



BOARD REPORT

DATE: June 23, 2026

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. Authorize the Community Manager or designee to execute a Memorandum of Agreement and a Habitat Easement Deed and Habitat Maintenance Agreement with the U.S. Fish and Wildlife Service (USFWS) to design, construct, and maintain the portions of the project components on City property for the South Bay Salt Pond Restoration Project Phase II Alviso Pond complex at Pond A1.
2. Authorize the Community Manager or designee to execute a Memorandum of Agreement with the California State Coastal Conservancy (CSCC) to design and construct the erosion protection, and Coast Casey North Levee at Shoreline at Mountain View Regional Park to support the South Bay Salt Pond Restoration Project Phase II Alviso Pond complex at Pond A1.
3. 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 \$150,000 for additional professional services, for a total agreement not to exceed amount of \$830,000.
4. Find that in accordance with California Environmental Quality Act requirements, the erosion protection improvements at Pond A1 is categorically exempt as Class 1, Existing Facilities, under California Public Resources Code Section 15301.

BACKGROUND

The City, 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 (see Figure 1). These ponds are on properties owned by the USFWS.

Pond A2W Project

The major construction work for all project components at Pond A2W, including the new 1.2-mile Song Sparrow Spur Trail on USFWS property located immediately north of Mountain View, has been completed. The SBSP Project team and partners hosted a public project completion celebration on February 20, 2026. Additional planting activities are planned for the habitat transition zone in the coming months.

Pond A1 Project

Staff have been working with USFWS, CSCC, and DU to plan the restoration work at Pond A1 over the last decade. This includes drafting collaboration agreements and easements, conducting engineering design, and securing CEQA and environmental regulatory permitting. The SBSP Project at Pond A1 consists of USFWS-led project components and City-led project components.

USFWS-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 to 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 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.

City-led Project Components

Concurrently, 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 (SLR CIP) and complement the SBSP Project. These City-led project components include the following, which are described below and shown in Figure 1.



**South Bay Salt Pond
Restoration Project at Pond A1
City-Led Project Components**

- **Coast Casey North Levee**
- **Erosion Protection**

Figure 1: Location of SBSP Project and City-Led Project Components at Pond A1

- Erosion Protection Improvements – The City landfill levee contains the contents of the closed landfill that underlies Shoreline Regional Park. 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.
- Coast Casey North Levee Improvements – 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 Regional Park. 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. These measures are necessary to maintain the freeboard (the additional levee height to provide a margin of safety) and to prevent waters from Pond A1 from overtopping the Coast Casey North Levee. This work will support long-term sea level rise protection and coastal flood risk management.

Agreement Schedules and Funding

Table 1 provides a summary status of schedules and funding for various agreements and phases of the projects at Pond A1.

Table 1. Project Status Summary— South Bay Salt Pond Restoration Project Phase II at Pond A1

	Pond A1	
	<u>USFWS-Led</u> Project Components	<u>City-Led</u> Project Components
FUNDING		
Funded by SBSP Project	Habitat Transition Zone Levee Breach Nesting Island Habitat Recreational Improvements	Erosion Protection Improvements <i>Construction</i>
Funded by City of Mountain View	NA	Erosion Protection Improvements <i>Design</i> Coast Casey North Levee Improvements <i>Design and Construction</i>
SCHEDULE		
Agreement Execution		
MOA and Habitat Easement Deed and Habitat Maintenance Agreement with USFWS	Q3 2026, Pending City Council Authorization	NA
MOA with CA State Coastal Conservancy	NA	Q3 2026, Pending City Council Authorization
Planning, Environmental, and Design		
Planning and Permitting	Completed	Q1 2027
Design	Q1 2027	Q1 2027
Construction		
Soil Import	Started in Q4 2024	
Bid for Construction	Q2 2027	
Construction (scheduled)	Start Q3 2027	

The engineering design for the erosion protection and the Coast Casey North Levee Improvements are currently in progress. In addition, the City 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.

