

San Rafael Channel Association

July 2, 2021

[REDACTED]

SAN RAFAEL, CA 94901 [REDACTED]

RE: Summer 2021 Update on Dredging of San Rafael Channel and Umbrella Permitting (www.cityofsanrafael.org/dredging)

Dear [REDACTED] - (APN [REDACTED]) Waterfront Property Owner,
Resident or Business Owner:

Summary:

- 2022 President's Budget included \$6.75m for San Rafael Channel dredging
- Inclusion in President's Budget nearly guarantees Channel will be dredged 2022
- Final cost of dredging still being determined by US Army Corps of Engineers (USACE) design team – may be within \$6.75m or may need additional funding
- The USACE is only responsible for dredging the Federal Channel (see diagram included in letter). Private property owners are responsible for dredging from their private docks up to the Federal Channel
- Since the USACE is providing for mobilization of the dredging contractor, it will be cost effective for waterfront property owners to have their private docks dredged in conjunction with the USACE dredging
- Property owners wanting to “piggyback” on the USACE summer 2022 dredging for their private dredging will need permits from regulatory agencies and a separate agreement with the USACE dredging contractor in advanced
- To make the permitting process easier and more cost effective for property owners, the City is aggregating private properties wanting to dredge in summer 2022 under a single Umbrella Permit for review and approval by various SF Bay regulatory agencies
- Property owners wanting to participate in the Umbrella Permit can still sign up by filling out the online form at cityofsanrafael.org/dredging **by July 25, 2021.**
- Property owners who have already signed up for the Umbrella Permit should review proposed dredging limits for their property at: cityofsanrafael.org/documents/channel-private-property-footprint/
- For property owners who do **not** wish to participate in the City's aggregate Umbrella Permit, no action from this letter is required

Federal Channel dredging update:

On May 28, 2021 the Federal Fiscal Year 2022 President’s Budget was released and included \$6,750,000 for maintenance dredging in the San Rafael Federal Channel. Federal Fiscal Year 2022 runs from October 1, 2021 to September 30, 2022.

The President’s Budget, issued by the Executive Branch, is the first step in the FY 2022 budgeting process for US Army Corps of Engineers (USACE) projects. Once the President’s Budget for a fiscal year is released, the Congressional Appropriations (budget) Committees – of which there are both House and Senate committees – begin to work on the Congressional budget. Therefore, the President’s budget is the layer upon which the Congressional budget is based. The final congressional budget will hopefully be signed into law in October. While the San Rafael Federal Channel project is in the final, approved President’s budget for \$6.75m, it could also receive additional funding beyond the \$6.75m by either the Congress adding funds through the congressional budgeting process or, through the USACE “Work Plan”, which is approved by Congress in early 2022.

It is not atypical for a potentially underfunded project in the President’s Budget to receive the difference needed (e.g. in additional appropriations) to be fully funded through the final Congressional Work Plan. Sometimes a project is not funded in the President’s Budget at all and receives all of its funding in the Work Plan. When Petaluma received funding for a full dredge in FY 2021, the project was appropriated \$0 in the FY 2021 President’s Budget – but received full funding in the FY 2021 Congressional Work Plan.

Though the San Rafael Federal Channel project received \$6.75m in the FY 2022 President’s Budget – which is less than the initial conservative estimate needed for the full dredging – the City still sees this as good news for three reasons:

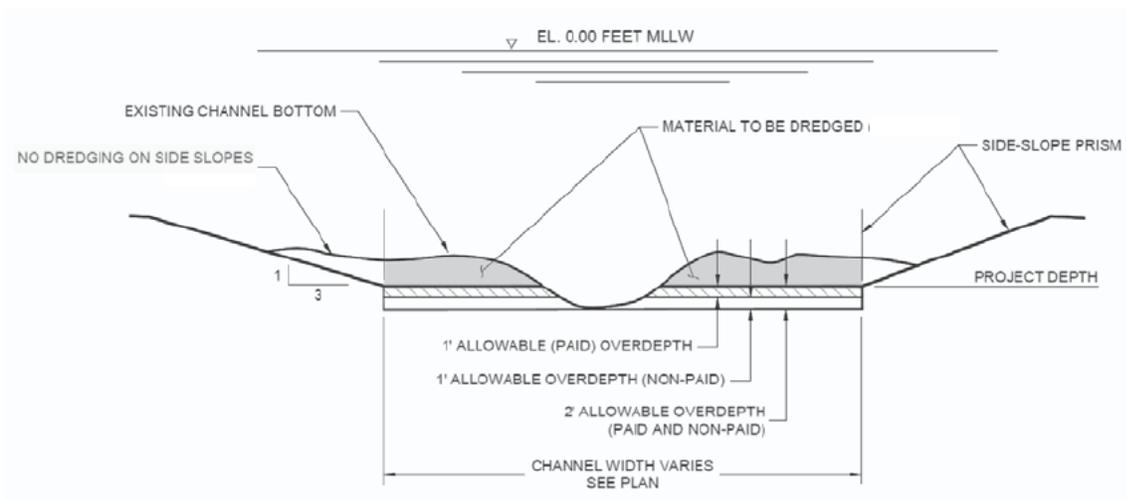
- 1. This nearly guarantees that the Channel will be dredged in summer 2022 (when the next environmental window opens in June 2022).** This is great news – this is the first concrete guarantee that dredging will happen in 2022, and the \$6.75m budget would allow for the most extensive dredging in the Channel in at least 20 years. If the USACE design team determines the Channel needs additional funding beyond the \$6.75m, the City and County are prepared to advocate for it in the Congressional Work Plan.
- 2. USACE San Francisco District staff can now continue to actively work on San Rafael Channel,** finalizing the design and environmental clearance. The USACE cannot work on a project that is not federally authorized for funding – so without this first step of receiving appropriation in the FY 2022 President’s budget – our project would technically have to be “on hold” until the FY 2022 Work Plan was finalized.
- 3. There are still opportunities to receive additional appropriations for the San Rafael Channel dredge in summer 2022.** We are now asking the House and

