



CITY OF OAKLAND

AGENDA REPORT

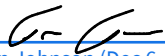
TO: Jestin D. Johnson
City Administrator

FROM: Michael Kashiwagi
Interim Director, OPW

SUBJECT: Accept EPA Community Grant for
Lake Merritt

DATE: December 2, 2024

City Administrator Approval


[Jestin Johnson \(Dec 6, 2024 05:48 PST\)](#)

Date:

Dec 6, 2024

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator To Apply For, Accept, And Appropriate Grant Funds From The Environmental Protection Agency's Community Grant Program For The Lake Merritt Healthy Lake Initiative Project In The Amount Of Nine Hundred Fifty-Nine Thousand Seven Hundred Fifty-Seven Dollars (\$959,757.00) And To Adopt Appropriate California Environmental Quality Act (CEQA) Findings

EXECUTIVE SUMMARY

Approval of this proposed resolution will enable the City to apply for, accept, and appropriate funds from the Environmental Protection Agency (EPA)'s Community Grant Program for the purpose of implementing the Lake Merritt Healthy Lake Initiative Project (Project).

In 2023 staff applied for Congressionally Directed Spending through a State and Tribal Assistance Grant for the Project to develop and implement strategies to control excessive algae growth and low dissolved oxygen concentrations in Lake Merritt. United States Congresswoman Barbara Lee selected Oakland to receive nine hundred fifty-nine thousand seven hundred fifty-seven dollars (\$959,757.00) for the Project, and Congress appropriated the funding in 2024.

To access the funding, the City must submit grant paperwork through the Environmental Protection Agency's Community Grant Program. The awarded funds will be spent on water quality monitoring; environmental studies and evaluation; and implementation of cost-effective strategies such as installation of additional aeration/oxygenation systems needed to protect aquatic life, prevent fish kills, remove Lake Merritt from the federal impaired waterbody list for dissolved oxygen, and comply with other state and federal water quality regulations.

City Council
December 17, 2024

REASON FOR URGENCY

The need to take swift action to execute an EPA grant agreement for the Project came to the attention of staff on November 25, 2024. City officials were informed that the incoming federal administration may consider rescinding Congressionally Directed Spending for California. Therefore, it is necessary to go directly to Oakland City Council with this request for authorization to apply for, accept, and appropriate grant funds for the Project as soon as possible.

BACKGROUND / LEGISLATIVE HISTORY

The City of Oakland has worked to improve water quality in Lake Merritt for more than two decades. The passage of Measure DD, the Oakland Trust for Clean Water and Safe Parks, in 2003 kicked off many capital improvement projects to improve Lake Merritt water quality. Per City Resolution No. [78750 C.M.S](#) adopted on July 1, 2004, the City of Oakland began implementing plans for the Oakland Trust for Clean Water and Safe Parks, Measure DD, Creek Restoration, Watershed Acquisition, and Lake Merritt Water Quality Programs. In 2020, voters passed Measure Q, the Oakland Parks and Recreation Preservation, Litter Reduction, and Homelessness Support Act. Measure Q's water quality goals include reducing litter and meeting the city's water quality objectives, including improving water quality at Lake Merritt.

In August 2022, a red tide harmful algal bloom (HAB), caused by the *Heterosigma akashiwo* species, covered Lake Merritt, the San Francisco Bay, and areas along California's coast. The algal bloom consumed and lowered dissolved oxygen levels, which contributed to a massive fish kill. Addressing excessive algae growth and low dissolved oxygen (DO) concentrations in Lake Merritt is needed to protect aquatic life, prevent fish kills, remove Lake Merritt from the federal impaired waterbody list for dissolved oxygen, and comply with other state and federal water quality regulations.

In response to the 2022 Lake Merritt fish kill, the City of Oakland and its partners initiated the [Lake Merritt Water Quality Management Pilot Project](#) (Pilot), which is currently underway. The Pilot is designed to address excessive algae growth and low dissolved oxygen levels associated with the fish kill. The results of the first phase will inform the scope of the Lake Merritt Healthy Lake Initiative Project. Success at Lake Merritt will borrow from and inform approaches used in other water bodies facing similar threats that are becoming more common with climate change.

ANALYSIS AND POLICY ALTERNATIVES

The purpose of the Project is to develop and implement additional effective strategies to control excessive algae growth and low dissolved oxygen in Lake Merritt, which caused an unprecedented fish die-off in August 2022. Addressing excessive algae growth and low dissolved oxygen concentrations in Lake Merritt would protect aquatic life and prevent fish kills. Improving dissolved oxygen concentrations in Lake Merritt would also assist the City in removing Lake Merritt from the federal list of waterbodies impaired by low dissolved oxygen and to comply with other state and federal regulations and water quality objectives.

