

# Consideration of Award of Proposition 1 Grant Funds for Marsh Creek Reservoir Restoration and Total Mercury Reduction Planning Project

#### **Staff Recommendation**

This agenda item presents for Board consideration a recommendation to award Proposition 1 Grant Program funding for the Marsh Creek Reservoir Restoration and Total Mercury Reduction Planning Project.

#### **PROJECT OVERVIEW**

Applicant	Contra Costa County Flood Control and Water Conservation
	District
Project ID	2211
Project Type	Planning
County	Contra Costa
Funding Request	\$350,000
Total Project Cost	\$599,898
Funding Recommendation	\$350,000
Score	88/100

### RECOMMENDATION

Conservancy staff recommends that the Board approve up to \$350,000 in grant funding for the Marsh Creek Reservoir Restoration and Total Mercury Reduction Planning Project proposed by Contra Costa County Flood Control and Water Conservation District (the District) conditional upon approval of findings for a project site located outside of the legal Delta. The project proposal received overall favorable reviews from staff with no additional requirements. Staff prepared the text below based on staff's best understanding of the information provided in the application. Conservancy staff and the Professional Review Panel consisting of the following agencies: California Department of Fish and Wildlife, Central Valley Regional Water Quality Control Board, Delta Protection Commission, Delta Stewardship Council, Department of Water Resources, and United States Fish and Wildlife Service have scored this proposal against the established criteria. Conservancy staff contacted local governments and districts, water agencies, and tribes via the local notification process to receive comments and ensure project support. Prior to entering into a grant agreement, staff will work with the applicant to further refine the project's scope of work.

### **PROJECT SUMMARY**

The proposed Marsh Creek Reservoir Restoration and Total Mercury Reduction Planning Project will prepare plans to restore reservoir capacity and ecosystem functions, improve reservoir values and habitat resiliency to climate change, and reduce mercury output to downstream Sacramento-San Joaquin Delta habitats. Additionally, this project would be in conjunction with existing planning

efforts by East Bay Regional Park District and California State Parks to improve aesthetic value and recreation opportunities. The proposed planning project would take preliminary concept design plans to 100 percent design plans; conduct public engagement, outreach, and collaboration; complete necessary environmental compliance and permitting; and prepare a long-term monitoring and management plan that would also address performance measures and adaptive management.

The Marsh Creek Dam and Reservoir is located approximately one-half mile outside of the legal Delta near the City of Brentwood in Contra Costa County and is directly connected to the Sacramento-San Joaquin Delta via Marsh Creek (see Figure 9.12). The dam and reservoir were constructed in 1962 with the sole purpose to provide flood protection to the downstream communities of Brentwood and Oakley. Over the last sixty years, the ecosystem function and associated wetland habitat has been reduced due to the accumulation of sediment in the reservoir. Additionally, the water and sediment entering the reservoir are contaminated with mercury originating from an upstream abandoned mercury mine at the base of Mount Diablo. The proposed improvements to Marsh Creek Reservoir would result in a multi-benefit implementation project that would increase reservoir capacity to, amongst other benefits, reduce total output of mercury-laden water and sediment that is carried downstream into the Delta; properly remove and contain up to 450,000 cubic yards of mercury laden sediment; restore up to 18 acres of riparian and three acres of wetland habitats to improve ecosystem function and values; install cattle exclusion fencing; and conduct public outreach.

## **ENVIRONMENTAL COMPLIANCE**

This planning project is not considered a project under the California Environmental Quality Act (CEQA). The proposed project does include the completion of the CEQA process and securing necessary permits for the implementation phase of the project. Contra Costa County will act as the CEQA Lead Agency and expects to prepare an Initial Study/Mitigated Negative Declaration (IS/MND) for implementation phase of the project.

## **COST SHARE**

The cost share amount is 42 percent of the project budget. The applicant will provide \$249,989 as inkind services through staff time to preform grant management and reporting, participate in field assessments and technical surveys, conduct public outreach, assist in preparation of environmental compliance, and develop a monitoring and management plan.

## ALIGNMENT WITH STATE PRIORITIES

The project is consistent with specific actions and priorities identified in Proposition 1, California Water Action Plan, the Conservancy's governing statute, the Conservancy's strategic plan and the Delta Plan. Considerations are made to assist fortifying the project region against future climate related flood issues, recovery of endangered and threatened species, as well as assisting in ecosystem restoration.

# LONG TERM VIABILITY

The proposal describes how the proposed project will directly contribute to a specific on-the-ground project and that the lifespan will cover the required 15 year duration. The project was included in the 2021 seven-year Capital Improvement Plan by the District. With a shovel-ready project, the applicant would seek funding for implementation.

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## LOCAL SUPPORT

The proposal demonstrates local support and includes a resolution of support from the project's county's Board of Supervisors. The proposal clearly details an approach to inform and consult with all affected parties and to avoid, reduce, or mitigate conflicts with existing and adjacent land uses. Letters of support were included from East Contra Costa County Habitat Conservancy, American Rivers, East Bay Regional Park District, Contra Costa Clean Water Program, and the City of Brentwood.

## **SCIENTIFIC MERIT**

The proposal describes the scientific basis of the project and incorporates the best available science. The proposal describes efforts to develop an adaptive management approach consistent with the Delta Plan's adaptive management framework. The proposal describes climate impacts and benefits and includes a mechanism for incorporating climate change considerations into the project.

### **ADDITIONAL CONSIDERATIONS**

This project is planning for a future implementation project that will take place outside of the legal Delta. Public Resources Code (PRC) section 32360.5 requires the Board make certain findings if it approves funding for activities outside the Delta. Staff recommends the Board find that an implementation project resulting from the planning will meet the following requirements: (1) the project implements the ecosystem goals of the Delta Plan by restoring habitat at appropriate elevation in the Delta watershed and prioritizes and implements projects that restore Delta habitat; (2) the project is consistent with the requirements of any applicable state and federal permits; (3) the Conservancy has given notice to affected local jurisdictions and the Delta Protection Commission and will work with the applicant to address any comments; (4) the Conservancy has given notice to the state coastal Conservancy where the project is located and will work with the applicant to address any comments; to the Delta by improving water quality, reducing the pool of total mercury available for output to habitat downstream into the Delta, and restoring habitat in the Delta watershed.

## SUGGESTED MOTION LANGUAGE

Two separate motions are required.

Move that the Board approve findings for a project site located outside of the legal Delta for the Marsh Creek Reservoir Restoration and Total Mercury Reduction Project with Contra Costa County Flood Control and Water Conservation District.

Move to award funding up to \$350,000 to the Contra Costa Flood Control and Water Conservation District from the Proposition 1 Grant Program for the Marsh Creek Reservoir Restoration and Total Mercury Reduction Project.

## CONTACT

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FIGURE 9.12 MARSH CREEK RESERVOIR RESTORATION AND TOTAL MERCURY REDUCTION PROJECT AREA