Senate Congressional Appropriation Committees (Energy & Water) to make up only the difference between the \$6.75m appropriated in the FY 2022 President’s Budget and any additional appropriations needed for the full project (as determined by the USACE design staff working on San Rafael). The final cost of the full dredge may be within the \$6.75m appropriated in the President’s Budget – or it may need additional funds. The most cost determinant piece of the dredging will be how the sediment with higher levels of contaminants, located at the western end of the channel, can be disposed of. The most cost-effective disposal method would be deep-sea disposal; however, the alternative would be a much costlier decanting and trucking disposal process on shore.

Read the City news release here: cityofsanrafael.org/dredging-appropriated-6.75m

Umbrella Permitting:

In anticipation of the summer 2022 date for dredging, the City is moving forward with obtaining Umbrella Permits for all private properties along the San Rafael Channel who would like to dredge the berthing space around their private docks, and up to the federal Channel. **The USACE is only responsible for dredging the Federal Channel**; which runs through the center of the Canal and does not include private docks or yacht harbors. A cross section of the USACE dredging plan for the Federal Channel is provided below, and does not include any dredging outside the federal channel (see note “NO DREDGING ON SIDE SLOPES”):



While USACE will not fund any dredging outside the federal channel, since they are providing for the mobilization of the dredging contractor to San Rafael in 2022, it is advisable waterfront property owners “piggyback” on the USACE dredging, i.e. entering into their own agreement with the USACE contractor to perform dredging between private docks and the Federal Channel. Piggybacking on the USACE dredging will result in significant cost savings to for property owners by eliminating the high cost of contractor mobilization and demobilization.

Waterfront property owners/tenants, including yacht clubs and marinas, wanting to have dredging performed in summer 2022 must also obtain permits to do so. The permitting process can take up to one year, and includes the following components:

- **DMMO Application:** The Dredged Material Management Office (DMMO) is the main office responsible for reviewing the permits, and will result in issuance of 10 year permits from the USACE and San Francisco Bay Conservation and Development Commission (BCDC), and a Water Quality Certification from the Regional Water Quality Control Board. The DMMO application includes engineering design drawings for each property, GIS map overlays for those drawings, description of the project parameters, and a catalogue of all adjacent properties.
- **California Fish and Wildlife Permit:** Separate permits must also be obtained from Cal Fish and Wildlife
- **City of San Rafael Dredging Tidelands Permit**

To make the permitting process more efficient and cost effective for the several hundred property owners who would otherwise need to obtain permits individually, the City is supporting an **Umbrella Permitting** approach. The City has contracted with Haley and Aldrich to provide technical expertise and coordinate the aggregate permitting process with property owners, as well as to prepare the permit for regulatory agency review and approval.

In fall 2020, when the City anticipated a summer 2021 USACE dredging, the City sent out a letter to all Channel waterfront property owners asking for those interested in participating in Umbrella Permitting to fill out an online form at cityofsanrafael.org/dredging.

Since we now know USACE dredging will occur instead in summer 2022, the City is providing all waterfront property owners another opportunity to sign up for the aggregate Umbrella Permit. To date, more than 70 Channel-adjacent property owners have signed up to participate in Umbrella Permitting.

Therefore, we are asking all recipients of this letter to do the following:

1. If you **do not** wish to have private dredging performed in conjunction with the Federal Channel dredging episode, no further action from this letter is required.
2. If you **do** wish to have private dredging performed in conjunction with the Federal Channel dredging episode:
 - a. If you have **already signed up** for Umbrella Permitting, please review the proposed dredging limits for your property at: cityofsanrafael.org/documents/channel-private-property-footprint/. If any of the dredging limits needs to be changed for your property, please contact Scott Bodensteiner, Program Manager with Haley & Aldrich directly at SBodensteiner@haleyaldrich.com.
 - b. If you have **not yet signed up** for umbrella permitting, but are interested in doing so, please fill out the online Umbrella Permitting form at

cityofsanrafael.org/dredging AND review the proposed dredging limits for your property in the link provided in 2a.

The *total* permitting cost for all properties participating in the umbrella permit will likely be approximately \$70,000 and includes acquisition of the permits, a Tier I sediment quality evaluation based on the USACE's sediment testing study, and the hiring of the above-mentioned consultant (Haley & Aldrich) to coordinate the process with the agencies. This figure does not include the actual dredging cost. Permitting costs will be apportioned among participating properties based on available dock space. You can read more at cityofsanrafael.org/how-umbrella-permitting-apportioned.

Scott Bodensteiner, Program Manager with Haley & Aldrich is leading the permitting process and can be reached directly at SBodensteiner@haleyaldrich.com.

If you are interested in taking advantage of the USACE's upcoming dredge episode and having your private dock dredged during it, visit cityofsanrafael.org/dredging and fill out the "Umbrella Permits Form" by **July 25, 2021**.

Respectfully,

A handwritten signature in black ink, appearing to read "Bill Guerin", with a long horizontal flourish extending to the right.

Bill Guerin, Director of Public Works
City of San Rafael

CC: Talia Smith, Senior Management Analyst, Department of Public Works