The project includes water quality monitoring; a study to determine if dredging or bathymetry adjustment is feasible; implementation of cost-effective strategies such as installation of additional aeration/oxygenation systems; and implementation of other innovative measures designed to protect aquatic life habitat. The project will advance Lake Merritt's health, engage stakeholders, educate Lake Merritt users, improve a natural resource, promote resiliency by reducing climate change impacts, and enhance the enjoyment of Lake Merritt by preventing fish die-offs. The project will serve the City of Oakland (approximately 433,000 residents) and visitors.

The approval of this resolution will authorize the City Administrator to apply for, accept, and appropriate funds in the amount of nine hundred fifty-nine thousand seven hundred fifty-seven dollars (\$959,757.00) from the Environmental Protection Agency for the purpose of implementing the Lake Merritt Healthy Lake Initiative Project. The use of these funds will advance the citywide priorities of improving **Vibrant Sustainable Infrastructure**.

FISCAL IMPACT

If this proposed resolution is approved, this grant would provide \$959,757 in funding to the City for the Lake Merritt Healthy Lake Initiative Project, the funding would be accepted and appropriated to FUND 2125 (Environmental Protection Agency), ORG 30245 (Watershed and Stormwater Management Division) Project No. to be determined. There is no grant matching requirement for this Project.

PUBLIC OUTREACH AND INTEREST

A group of active stakeholders are supporting the Project, including the East Bay Municipal Utility District, the Lake Merritt Institute, Oakland Parks and Recreation Foundation, the San Francisco Estuary Institute, the Oakland Measure DD Trust for Clean Water and Safe Parks Community Coalition, and the Rotary Nature Center Friends. **Attachment A** provides letters of support for the Project from these organizations that were submitted with the 2023 Congressionally Directed Spending funding request. A stakeholder meeting will be held in mid-December to obtain input from the community on the Project. Staff are reaching out to environmental justice groups in Oakland to invite representatives with water quality expertise and interest to attend the stakeholder meeting. San Francisco Bay Regional Water Quality Control Board staff are helping to plan the stakeholder meeting and have been providing guidance and input as City staff negotiate a complex ongoing effort to assess the effectiveness of devices installed as part of the abovementioned Pilot project.

COORDINATION

The application for Congressionally Directed Spending was reviewed by the Assistant Director of Public Works, Bureau of Design and Construction, Oakland Public Works. The proposed recommendations and this report and resolution have been reviewed by the Office of the City Attorney and Budget Bureau.

SUSTAINABLE OPPORTUNITIES

Economic: Approval of the resolution is expected to benefit the City of Oakland. By accepting and appropriating the grant funding for the Project, less funding will be needed in the future to comply with state and federal regulations and to remove Lake Merritt from the list of waterbodies impaired by low dissolved oxygen levels. Additionally, businesses associated with the implementation of the Project will receive economic opportunities through contracting for services.

Environmental: By approving this resolution, the City Council ensures that the City of Oakland continues to advance Lake Merritt's health, improve a natural resource, and promote resiliency by reducing climate change impacts.

Race and Equity: The approval of this resolution has no direct, immediate opportunities to advance racial equity in Oakland. Implementation of the Project will help prevent Lake Merritt fish die-offs, which will allow the City to maintain Lake Merritt recreational opportunities and positive Lake Merritt use experiences for all Oakland residents and visitors.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Work to be implemented by this Project, such as water quality monitoring, studies, and installation of aeration fountains and/or other systems that add dissolved oxygen to the water, are exempt under CEQA. Aeration fountains and similar devices, such as Hypolimnetic Oxygenation Systems, are exempt under Section 15304 as project activity "consists of minor public or private alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees except for forestry and agricultural purposes" and under Section 15340(d) because the project involves "minor alterations in land, water, and vegetation on existing officially designated wildlife management areas or fish production facilities which result in improvement of habitat for fish and wildlife resources or greater fish production."

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator To Apply For, Accept, And Appropriate Grant Funds From The Environmental Protection Agency's Community Grant Program For The Lake Merritt Healthy Lake Initiative Project In The Amount Of Nine Hundred Fifty-Nine Thousand Seven Hundred Fifty-Seven Dollars (\$959,757.00) And To Adopt Appropriate California Environmental Quality Act (CEQA) Findings.

For questions regarding this report, please contact Terri Fashing, Watershed and Stormwater Division Manager, at (510) 238-7276.

Respectfully submitted,



Michael Kashiwagi
Interim Director, Oakland Public Works

Reviewed by:
Emily Ehlers, Assistant Director
Oakland Public Works

Terri Fashing, Watershed and Stormwater
Division Manager, Oakland Public Works

Prepared by:
Jennifer Stern, Watershed Program Specialist,
Oakland Public Works

Attachment:

A: Letters of Support