

## COASTAL CONSERVANCY

Staff Recommendation  
August 2, 2012

### MIDDLE BAIR ISLAND WETLAND RESTORATION

Project No. 98-042-02  
Project Manager: Brenda Buxton

**RECOMMENDED ACTION:** Authorization to increase by \$200,000 the May 19, 2011 Conservancy's authorization to Ducks Unlimited, Inc. for the Middle Bair Island Wetlands Restoration Project in San Mateo County by re-directing cost savings gained from the South Bay Salt Pond Restoration Phase I Implementation Project at Eden Landing Ponds E8A/9/8X in Alameda County.

**LOCATION:** Bair Island, City of Redwood City, San Mateo County (Exhibit 1)

**PROGRAM CATEGORY:** San Francisco Bay Area Conservancy

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#### EXHIBITS

Exhibit 1: [Project Location and Site Map](#)

Exhibit 2: [May 19, 2011 Staff Recommendation](#)

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#### **RESOLUTION AND FINDINGS:**

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31160-31165 of the Public Resources Code:

“The Conservancy hereby redirects funds authorized on September 24, 2009 for the South Bay Salt Pond Restoration Phase I Implementation Project at Eden Landing Ponds E8A/9/8X in Alameda County to increase by \$200,000 (two hundred thousand dollars) the Conservancy's May 19, 2011 authorization to Ducks Unlimited, Inc. to complete wetland restoration at Middle Bair Island . This authorization remains subject to the conditions of the Conservancy's May 19, 2011 authorization.”

Staff further recommends that the Conservancy adopt the following findings:

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

1. The proposed project remains consistent with the current Project Selection Criteria and Guidelines.

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2. The proposed authorization remains consistent with the purposes and objectives of Chapter 4.5 of Division 21 of the Public Resources Code, regarding the Conservancy's authority to protect, restore, and enhance natural habitats, watersheds, scenic areas, and other open-space resources of the San Francisco Bay Area.
3. Ducks Unlimited, Inc. is a nonprofit organizations existing under Section 501(c)(3) of the U.S. Internal Revenue Code, whose purposes are consistent with Division 21 of the Public Resources Code."

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### **PROJECT SUMMARY:**

Conservancy staff recommends the redirection of \$200,000 of Conservancy funds from the South Bay Salt Pond Phase I Restoration Project (SBSP Project) at Eden Landing Ponds E8A/9/8X to the Conservancy's May 19, 2011 authorization to Ducks Unlimited (DU) to complete the Middle Bair Island Wetland Restoration Project (Bair Island Project).

On May 19, 2011, the Conservancy authorized re-direction of up to \$600,000 in funds made available from a National Oceanic and Atmospheric Administration (NOAA) American Recovery and Reinvestment Act of 2009 grant (ARRA grant) from the SBSP Project to the Bair Island Project; redirection was possible due to lower-than-expected construction costs experienced when implementing the SBSP Project. NOAA consented to this use of our matching funds in connection to the Bair Island Project. The SBSP Project funded by the ARRA grant is now complete and all designated ARRA funds are spent. However, one part of the ARRA-funded SBSP Project, tidal wetland restoration at Eden Landing Ponds E8A/9/8X, experienced further cost savings. Up to \$200,000 remains from the \$1,550,000 of Conservancy funds authorized at the September 24, 2009 meeting to match the ARRA grant. In order to meet the Conservancy's match requirements for the ARRA grant and to facilitate the completion of the Bair Island Project, staff recommends that the cost savings be applied to the Bair Island Project. A description of the Bair Island Project's actions, location and history are described in the Project Summary of the attached May 19, 2011 staff recommendation (Exhibit 2) and this project remains unchanged. Since the May 2011 authorization, DU completed the first phase of the Middle Bair Island Wetland Restoration Project in December 2011 using the re-directed ARRA funds and matching funds from the San Francisco Public Utilities Commission. DU is currently preparing for the second and final phase of construction using the remaining funds.

