

COASTAL CONSERVANCY

Staff Recommendation
April 17, 2025

PETALUMA RIVER: BENEFICIAL USE OF SEDIMENT
(Formerly “CULLINAN RANCH RESTORATION PROJECT, Project No. 90-036-02”)

Project No. 25-004-01
Project Manager: Sara Haugen

RECOMMENDED ACTION: Authorization to amend the Conservancy’s previously authorized Memorandum of Agreement with the U.S. Army Corps of Engineers regarding cost sharing the incremental cost of placing dredged sediment from the Petaluma River at Cullinan Ranch to add Montezuma Wetlands in Suisun City as a dredged sediment placement site.

LOCATION: San Pablo Bay National Wildlife Refuge and Suisun Marsh, Solano and Napa Counties

EXHIBITS

- Exhibit 1: [Project Location Maps](#)
- Exhibit 2: [Cullinan Ranch Restoration Project \(February 15, 2024 Staff Recommendation\)](#)
- Exhibit 3: [Addendum - Supplemental Information Report for the United States Army Corps of Engineers San Francisco Bay Program 2025 Dredging Season](#)

RESOLUTION AND FINDINGS

Staff recommends that the State Coastal Conservancy adopt the following resolution and findings.

Resolution:

The State Coastal Conservancy hereby authorizes an amendment to the Conservancy’s previously authorized Memorandum of Agreement with the U.S. Army Corps of Engineers regarding cost sharing the incremental cost of placing dredged sediment from the Petaluma River at Cullinan Ranch to add Montezuma Wetlands in Suisun City as a dredged sediment placement site.

Findings:

Based on the accompanying staff recommendation and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed authorization is consistent with Chapter 4.5 of Division 21 of the Public Resources Code, regarding restoration and enhancement of natural habitats in the San Francisco Bay Area.
2. The proposed project is consistent with the current Conservancy Project Selection Criteria.

STAFF RECOMMENDATION

PROJECT SUMMARY:

Staff recommends that the Conservancy amend the Conservancy's previously authorized Memorandum of Agreement (MOA) with the U.S. Army Corps of Engineers (USACE) regarding cost sharing the incremental cost of placing dredged sediment from the Petaluma River at Cullinan Ranch to add Montezuma Wetlands in Suisun City as a dredged sediment placement site (the "project"). See Exhibit 1 for project location). The original MOA with USACE included only Cullinan Ranch in San Pablo Bay National Wildlife Refuge (the "Refuge") as a placement site for the dredged material and required the Conservancy to cover \$313,000 for the non-federal share for the incremental cost of placing the dredged sediment. The dredged sediment will be used for tidal wetland restoration at Cullinan Ranch and/or Montezuma Wetlands, the latter located within Suisun Marsh in Solano County. The Refuge is owned and managed by the U.S. Fish and Wildlife Service (USFWS), and Montezuma Wetlands property is owned and managed by Montezuma Wetlands, LLC.

Following the February 15, 2024 authorization to enter the MOA with USACE, unanticipated events delayed the implementation of the previously authorized project. Ahead of the 2024 dredging season, USACE soil studies of the Petaluma River site indicated that much of the material would not fully meet acceptance criteria of the USFWS biological opinion specific to Cullinan Ranch. This caused USACE to delay dredging of the Petaluma River to 2025. In response to these changed circumstances, staff now recommend amending the MOA to add the Montezuma Wetlands as a potential placement site because Montezuma can accept all the material from the Petaluma site. Montezuma has been approved to accept sediment with slightly higher levels of contaminants for use in the deeper layer of the site ("foundation material"), with the requirement to then cover it with sediment that meets wetland criteria for the surface layer ("cover material"). Concurrently, the City of Petaluma will join the MOA as a second non-federal sponsor to cover expenses beyond the Conservancy's authorized amount of \$313,000.

In addition, the CEQA document on which the Conservancy's previous authorization relied, the Final Environmental Assessment/Environmental Impact Report, Maintenance Dredging of the Federal Navigation Channels in San Francisco Bay, Fiscal Years 2015-2024 (USACE EA/EIR), did not cover placement of dredged materials that occur after December 31, 2024. In December 2024, USACE released a Supplemental Information Report (SIR) that addresses application of

the USACE EA/EIR to the USACE San Francisco Bay Program 2025 Dredging Season (Exhibit 3). The SIR is described in the CEQA Compliance section below. It addresses dredging from March 2025 to June 2026 and serves as an addendum to the previous USACE EA/EIR.

Site Description: The Montezuma Wetlands property is located in Suisun Marsh, bordered to the west by Montezuma Slough and to the east by the Montezuma Hills. This site is near Collinsville and approximately 17 miles southeast of Fairfield. Suisun Marsh historically was a vast area of tidal wetlands most of which were diked over 100 years ago, initially for agriculture and later to create managed wetland habitat for migratory waterfowl and to support duck hunting. Although Suisun Marsh has been highly altered, its diked habitats, as well as remaining tidal marshes, shallow embayments, small tidal channels, and gently sloping uplands continue to provide important habitat for migratory waterfowl, native plants, fish and other terrestrial and aquatic wildlife.

The project site was farmed and ranched for over 100 years, which caused the land to subside. A series of ponds were constructed on the site to receive dredged sediment that will raise the site to elevations that are appropriate for tidal wetland restoration. The ponds have been constructed with winding shapes so that their levees form the banks of what will be tidal channels, which have been providing a range of benefits for fish and wildlife since part of the site was breached as part of Phase I. The dredged sediment from this project will contribute to Phase II, located on the southern portion of the site, about 1,100 acres (Exhibit 1, Figure 4). Once the dredged material is placed and the Phase II area is breached, approximately 580 acres of low tidal marsh, 390 acres of high tidal marsh, and 130 acres of wetland-upland transition zone habitats will be restored, according to the Phase II designs.

