

MEMORANDUM

To: James Pruett, John Moren, San Mateo County Harbor District

From: Brad Damitz

Date: September 12, 2023

Subject: Surfers Beach Project Updates and Next Steps

The purpose of this memo is to provide an update on the status of the proposed Surfers Beach Pilot Restoration Project (Project) including updated project schedule and next steps.

Brief Project Background:

The Project is being led by the San Mateo County Harbor District (District) and planning has been underway since 2017. The project area is located inside and adjacent to Pillar Point Harbor (Harbor or PPH) in San Mateo County. The overall goal for the proposed Project is to address the significantly accelerated coastal erosion rates that have occurred on the beaches adjacent to the Harbor due to the construction of the East Breakwater approximately 60 years ago and address the severe shoaling that has occurred inside the Harbor since the outer breakwaters were constructed.

The project involves dredging up to 100,000-cubic yards of clean sand along the Harbor's East Breakwater and near the Boat Launch Ramps and using that sand to restore a previously existing beach through construction of an elevated berm along a ~1,000-foot-long section of shoreline at Surfers Beach. The project also will mitigate for current and future damages to eelgrass by creating new eelgrass habitat and relocating eelgrass within the harbor to improve conditions for fish and wildlife species. For more background information see: <https://www.smharbor.com/surfers-beach-pilot-restoration-project-schedule>.

Project Schedule:

Permitting has been challenging for numerous reasons, including endangered species and sensitive habitats in the construction areas and agency staffing limitations. Due to the delays in the availability of permits it was not possible to initiate construction in summer 2023 as previously planned. However, the permitting process is now nearly complete, and we have completed all the studies, surveys, and information requested. Therefore, we remain on track to put the Project out to bid in late fall/early winter timeframe and begin construction in late spring/early summer. Several pre-construction surveys and activities will occur between now and initiation of construction, as described in the Next Steps section below. Once a contractor has been selected and given notice to proceed the first step will be the construction of the eelgrass mitigation area in the west basin of PPH. This will involve dredging sediment from an area near the PPH boat launch ramps and relocating/placing that material on the seafloor at the mitigation site to

create new habitat where the transplanted eelgrass can grow. The sediment placed at the mitigation site needs to settle for 2 - 4 weeks to allow consolidation of placed material and confirmation of site stability prior to planting the transplants from the east basin dredging area 2B. Following initial construction of the eelgrass mitigation site, the dredging and Surfers Beach sand placement activities will commence, with a sequenced placement of sand from the southern end of the Highway 1 revetment to the northern extent at the PPH east breakwater.

Permitting:

Permit applications for the project were submitted in February 2022. Since then, District consultants have participated in numerous meetings with staff from Greater Farallones National Marine Sanctuary and Greater Farallones Association, Coastal Commission, Regional Water Quality Control Board, Cal Department of Fish and Wildlife, U.S. EPA, Army Corps of Engineers, US Fish and Wildlife Service, and National Marine Fisheries Service. A major milestone was achieved on September 06, 2023, when the California Coastal Commission approved the project's Coastal Development Permit application at their hearing.

The District and consultants have coordinated closely with all agencies and responded to all requests for information. All agencies are aware of the proposed construction timeline and the need to issue permits in a timely manner to avoid delaying the project further. Therefore, we expect that the other permits will be available soon. Army Corps of Engineers is still working through the consultation requirements with National Marine Fisheries Service, addressing concerns regarding endangered species and habitats including black abalone, sunflower sea star, eelgrass, steelhead, green sturgeon and coho salmon, and significant progress has recently been made. San Mateo County and the City of Half Moon Bay have submitted concurrence letters and local agency review forms as part of the Coastal Development Permit process. The District submitted an application for a Caltrans encroachment permit (addressing construction site access) and requested permission for use of the County parks land on the bluff above the project site, as an equipment staging area.

Eelgrass Mitigation Requirements:

Eelgrass plays many important roles in marine ecosystems and the environment and is highly protected both federally and by the State of California. Seagrass habitat is designated as a Habitat Area of Particular Concern (HAPC) by National Marine Fisheries Service and protected under the Clean Water Act. Additionally, the California Public Resources Code is committed to protecting and expanding eelgrass resources. Compensatory mitigation is required for any eelgrass that would be damaged by a proposed project.

Eelgrass is currently present in a portion of the Surfers Beach Project's proposed dredging areas in the Harbor's east basin and will be impacted by the proposed dredging activities. The District's proposed eelgrass mitigation program is required to align with the California Eelgrass Mitigation Policy and Implementing Guidelines (CEMP; NMFS 2014). The CEMP contains guidelines for mitigation for vegetated and unvegetated eelgrass habitat to be successfully completed at a ratio of at least 1.2:1

mitigation area to the impacted area, as well as preferred methodologies and success criteria.