The amount of NOAA ARRA transferred from the SBSP Project to the Bair Island Project was less than the authorized amount of \$600,000; the actual amount transferred due to costs savings on the SBSP Project was \$307,650. These funds, as well as some of the San Francisco Public Utilities Commission funds, were spent on the first phase of the Middle Bair Island construction in fall of 2011. The remaining funds, including those proposed in this staff recommendation, would be spent on the final Middle Bair Island construction phase commencing late this summer.

The availability of additional funds from the SBSP Project is fortuitous for the Bair Island Project because the Bair Island project costs have increased from the May 2011 estimate. The Conservancy's successful application for grant funding from the Department of Water Resources' Integrated Regional Water Management Program, which was authorized by the Board on May 19, 2011 (Exhibit 2), along with funding from the San Francisco Public Utilities Commission, provide the majority of funding for the Bair Island Project. The \$307,650 of re-directed NOAA ARRA grant funds and the proposed \$200,000 of re-directed Conservancy

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funds, both made available from cost-savings with the SBSP Project, will help fill the final funding gap. The Peninsula Open Space Trust (POST), a nonprofit land trust, has contributed \$312,000 from mitigation funds set aside to support Bair Island implementation and management to complete this project. DU has applied to additional funding sources, and if those are successful, POST may be able to reduce its contribution to construction costs. POST funds are more flexible than other funding sources; accordingly, they could be directed to the monitoring and adaptive management needs of the project. The Project Financing section is updated below to reflect the current funding available.

**PROJECT FINANCING**

NOAA ARRA Grant Funds (May 2011 authorization?)	\$307,650.00
<b>State Coastal Conservancy</b> (the proposed authorization)	\$200,000.00
Department of Water Resources Integrated Regional Water Management Plan Grant	\$1,250,000.00
San Francisco Public Utilities Commission	\$931,000.00
Peninsula Open Space Trust (POST)	\$312,000.00
<b>Total Project Costs</b>	<b>\$3,000,650.00</b>

The anticipated source of the Conservancy funds for the project will be the redirection of funds from the 2006-07 appropriation of the “Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002” (Proposition 50) authorized at the November 6, 2008 and September 24, 2009 Conservancy meetings for South Bay Salt Pond Restoration Phase I Implementation. Proposition 50 authorizes the use of these funds for the purpose of protecting coastal watersheds through projects to restore land and water resources consistent with the Conservancy’s enabling legislation. (Water Code Section 79570(a)). As required by Proposition 50, the proposed project is consistent with local and regional watershed plans (Water Code Section 79507), as detailed in the May 19, 2011 staff recommendation discussion of the project’s consistency with the San Francisco Bay Plan.

Since the Conservancy’s May 19, 2011 action, the Conservancy’s application to the Department of Water Resources Integrated Regional Water Management Plan grant has been approved, as reflected in the project-financing summary.

**CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION,  
CONSISTENCY WITH CONSERVANCY’S 2007  
STRATEGIC PLAN GOAL(S) & OBJECTIVE(S), CONSISTENCY WITH  
CONSERVANCY’S PROJECT SELECTION CRITERIA & GUIDELINES and  
CONSISTENCY WITH SAN FRANCISCO BAY PLAN:**

The proposed authorization does not alter the project description and other aspects of the project detailed in the Conservancy’s May 19, 2011 staff recommendation (Exhibit 2). This authorization only redirects Conservancy funds not needed to implement the South Bay Salt Pond Restoration Phase I Projects but still needed for matching purposes to fund another high priority South San Francisco Bay wetland restoration project that was partially funded with NOAA ARRA grant funds. This proposed authorization remains consistent with the Conservancy’s May 19, 2011 authorization

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regarding its enabling legislation, 2009 Strategic Plan Goals & Objectives, and Project Selection Criteria & Guidelines and with the San Francisco Bay Conservation and Development Commission San Francisco Bay Plan.

### **COMPLIANCE WITH CEQA:**

This proposed authorization only increases the amount of funding for a project already analyzed pursuant to the California Environmental Quality Act (CEQA). See CEQA section of May 19, 2011 Conservancy authorization (Exhibit 2). There are no new potential significant environmental effects of the Middle Bair Project from increasing the funding for the project.

The Conservancy filed a notice of determination for this project on September 8, 2011. No challenges were made to the project under the statute of limitations period provided pursuant to CEQA.