Montezuma Wetlands LLC owns all the lands proposed for sediment placement, as well as adjacent transition and buffer lands and upland margin. All of the parcels are owned in fee title, with no outstanding mortgages or loans on the land.

The Cullinan Ranch project site is fully described in the February 15, 2024 staff recommendation (Exhibit 2).

Grant Applicant Qualifications: Partnering with USACE to place dredged sediment at Cullinan Ranch East and/or Montezuma Wetlands would leverage federal funds that are equal to 65 percent of the project costs, as well as leverage the extensive knowledge of USACE staff who have been involved in beneficial use of dredged sediment for decades. The USACE dredges approximately 1.5 million to 2 million cubic yards of sediment each year as part of its Operations and Management dredge program in San Francisco Bay, maintaining federal navigation channels for shipping.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA:

The proposed project remains consistent with the Conservancy's Project Selection Criteria, last updated on September 23, 2021, as described in the February 15, 2024 staff recommendation (Exhibit 2).

PROJECT FINANCING

Coastal Conservancy (previous authorization)	\$313,000
City of Petaluma (approximate)	\$487,000
U.S. Army Corps of Engineers (approximate)	\$977,778
Project Total (approximate)	\$1,777,778

The anticipated funding source for the Conservancy is described in the February 15, 2024 staff recommendation (Exhibit 2). The USACE will provide its 65% cost share of federal dollars, but the exact amount will depend on the result of a competitive bid process. The City of Petaluma will provide the remaining amount beyond the Conservancy’s share of \$313,000 to reach the full amount for the non-federal share, currently estimated at four hundred eighty-seven thousand (\$487,000).

Unless specifically identified as “Required Match,” the other sources of funding and in-kind contributions described above are estimates. The Conservancy does not typically require matching funds or in-kind services, nor does it require documentation of expenditures from other funders or of in-kind services.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

The proposed project remains consistent with the Conservancy’s Enabling Legislation as described in the February 15, 2024 staff recommendation (Exhibit 2).

CONSISTENCY WITH CONSERVANCY’S [2023-2027 STRATEGIC PLAN](#):

Consistent with **Goal 3.2, Restore or enhance habitats**, the proposed project will contribute to ensuring the sea level rise resilience and success of 290 acres of tidal wetland restoration at Cullinan Ranch and/or 1,100 acres of tidal, seasonal, and managed wetlands at Montezuma Wetlands.

CEQA COMPLIANCE:

On December 6, 2018, the Conservancy reviewed and adopted findings for the “Final Environmental Assessment/Environmental Impact Report, Maintenance Dredging of the Federal Navigation Channels in San Francisco Bay, Fiscal Years 2015-2024” (2015-2024 USACE EA/EIR), which was certified, pursuant to the California Environmental Quality Act (CEQA), by the San Francisco Bay Regional Water Quality Control Board on May 13, 2015. The Conservancy found that, although the placement of dredged sediment at Cullinan Ranch and Montezuma may have potentially significant effects in the area of Cultural and Paleontological Resources, these effects will be mitigated through feasible mitigation measures.

On February 15, 2024, when the Conservancy authorized entering the MOA with USACE for cost sharing the incremental cost of placing dredged sediment from the Petaluma River at Cullinan

Ranch, the Conservancy confirmed that its December 6, 2018 determination regarding the 2015-2024 USACE EA/EIR was still applicable and that the project remained substantially unchanged from that EA/EIR, and no new environmental information or change in circumstances required a re-evaluation of the potential environmental effects of the project (14 Cal Code. Regs. Section 15162(b))

In December 2024, USACE released a SIR that addresses application of the USACE EA/EIR to the USACE San Francisco Bay Program 2025 Dredging Season (Exhibit 3). The SIR addresses dredging from March 2025 to June 2026 and serves as an addendum to the previous USACE EA/EIR.

As described in the 2015-2024 USACE EA/EIR, the SIR confirms that there are no anticipated potential changes to Geology, Soils, and Sediment Quality; Hydrology and Water Quality; Air Quality and Global Climate Change; Biological Resources; Cultural and Paleontological Resources; Land Use; Hazards and Hazardous Materials; or Transportation. The Endangered Species Act Federal Listing of the Longfin Smelt fish provides one change to the effects on the Aquatic Biological Resources. Under the Endangered Species Act Section 7 Biological Assessment produced by the Long-Term Management Strategy, of which USACE is a member, it was found that the scale and location of the proposed dredging activities in federal navigation channels are not expected to degrade the habitat of the Longfin Smelt. The SIR concludes that the change in proposed actions will not result in significant effects that were not identified in the 2015-2024 USACE EA/EIR.

Under 14 California Code of Regulation Section 15164, a responsible agency may prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred. Here, the SIR serves as an addendum to the previously certified 2015-2024 USACE EA/EIR. The SIR is necessary to address dredging from March 2025 to June 2026, but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred. While the Endangered Species Act Federal Listing of the Longfin Smelt is new information that was not known or could have been known at the time the previous EIR was certified, that new information does not raise significant effects that are not already identified in the 2015-2024 USACE EA/EIR and will not result in any of the other impacts described in Section 15162(a)(3). Accordingly, the proposed authorization remains consistent with the CEQA findings adopted by the Conservancy in connection with the December 6, 2018 authorization. Staff filed a Notice of Determination on December 11, 2018.