In 2020, the Harbor District developed a *PPH Harbor Wide Eelgrass Mitigation and Management Plan (EMMP)*, which identifies an area off the west breakwater elbow in the Harbor's west basin to be used for eelgrass mitigation. The identified mitigation site occurs around existing eelgrass and the area of suitable habitat was proposed to be expanded by dredging the shallow areas at the west breakwater dogleg and placing of additional fill offshore to make the deeper areas shallower. Based on recent discussions with permitting agencies, the EMMP and mitigation concept is currently being revised and finalized and will no longer involve dredging in the shallows but will include additional fill to expand the site in the deeper portions. Once this plan is updated the District will distribute an RFP for the eelgrass transplanting and 5-year eelgrass mitigation monitoring program. The selected mitigation contractor will also be responsible for acquiring a Scientific Collection Permit from CDFW.

The most recent eelgrass survey completed in late May 2023 shows a significant reduction in the amount of eelgrass in the east basin dredge areas but significant increase at the west breakwater mitigation site, as compared to the late 2019 survey that the EMMP is based on. This will likely mean that the eelgrass mitigation will be scaled down from the original concept proposed in the 2020 EMMP, ultimately resulting in reduced construction costs for the District.

The path forward for the eelgrass mitigation is as follows. Once the EMMP is revised, in September 2023, the ESA engineering team will update the construction plans to reflect the revised concept and the 2023 eelgrass survey extent. This plan set will allow the Project to go out to bid. Harbor dredging, Surfers Beach Nourishment, and construction of the eelgrass mitigation area will all be part of the same Invitation for Bid (IFB). A separate RFP will also be released for the eelgrass salvage and transplanting and a 5-year monitoring program for eelgrass mitigation. However, the final requirements will ultimately be based on a pre-construction survey of eelgrass in the Project areas that is required to be conducted no more than 60 days prior to beginning in-water work, and during the central California eelgrass growing season (April – October). We are currently planning for this eelgrass survey to occur in April 2024. Following that eelgrass survey, and a pre-construction bathymetry survey, ESA will be prepared to promptly finalize the construction plan sets for both all aspects of the Project based upon the new data. Eelgrass source material for the eelgrass mitigation project is located in dredging area 2B that is shown in the Project plans, along the east outer breakwater, and will require physical removal and transplant of eelgrass shoots. Dredging in zone 2B will not occur until after the eelgrass mitigation area is constructed and all eelgrass has been transplanted to the mitigation site from the source location.

Environmental Review-CEQA:

CEQA requirements are completed. A draft CEQA Initial Study/Mitigated Negative Declaration was completed in early 2022 and was filed with San Mateo County Clerk and the State CEQA Clearinghouse in late 2022. The District also issued a Final IS/MND and Notice of Determination last year.

Projected Costs, Funding, and Grants:

The District's current 5-year budget includes funding for the Project. A rough magnitude cost estimate was previously provided by ESA, and they are currently working on a more accurate Engineer's Estimate, that will be available in fall of 2023. The prior rough estimate that ESA provided for the eelgrass mitigation was \$1.8 million and for Surfers Beach project an additional \$2.9 million. This rough magnitude engineer's estimate does include a large contingency (+30%) and is targeted to be higher than the lowest bids. These estimates above are for a 75,000 cubic yard project, a scaled up 100,000 cubic yard version of the project would increase cost by an estimated \$700K (eelgrass mitigation cost would remain unchanged). The total estimated cost therefore, for the larger 100,000 cy project alternative and eelgrass mitigation, would be \$5.4 million. However, important to note, the above estimated cost for the eelgrass mitigation was based on the late 2019 extent of eelgrass within the dredging areas. The most recent eelgrass survey from May 2023 shows a significant decrease in eelgrass cover in the dredging areas; therefore, projected cost for eelgrass restoration components of the project will likely decrease in comparison with the initial cost estimate.

Additional funding was actively sought for the project throughout the planning phase. The District and its consultants have continued to seek additional opportunities as more grant funds are announced. Applications have been submitted for more than 10 grant opportunities since 2020. Additionally, the project was already approved for grant funding from California Ocean Protection Council (\$75K that was used for Project planning costs), California Division of Boating and Waterways (\$800K to be used for Project construction costs), and National Oceanic and Atmospheric Administration (\$125K to be used for biological monitoring related costs). District staff and consultants are also actively exploring cost sharing opportunities with other jurisdictions that would benefit from the project. The District has applied for the following Surfers Beach grant opportunities since 2020:

- Ocean Protection Council (OPC) Prop 68 grant application for construction costs for Surfers Beach. Application was submitted on 11/13/20. Status: grant was not awarded.
- State Coastal Conservancy Proposition 1 Grant in 2020 to cover planning phase costs associated with the Project. Status: grant was not awarded.
- California Resilience Challenge grant for Project planning costs in 2020. Status: grant was not awarded.
- OPC grant, in coordination with staff from Greater Farallones National Marine Sanctuary (GFNMS) and Greater Farallones Association (GFA), to cover costs for Surfers Beach Project physical and biological monitoring and other necessary studies required by permitting agencies. Update: GFA/GFNMS was not awarded this grant.
- NOAA Effects of Sea Level Rise grant, in coordination with staff from Greater Farallones National Marine Sanctuary (GFNMS) and Greater Farallones Association (GFA) to cover costs for Surfers Beach Project biological monitoring. Status: GFA/GFNMS was awarded the grant and will provide \$125K of funding for the Project's biological monitoring program.

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- National Fish and Wildlife Foundation National Coastal Resilience Fund Grant in 2021 for funding for construction. Status: grant was not awarded.
- National Fish and Wildlife Foundation Emergency National Coastal Resilience Fund Grant in 2022 for funding for construction, submitted in February 2022. Status: grant was not awarded.
- National Fish and Wildlife Foundation National Coastal Resilience Fund Grant in 2023 for funding for construction. Status: grant was not awarded.
- NOAA Climate Resilience Regional Challenge grant in 2023. Status: LOI submitted, no response yet.

Next Steps:

District consultants and staff still need to complete the following tasks in preparation for the project construction phase:

- *Revise Eelgrass Mitigation Plan and Construction Plan set:* As mentioned in above Eelgrass Mitigation section, updates are being made to the PPH Harbor-wide Eelgrass Mitigation and Management Plan based on agency input and 2023 eelgrass survey results. Once those updates are made then the ESA engineering team will update the construction plans so Project can go out to bid. (Status: revisions underway with expected completion by end of September 2023).
- *Finalize Technical Specification, Engineer's Cost Estimate, and Bid Documents:* Technical Specifications for construction are being prepared by ESA. Once these are completed then they can be incorporated into the bid documents for construction of the Harbor Dredging, Surfers Beach restoration, and eelgrass mitigation project. (Status: revisions underway with expected completion in October 2023).
- *Complete Required Surveys:* Numerous surveys are required prior to final agency approval and initiation of construction. This includes:
 - *Pre-construction eelgrass survey*
 - *Pre-construction black abalone survey*
 - *PPH bathymetry survey*
 - *Plant surveys*
 - *Snowy Plover and nesting bird surveys*(Status: Surveys will occur in Spring 2024).
- *Prepare and Release eelgrass mitigation RFP:* A separate contract will be awarded to a biological consultant or firm for the eelgrass salvage and transplant process along with a required 5 year monitoring program. The awarded contractor will also be responsible for obtaining a scientific collection permit from CDFW. (Status: RFP can be released once the revised EMMP and plan set are available, likely October 2023).
- *Coordinate with Project Partners on Construction Logistics:* Collaborate with San Mateo County Parks, Caltrans, City of HMB and others on general construction

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logistics including the construction equipment staging area, construction access, signage, replacement of beach access stairway, and other construction considerations. (Status: currently underway and ongoing prior to, during and after construction process).

- *Finalize Project Monitoring and Adaptive Management Plan:* Submit draft plan to agencies for review and update/revise based on feedback received. (Status: final revisions completed in September 2023).
- *Prepare Biological Monitoring Program:* Coordinate with permitting agencies and biologists to develop an acceptable monitoring program that assesses biological impacts and benefits following restoration of Surfers Beach. This does not include biological monitoring for the eelgrass mitigation, which will be done as a separate process. (Status: biological monitoring plan development and agency meetings will occur in late fall/early winter 2023/2024).
- *Develop Collaborative Surfing Conditions Monitoring Program:* District consultants and ESA engineering team will coordinate with the local surfing community and Surfrider Foundation in developing a monitoring program to identify and evaluate any changes to surf conditions following Project construction. Forms will be developed that surfers can fill out to help document any changes to surfing conditions. (Status: Monitoring program and forms are currently being drafted and public workshop(s) will be held in late fall/early winter 2023/2024).
- *Prepare Contracts for Bid and Construction Phase Project Management, Construction Management, Biological and Physical Monitoring, Permitting and Environmental Compliance.* District staff and Board of Harbor Commissioners will need to approve contracts for the final stages of pre-construction planning, construction phase oversight and project management, and post-construction monitoring phase (for up to 5 years). (Status: Detailed scope of work is being developed).
- *Coordination with Contractor on Construction Logistics:* This involves final planning for all construction logistics and preparation of a Construction Plan that includes construction areas, timing, methods, BMPs, and environmental and permitting compliance. (Status: these tasks will commence once the Project has gone out for bid and contractor selected).