

COASTAL CONSERVANCY

Staff Recommendation

January 28, 2016

**SOUTH BAY SALT POND RESTORATION:
ADAPTIVE MANAGEMENT STUDIES**

Project No. 02-070-04

Project Manager: Brenda Buxton

RECOMMENDED ACTION: Authorization to disburse up to \$753,670, of which \$750,000 will be reimbursed by the Santa Clara Valley Water District, pursuant to a Memorandum of Agreement regarding work undertaken in support of the South Bay Salt Pond Restoration Project's Adaptive Management Program in Santa Clara County.

LOCATION: San Francisco Bay and adjacent shoreline, Santa Clara County.

PROGRAM CATEGORY: San Francisco Bay Area Conservancy Program

EXHIBITS

Exhibit 1: [December 4, 2014 Staff Recommendation](#)

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31160 *et seq.* of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of up to seven hundred fifty-three thousand, six hundred seventy dollars (\$753,670), of which seven hundred fifty thousand (\$750,000) is expected to be reimbursed by the Santa Clara Valley Water District, to undertake applied studies associated with the implementation of the South Bay Salt Pond Restoration Project's Adaptive Management Studies, including as follows:

1. To the United States Geological Survey (USGS) up to five hundred sixty-three thousand eight hundred sixty-one dollars (\$563,861) for studies related to sediment transport, mercury accumulation in sediments, and mercury bioaccumulation in the Guadalupe River watershed and the Pond A8 complex.
2. To the University of California at Davis (UCD) up to one hundred eighty-nine thousand eight hundred nine dollars (\$189,809), for studies related to the mercury bioaccumulation in fish in the Guadalupe River watershed and the Pond A8 complex.

Prior to the disbursement of Conservancy funds for a study, the entity responsible for the study shall submit for the review and approval of the Conservancy's Executive Officer a work program for that study, including a schedule and budget.”

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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 authorization is consistent with Chapter 4.5 of Division 21 of the Public Resources Code, regarding the Conservancy’s mandate to address the resource and recreational goals of the San Francisco Bay Area.
 2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.
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PROJECT SUMMARY:

On December 4, 2014 (Exhibit 1) the Conservancy authorized disbursement of \$1,000,000 to be reimbursed by the Santa Clara Valley Water District (SCVWD) for high priority applied studies associated with the implementation of the South Bay Salt Pond (SBSP) Restoration Project, a multi-agency effort to restore 15,100 acres of former Cargill salt ponds in South San Francisco Bay. This authorization provides an additional \$750,000 from the Santa Clara Valley Water District and \$3,670 in Conservancy funding to fund an additional year of these applied studies. These studies will be conducted by a collaborative team of scientists, including scientists from USGS and UC Davis (UCD), most of who have been working on mercury and fish biosentinel studies since 2011. The studies will collect fish and tern eggs to analyze the effects of mercury, as well as collect water samples to determine amount of mercury in water and water quality conditions. In addition, to better understand the potential for mobilization of mercury-laden sediments from restoration activities, these studies will collect bathymetry data, update the scour model, and study the amount and net direction of sediment flux in Alviso Slough and Pond A8.

As described in the December 4, 2015 staff recommendation the purpose of these studies is to address the significant uncertainties that face the SBSP Restoration Project, particularly regarding methylation of mercury and fish movement in and out of ponds. The studies focusing on mercury have been on-going since 2010. A detailed summary of mercury results to date is available at <http://www.southbayrestoration.org/science>.

Based on the 2013 and 2014 results, which showed significantly lower mercury in bird eggs and slough fish compared to 2011, on September 29, 2014 managers opened 2 more gates in Pond A8, for a total of 5 out of 8 gates open. Those gates have been left open since. Mercury studies conducted in the 2015 calendar year will give us insight into what happens to mercury bioaccumulation and remobilization when the gates are opened all year round (e.g. not closed December 1 to May 31). These results are expected in early 2016. These data, along with data on mercury in fish and water, and sediment dynamics and scour in Alviso Slough, are critical for management decision making about ongoing implementation of currently approved implementation projects and will inform and shape future implementation projects which may be funded. With respect to Pond A8, a Phase I implementation project, it is critical to continue the mercury studies in order to ascertain that keeping the gates open and allowing tidal flows in does not increase mercury methylation over time.

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The SCVWD has offered to help fund an additional year of these studies up to \$750,000. The remaining \$3,670 from the Conservancy would cover the shortfall.

The site description and project history remain unchanged from the December 4, 2014 staff recommendation (Exhibit 1).

PROJECT FINANCING

Santa Clara Valley Water District	\$750,000
Coastal Conservancy	\$3,670
Project Total	\$753,670

The source of Conservancy funding for the reimbursable \$750,000 will be the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund established by Public Resources Code section 5096.610 (Proposition 40). These funds can be used for restoration and protection of land and water resources in accordance with the provisions of the Conservancy’s enabling legislation, Division 21 of the Public Resources Code. (Public Resources Code section 5096.650(b).) As discussed below, the project is consistent with Chapter 4.5 of Division 21.

