for the recommended actions.

CONCLUSION

The SBSP Project is a major tidal marsh restoration project that includes Pond A1 and Pond A2W along the City’s shoreline in the San Francisco Bay. Staff seeks Council’s approval to authorize the City Manager or designee to execute an MOA with the CSCC to design and construct the erosion protection, Bay Trail reconstruction, and Mitigation Channel outfall projects at Shoreline Regional Park. The work will provide significant ecological benefits to the region and coastal flood protection for the City under the existing and the projected future sea level rise conditions.

ALTERNATIVES

1. Modify agreement terms.
2. Provide other direction.

PUBLIC NOTICING—Agenda posting.

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