On April 12, 2024, the City issued a Request for Qualifications for professional construction management and inspection services for the City's capital projects. 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. Staff selected Marina Construction Management, Inc. (MCM) to perform the construction management and inspection services for the SBSP Project, based on their experience working at Shoreline at Mountain View Regional Park and on sea level rise adaptation projects. 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 July 15, 2025, the City amended the agreement with MCM to add \$432,680 to Project 18-53 to provide construction management for construction works at Pond A2W, bringing the total contract value to \$680,000.

ANALYSIS

Project Agreements

Staff has been working with the SBSP Project team to establish a Memorandum of Agreement (MOA) and Habitat Easement Deed and Habitat Maintenance Agreement with USFWS. The purpose of this MOA is to coordinate the construction of the SBSP Project Phase II Alviso Pond complex at Pond A1 and a portion of the habitat transition zone on City property. In addition, to support the design and construction of the City-led projects adjacent to Pond A1, staff has been working with the CSCC to establish an MOA between the City and the CSCC. A summary of each agreement is presented below:

Memorandum of Agreement with USFWS

The parties to this MOA include the City and the USFWS, with USFWS representing all USFWS partners involved with this project, including USFWS contractors or agents acting on behalf of USFWS, such as CSCC and DU. The MOA elaborates on the roles and responsibilities between the two parties. The key MOA terms are presented below.

USFWS will:

- Submit the bid design package to the City for review. USFWS will request City approval for any substantial changes that may be needed during construction on City property or that may have impacts to the City.
- Solicit construction bids from qualified bidders, execute construction contractor contracts, and provide construction management. The construction schedule will consider the bird nesting seasons and activities, Shoreline at Mountain View Regional Park and Shoreline Amphitheatre usage, and efficient construction and soil hauling sequence.
- Comply with all permit conditions for the Pond A1 construction, including habitat protection within and around the vicinity of Shoreline at Mountain View Regional Park.

- Provide a construction schedule and import material testing results to the City.
- Be responsible for the construction of any Pond A1 public access and recreational facilities on City property and maintain them until the construction is completed.
- Work collaboratively with the City to address erosion protection and flood risk management needs adjacent to Pond A1.
- Not intentionally breach Pond A1's outboard levees to restore full tidal flows into Pond A1 until the erosion protection and levee improvements or an alternative improvement are constructed, with the intent to enable the Pond A1 outboard levees breach to proceed, by December 31, 2027 to meet the anticipated grant requirements, or by June 30, 2028, as needed, to meet the anticipated environmental regulatory requirements.
- Restore any damages to City property, including roadways, trails, and infrastructure due to Pond A1 construction activities.

The City will:

- Review, approve, and execute an excavation permit and license agreement for the Pond A1 construction.
- Provide engineering design and construction of the Coast Casey North Levee Improvements, and design of the erosion protection along the City Landfill Levee for the portions of work on City property to support the SBSP Project.
- Retain ownership and management responsibilities of any public access and recreational facilities that are constructed on City property by USFWS.
- Provide field habitat maintenance activities in Shoreline at Mountain View Regional Park to minimize burrowing owl activities and habitat nesting at the vicinity of the construction and access areas.

Habitat Easement Deed and Habitat Maintenance Agreement with USFWS

Under the terms of the Habitat Easement Deed and Habitat Maintenance Agreement, the City will grant the United States a permanent easement on 1.73 acres of land along the southern edge of the new Habitat Transition Zone. USFWS will manage the easement area on behalf of the federal government. The purposes of the Habitat Easement Deed and Habitat Maintenance Agreement are to preserve, protect, identify, monitor, enhance, and restore in perpetuity the habitat values and to allow USFWS to access and manage the habitat transition zone. USFWS will own the habitat transition zone constructed on City property as a part of the project. The terms of the Habitat Agreement are as follows:

- USFWS will manage and maintain, inspect, and monitor the habitat transition zone. USFWS will provide services for repair of damages to City infrastructure caused by the habitat transition zone

and USFWS actions when maintaining the habitat transition zone. Any modification or maintenance activities (except minor earthwork, weed removal, or planting) in the habitat easement will require written approval from the City.