Proposition 40 also requires the Conservancy to give priority to grant projects with matching funds. \$750,000 in additional funds is being made available by the Santa Clara Valley Water District on a reimbursable basis. When combined with the \$1,000,000 previously provided by the Santa Clara Valley Water District, the total funding provided by the SCVWD for these south bay adaptive management studies will be \$1,750,000.

The source of the Conservancy’s contribution of \$3,670 is the Conservancy’s appropriation from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84, Public Resources Code section 75001, et seq.). This funding source may be used for the protection of bays and coastal waters, including projects to prevent contamination and degradation of coastal waters and watersheds and projects to protect and restore the natural habitat values of coastal waters and lands, pursuant to the Conservancy’s enabling legislation. See Public Resources Code section 75060. Proposition 84 defines the term “protection” to include “those actions necessary to prevent harm or damage to persons, property or natural resources . . .”. See Public Resources Code section 75005(m). The proposed project protects coastal waters and restores natural habitat values by collecting scientific information that is necessary to protect existing tidal wetlands and shallow water ponds from undesired ecological outcomes and to design the next phase of wetland restoration. In addition, the project is consistent with Chapter 4.5 of Division 21. For restoration projects that protect natural resources, Proposition 84 also requires that the Conservancy give priority to projects that meet at least one of the criteria specified in Public Resources Code Section 75071(a)-(e). The proposed restoration project satisfies the following specified criteria: (a) Landscape/Habitat Linkages – one of the largest wetland restoration projects on the west coast of North America, the project will facilitate wildlife movement, botanical transfer, and sustain large acreage of habitat over time, and (b) Watershed Protection – the project will contribute to long-term protection of and improvement to the water and biological quality of the San Francisco Bay.

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**CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION,
CONSISTENCY WITH CONSERVANCY’S PROJECT SELECTION CRITERIA &
GUIDELINES, and CONSISTENCY WITH SAN FRANCISCO BAY PLAN**

This authorization remains consistent with the Conservancy’s enabling legislation and Selection Criteria & Guidelines, and with the San Francisco Bay Plan, as detailed in the “Consistency with Conservancy’s Enabling Legislation”, “Consistency with Conservancy’s Project Selection Criteria & Guidelines”, and “Consistency with San Francisco Bay Plan” sections of the December 4, 2014 authorization (Exhibit 1).

**CONSISTENCY WITH CONSERVANCY’S 2013 STRATEGIC PLAN
GOAL(S) & OBJECTIVE(S), AS REVISED JUNE 25, 2015:**

Consistent with **Goal 11, Objective C** of the Conservancy’s 2013-2018 Strategic Plan, the proposed studies will assist with the development of restoration plans for the 11,350 acres remaining in the project.

COMPLIANCE WITH CEQA:

In order to address significant uncertainties associated with the SBSP project, given its large geographic area and long time-frame, the 2007 Programmatic EIS/R for the SBSP Phase I implementation projects, adopted under CEQA, required that the agencies leading the project create an Adaptive Management Plan under which the project would be carefully implemented in phases so managers could learn from the results and incorporate them into management and planning decisions. Adaptive management is essential to keeping the project on track towards its objectives and it was the primary tool identified in the EIS/R for avoiding significant impacts to the environment, including significant impacts from the effects of mercury methylation. Thus, to the extent that the proposed authorization will provide the information required by and contemplated under the EIS/R that will inform decisions about the ongoing implementation of Pond A8 restoration, a Phase I implementation project, the proposed funding does not change the manner in which the project will be undertaken, the environmental effects of the project or any mitigation measures. Instead, these studies are consistent with the Adaptive Management strategy, required by the EIS/R, to undertake applied studies that will enable the project to avoid what could be potentially significant impacts. The information gained from these studies will better quantify the benefits of restoration, help prevent and manage potential impacts, advance the science of wetland restoration, and help better design future phases. Since the proposed authorization does not alter the project in any way that would change the environmental effects or any required mitigation, no further findings are required under CEQA.

In addition, to the extent that the studies funded under the proposed authorization will inform and shape future implementation projects, the authorization is exempt from CEQA review under 14 California Code of Regulations Section 15262, which sets forth a statutory exemption for feasibility and planning studies for possible future actions that have not yet been approved or funded. Similarly, 14 Cal. Code of Regulations Section 15306 sets forth a categorical exemption for basic data collection, research, and resource-evaluation activities that will not result in a serious or major

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disturbance to an environmental resource. The proposed scientific studies will provide planning information that will inform and shape future implementation projects, and will entail basic data collection and research without causing a major disturbance to the wetland resources of San Francisco Bay. Accordingly, funding of the proposed project is exempt from CEQA. Staff will file a Notice of Exemption upon approval of the project.