

LONG TERM MANAGEMENT STRATEGY



February 17, 1999

TO: LTMS MANAGEMENT PLAN WORKSHOP PARTICIPANTS

FROM: Glynnis Collins, S. F. Bay Regional Water Quality Control Board
Jaime Michaels, S. F. Bay Conservation & Development Commission

SUBJECT: Minutes of the LTMS Management Plan Workshop for January 28, 1999 Meeting

1. **Introductions, Announcements, Agenda** (see attached)
2. **Existing fees.** RWQCB's existing monitoring fee (RMP) is \$0.22/cy. Corps does not pay fee but conducts monitoring of disposal sites. (For point of comparison, Puget Sound Dredged Disposal Analysis (PSDDA) fee = \$0.45/cy and is used for chemical and biological monitoring of aquatic dispersive sites.)

BCDC had authority to charge \$0.10/cy and later \$0.07/cy, but this authority has since expired. However, Davis administration considering new fee as a way to support BCDC's involvement in LTMS.

State Lands Commission charges a fee only if material sold for a profit.

3. **Potential fee structures.** (1) Surcharge/Credit (Jack Gregg, RWQCB). Under this scenario, in-Bay disposal projects would be subject to surcharge (\$2.00-\$8.00/cy) and credit given to projects using ocean or UWR options. Fees collected used for developing alternatives to in-Bay disposal. Potential fee could have immediate impact on in-Bay disposal, and allow dredgers to develop and implement UWR projects. Under the proposed structure, the Corps could provide in-kind services instead of paying surcharge. It was noted by David Dwinell (Corps) that under this scenario projects (e.g. Larkspur Ferry Landing that generates 675K cy) a \$2/cy fee would increase project cost by \$1.3 million.

Barbara Salzman opposed fee structure where private industry in charge of establishing Upland/Wetland/Reuse (UWR) projects. A discussion ensued regarding public- vs. private-sponsored UWR projects. Salzman believes there's less public involvement in private ventures while Doug Lipton (Levine Fricke) believes there's more public involvement in private ventures. Salzman referred to Desert Aggregates project where dredged material used at upland site. According to Salzman, public participation/comment in project was limited and consequently upland disposal resulted in habitat impacts. Salzman and Arthur Feinstein (Golden Gate Audubon Society) recommended issue of how to enhance public involvement in UWR projects be addressed as a part of LTMS Management Plan. Steve Goldbeck (BCDC) suggested Dredged Material Management Office (DMMO) possibly used to encourage public review in UWR projects. He also suggested a monitoring fee might be necessary to enable agencies to evaluate impacts of disposal at all sites including ocean and UWR.

Jim McGrath (Port of Oakland) noted that fees would require state legislation and might be politically unpopular. Further, added any fee would be politically unpopular if not applied to *all* dredgers (including Corps). Suggested group explore ways to get a fee without legislation. Jack Gregg proposed possibility of conducting study to come up with environmental costs of disposal as a way to institute fee without legislation.

(2) Feasibility Protocol (Jack Gregg). Standard protocol for assessing feasibility of in-bay disposal versus other disposal/reuse alternatives would be developed. Feasibility analysis would take into consideration environmental "costs" e.g. turbidity, air quality, contaminant release (Ecological Risk Assessment could possibly be used to quantify costs). A surcharge for environmental costs of in-Bay disposal would be imposed.

(3) Dredging Contractor Fee (Barbara Salzman, Marin Audubon Society). Dredging contractors would be assessed fee for in-Bay disposal—which presumably would be passed along to project proponents. Fee used to fund UWR projects. Fee would be a good tool for "equalizing" disposal/reuse costs at three different media. Sandy Threlfall suggested any fee structure be apply to all dredgers and moreover UWR sites be federally funded.

(Note: Other comments from Marin Audubon Society and League of Women Voters regarding fees attached here).

4. Existing Corps Contribution. Dwinell summarized contribution currently made by Corps to disposal/reuse efforts:

LTMS Implementation	\$200K
Sonoma Baylands Monitoring	\$250K
SFDODS Monitoring (ocean site)	1 million
USGS Support of RMP	\$250K (in kind services)
DMMO	\$650K
Hamilton Site Investigation	\$20 million (via WRDA)
Montezuma (Section 204 study to address potential to use for Corps O&M material)	\$40K

In addition, Dwinell noted that current Corps UWR projects include: San Leandro Marina; Napa River (Kennedy Park); City of Petaluma ponds; Winter Island levees. Also noted once the Record of Decision (ROD) for LTMS signed Corps can go to congress for LTMS implementation funds.

5. LTMS Implementation. McGrath mentioned programs like Section 204 (federal funding for beneficial use projects) as way to get UWR projects on-line. Noted Section 204 funding is different source of money than that which goes to Corps O&M projects, and Section 204 funding can be augmented while money for Corps O&M projects cannot. Feinstein stated one potential disadvantage of Section 204 money is that it's dependent on congress and therefore efforts

should focus more on instituting fees. Corps noted ROD for LTMS will be used as support to get funding for UWR projects.

Ellen Johnck (Bay Planning Coalition) stated that BPC supports LTMS goals but wants implementation to focus on bringing UWR sites on-line before volume allocation strategy initiated. Feinstein stated BPC's position suggested maintaining "status quo" until UWR sites become available and that environmentalists don't support this position.

Norman Chan (Port of Richmond) suggested basis of any fee should be determined before instituting, any implementation strategy should consider alternative disposal/reuse options still limited as well as potential impacts to dredgers in light of limited UWR options.

Jack Gregg pointed out that boat owners (i.e. users of marinas) need to begin to understand "real" costs of owning and operating boats including maintenance (i.e. dredging and disposal) of marina particularly for marinas located in areas of high sedimentation rates.

Barry Nelson (Save SF Bay) asked that focus be placed on: (1) looking at both regulatory and non-regulatory approaches to get material out of Bay; (2) finding way to bring down costs to dredgers and ways to reward them for going out of Bay with material; and (3) equalizing disposal/reuse costs at different media (get funding via outside source or via fees e.g. an extraction fee paid only for using Alcatraz). (Nelson gave update re: Estuarine Restoration Bill (Chafee) in which \$100 million proposed for habitat restoration projects and which may be reintroduced in 1999.)

6. Workshop Management. Group discussed purpose of workshops. Goldbeck stated they were originally intended to raise issues regarding LTMS Management Plan and possibly reach consensus. However, he also noted that if consensus not reached then opportunity for public review and comment would be possible during public hearing process for Management Plan.

It was agreed that the following issues should be addressed in order to proceed with future workshops: (1) a clear structure and goal (i.e. to get consensus or "shared values" and/or group feedback) needs to be defined; (2) getting a facilitator should be considered and decided on; (3) a mission statement should be created; and (4) future workshop agendas should clearly state workshop purpose.

7. Other Issues. A request was made that the following issues also be addressed or clarified at future workshops: (1) legal issues surrounding fees; and (2) the cost-differential of disposal.

8. LTMS Management Plan Website. Note: Information regarding workshops can also be obtained at:

<http://www.spn.usace.army.mil/conops/mpsched.html>