- The City will cooperate in the maintenance and protection of the Habitat Easement for the protection and management of fish and wildlife resources. The City will not engage in any activity or use of the Easement Lands that is inconsistent with the habitat purposes.
- The City retains the right to enter onto and perform minor earthwork or related actions on the easement lands to maintain and protect City infrastructure.

Memorandum of Agreement with CSCC

CSCC will contribute funding to cover one hundred percent (100%) of the current cost estimates, plus a twenty percent (20%) contingency, for the construction and construction management costs of the City-led erosion protection project. The current cost estimate is \$5,600,000. The CSCC cost contribution shall be provided using DU as a passthrough for both the private funding and CSCC grant funding DU has received for construction management and construction implementation. DU will obtain a City Excavation Permit and License Agreement for construction of the erosion protection project. The City will accept and maintain the erosion protection project upon completion of construction work and satisfaction of the conditions of the excavation permit and license agreement issued by the City.

City Project Funding

The City will contribute one hundred percent (100%) of the current estimates, plus a twenty percent (20%) contingency for the costs of the City-led Projects components listed below. The current cost estimate is \$10,700,000.

- Design costs for the erosion protection improvements.
- Design and construction costs for Coast Casey North Levee Improvements.

Construction Management Support

Due to the large volume of construction activities in the City, contract construction management services are needed. Staff recommends contracting with MCM to support this project due to their experience on the SBSP Project and other projects in Shoreline at Mountain View Regional Park. Staff recommends amending the MCM Agreement with an additional \$150,000 to continue providing construction management and inspection support for the Pond A1 material import, and construction engineering support for Pond A1 design. This would bring the total not-to-exceed contract amount to \$830,000 under the existing contract.

Next Steps

With authorization to execute the agreements with USFWS and CSCC based on the terms described above, staff will proceed to finalize and execute the agreements. Project construction at Pond A1 is anticipated to start in 2027.

Environmental Clearance for City-led Project Components at Pond A1

In accordance with CEQA, staff has reviewed the scope of the erosion protection improvements at Pond A1, and determined that it is categorically exempt as Class 1, Existing Facilities, under California Public Resources Code Section 15301. 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, that the erosion protection improvements at Pond A1 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 CEQA clearance of the Coast Casey North Levee Improvements at Pond A1 is covered under the SBSP Project's Phase 2 Environmental Impact Statement/Report.

FISCAL IMPACT

Per the terms of the agreements, the City will assume responsibility for the design and construction of the Coast Casey North Levee Improvements and the design of erosion protection improvements along the City's landfill levee. The City's estimated share of these costs is approximately \$10.7 million, including the recommended construction management contract costs. Funding for the City's share is available in the South Bay Salt Pond Restoration Project, Project 18-53, which has a \$19,045,000 funded by the Shoreline Regional Park Community Fund. No additional appropriation is requested at this time.

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

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

EXEMPT FROM THE LEVINE ACT

Competitively bid contract

CONCLUSION

The South Bay Salt Pond Restoration Project is a major tidal marsh restoration project along the City's shoreline at San Francisco Bay. To support the project at Pond A1, staff seeks Council's approval to authorize the Community Manager or designee to execute an MOA and Habitat Easement Deed and Habitat Maintenance Agreement with the USFWS to design, construct, and maintain portions of the project components on City property for the SBSP Project at Pond A1. A MOA with the CSCC is needed to design and construct the City's erosion protection improvements along Pond A1, and for the Coast Casey North Levee Improvements. The work will provide significant ecological benefits to the region and coastal flood risk protection for the City.

ALTERNATIVES

1. Modify agreements terms.
3. Provide other direction.

PUBLIC NOTICING—Agenda posting.

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