LONG TERM MANAGEMENT STRATEGY

MANAGEMENT COMMITTEE MEETING

Bay Conservation and Development Commission
McAteer Petris Room
50 California Street, San Francisco

Monday, February 28, 2011
1:00 PM – 4:00 PM

MEETING NOTES

Meeting Attendees

Please email Katie Chamberlin for a scanned copy of the meeting sign-in sheet.

Introductions and Review of Meeting Agenda

Brian Ross [U.S. Environmental Protection Agency (USEPA)] provided an introduction to the meeting and an overview of the meeting agenda.

LTMS Program, Accomplishments and New Challenges – Presented by Brian Ross, USEPA

Brian Ross (USEPA) described the development of the San Francisco Bay Long Term Management Strategy's (LTMS), spanning back to the days of "mudlock" in 1988/1989. At that time, in addition to public concerns about the health of the Bay, there was little coordination between dredging permitting agencies, a concise testing program was not in place, and few alternatives existed to in-Bay disposal. As such, the goals for the LTMS program became clear to the agencies and the public:

- Maintain those channels necessary for navigation and eliminate unnecessary dredging
- Conduct dredged material disposal in the most environmentally sound manner
- Maximize use of dredged material as a resource
- Establish a cooperative permitting framework

To achieve these goals, the LTMS completed the following tasks:

- Set up the San Francisco Deep Ocean Disposal Site (SFDODS)
- Committed to reducing in-Bay disposal annually through 2012 with a long term goal of approximately 1 million cubic yards (cy) per year
- Set up programmatic work windows
- Developed beneficial reuse sites (i.e., Montezuma, Hamilton, Bel Marin Keys, etc.)

The results of these efforts have generally been successful; as much as 89 percent of all projects were constructed during the programmatic work windows. In 2007 and 2008, the LTMS was close to meeting its long term goals for reducing in-Bay disposal; however, the Port of Oakland's deepening project fueled

the bulk of the upland beneficial reuse during these years. Now that construction of the deepening project and the Hamilton site are complete, the percentage of dredged sediment that is beneficially reused in the Bay will decrease. Other beneficial reuse sites throughout the Bay have been identified, but the process for getting the material to these locations remains unresolved. The Bel Marine Keys site, adjacent to the Hamilton site, is not ready to accept material at this time; however, the Montezuma site will accept material in 2011.

In recent years, the costs associated with dredging and beneficial reuse site development have escalated considerably. The U.S. Army Corps of Engineers (USACE), the largest dredger in the Bay, has had flat budgets. In addition, the Bay is facing long-term issues, such as sediment deficit and climate change driving sea level rise. The LTMS is at a key milestone and has an important question to answer: how should the LTMS address the short-term issues while at the same time helping to address the long-term issues? The LTMS has set up listening sessions (such as this meeting and the January 13 meeting), is coordinating with regional sediment management (RSM) planning (i.e., with flood control districts, etc), and is discussing whether the LTMS Management Plan requires updating.

Several meeting participants noted key short-term issues pertaining to Brian's presentation. Jim McGrath [San Francisco Bay Regional Water Quality Control Board (SFBRWQCB)] noted that the overall cost of moving material has increased dramatically. Rick Rhoads (Moffatt & Nichol) noted that an unanticipated consequence of the reduction in dredging is the decline of available contracting capacity; there is not enough dredging in the Bay to warrant more than two companies competing for projects.

Long-Term Issues

Regional Sediment Management – Presented by Brenda Goeden, Bay Conservation and Development Commission (BCDC)

The U.S. Geological Survey (USGS) now has a program that coordinates science centers looking at sediment loading in the San Francisco Bay. At the 2006 LTMS/DMMO annual meeting, USGS identified a decrease in the sediment supply from the Delta based on measurements at Mallard Island. This decrease causes consequences for the Bay, including reliance on the smaller, local watersheds to bring the bulk of the sediment into the system. Sand mining is another route through which sediment has been removed from the San Francisco Bay. A study that researched changes in the Bay's bathymetry between 1997 and 2008 concluded that a fair amount of sediment is being removed from the system. Lastly, sediment is removed from the Bay when it is transported to SFDODS for ocean disposal. The LTMS is interested in working with the watersheds and flood control districts to facilitate moving increased levels of sediment into the system. Brenda Goeden (BCDC) noted a key question facing the LTMS: is the current focus on beneficial reuse too narrow or does it simply need to be reframed? One route the LTMS has identified to move closer to answering this question is to begin integrating newly identified stakeholders in discussions of future beneficial reuse projects.

Doug Lipton (Lipton Environmental Group) noted the importance of scale when it comes to beneficial reuse sites; with smaller projects, the costs associated with prepping sites are much higher. Jim McGrath (SFBRWQCB) noted that another key consideration is the grain sizes that are suitable for reuse opportunities. Jake Jacobson (USACE) noted that one reason USACE is looking at the aquatic transfer

facility (ATF) is that it is a cost effective way of transporting material. Given the current sediment deficit, the impacts of the ATF may need to be reassessed. Rick Rhoads (Moffatt & Nichol) noted that, in order to begin addressing concerns associated with the sediment deficit, the LTMS is going to need to look past concerns with turbidity. Anne Whittington (Port of Oakland) added that increased travel distance for dredged sediment results in increased air emissions, which puts ports further from meeting their own air emission goals (regardless of the fact that maintenance dredging is exempt from air emission levels).

Dave Doak (USACE) noted that from an engineering standpoint, it is important to know the LTMS's long-term goals for what the Bay will look like and how it will perform. Brian Ross (USEPA) responded that the recently released Subtidal Habitat Goals document includes its long-term vision for the Bay, which could be one place to start in answering this useful question. JC Krause (The Dutra Group) noted that beneficial reuse projects have historically developed on the backs of major navigational deepening projects. It is important to consider economies of scale and the difficulties associated with requiring upland placement of material for small projects. The amortized costs for conducting work on a mega-site for a period of a few weeks (for a large project) versus a few years (for a small project) are very different. As such, it is important to look for opportunities to consolidate smaller projects.

Jim McNally (Manson Construction) commented that decoupling dredging with the unloading of dredged sediment (i.e., the ATF project) is a great idea. Also, the San Francisco Bay is shallow and restricting hydraulic dredging is both difficult and expensive. Jim McGrath (SFBRWQCB) noted that the regulatory agencies seek to avoid turbidity levels that are outside of natural cycles. Brenda Goeden (BCDC) added that until it can be shown that hydraulic dredging will not entrain longfin smelt or green sturgeon, use of this equipment in the Bay will remain a challenge and require a take permit and a state agency to function as CEQA lead.

Doug Lipton (Lipton Environmental Group) noted that with this turning point for the LTMS come opportunities for the public to identify ways to subsidize some of these beneficial reuse projects and the means for material transport. To tackle these issues, it will take collaboration and support.

Short-Term Issues

Advanced Maintenance Dredging – Presented by Rick Rhoads, Moffatt & Nichol and Len Cardoza, Weston Solutions

Rick Rhoads (Moffatt & Nichol) provided the following definition for maintenance dredging: dredging to a specified depth and/or width beyond the authorized channel dimensions in critical and fast-shoaling areas to avoid frequent redredging and ensure the reliability and least overall cost of operating and maintaining the project authorized dimensions. Advanced maintenance dredging includes 2 feet of required overdepth.

Benefits of advanced maintenance dredging include:

- Reduced frequency of dredging
- Authorized depth maintained longer
- More efficient dredging = cost savings!

- Reduced water quality impacts
- Reduced frequency of benthic disturbance
- Less "stress" (annual placement) at in-Bay placement sites
- Reduced air emissions

Disadvantages of advanced maintenance dredging include:

- Initial increase in dredging volumes
- Potential to engage 'stiff' material
- Risk of shoaling increase in some areas (and potential for associated impacts to structures)
- NEPA/CEQA concerns
- Potential for increased salinity intrusion

Flexibility in Contracting – Presented by Len Cardoza, Weston Solutions

Len Cardoza (Weston Solutions) described common contracting problems and identified the following contracting solutions:

- Indefinite Delivery/Indefinite Quantity (IDIQ) contracts
- Consolidating projects
- Pre-solicitation consultation
- Base bid with options
- Contract acquisition strategy

Brian Ross (USEPA) asked whether implementing contracting solutions would be more or less difficult assuming that advanced maintenance dredging is more commonly practiced in the future. Len Cardoza (Weston Solutions) responded that advanced maintenance dredging would pose similar issues for both maintenance and new work. He added that consolidating projects is easier in the public sector than in the private (i.e., Ports of Oakland and Richmond).

Jake Jacobson (USACE) noted that consolidating budgets requires a common feature (i.e., projects that would all use the same beneficial reuse site). Due to industry pressures, the federal government avoids using IDIQ contracts for dredging contracts; however, the Port of Oakland has been successful with an IDIQ for maintenance dredging as well as sediment characterization.

Doug Lipton (Lipton Environmental Group) noted the importance of keeping dredged sediment placement/disposal options in dredging contracts. Because Montezuma has not received dredged sediment in several years, it has many cells ready to accept non-cover material and is currently the only permitted beneficial reuse project in the Bay. Len Cardoza (Weston Solutions) noted that another advantage of using Montezuma is that once a barge arrives at the offloader, the dredged sediment is no longer the project proponent's responsibility.

Harbor Maintenance Trust Fund – Presented by Jim Haussener, California Marine Affairs and Navigation Conference (CMANC)

Jim Haussener (CMANC) noted that 30 percent of funds collected for the Harbor Maintenance Trust Fund come from California. The Harbor Maintenance Trust Fund includes inland harbors but not inland river systems (i.e., the Mississippi River). Many projects in the San Francisco Bay are eligible to receive and/or have previously received funds from the Harbor Maintenance Trust Fund. These funds can be used for beneficial reuse and environmental restoration projects that are associated with dredging projects.

Every time that dredging costs increase in the San Francisco Bay, it means fewer projects will be dredged. California harbors only receive approximately 58 million of the 400 million that is annually contributed by the state. Of this 58 million, approximately 60 percent will be spoken for by three San Francisco Bay projects. Current legislation (HR-104) would require that 100 percent of the state's contribution to the Harbor Maintenance Trust Fund be spent on harbor maintenance projects in California. Jim Haussener (CMANC) encouraged meeting participants to contact their congressperson to urge them to support this bill.

Jessie Burton Evans (USACE) asked where the remaining balance that California does not receive is spent. Jim Haussener (CMANC) responded that is unknown, but it is likely being spent elsewhere. He also noted that California is the single largest donor state, but receives the least amongst all coastal states, partially because, historically, California did not need a lot of funding assistance.

Summation and Action Items

The following action items were identified:

1. The Program Managers and Anchor QEA will develop a summary outline of the primary short and long-term issues identified during the January 13 and February 28 Management Committee meetings. This outline will be reviewed by the Management Committee during their March meeting.
2. The agenda for the next meeting to occur in April will be circulated once the Management Committee meets in March.