STUDY SESSION FOR JERSEY ISLAND

August 3, 2026

Purpose of Study Session

- To help the public understand the District's interests in this project
- To present the District's findings on work completed to date
- To receive feedback from the public on both the District's overall approach and on specific considerations regarding design, objectives, etc.
- To answer questions

- Note: No decision has been made by the District on whether or how to proceed with an acquisition

Agenda

- Diablo Water District
  - Who we are
  - Why we are interested in Jersey Island
  - Draft restoration plan
- Project Status
- Site Conditions
  - Environmental Site Assessment (EKI Environment & Water, Inc.)
  - Gas Well Review (Dave Groves, The Earth Partners)
  - Title Condition (Dave Groves, The Earth Partners)
  - Carbon Assessment (Steve Deverel, HydroFocus, Inc.)
  - Reclamation District Assessment (Gilbert Cosio, River Delta Consulting)
  - Ecological Uplift Assessment (Dave Groves, The Earth Partners)
- Submit comment cards for public comment
- Brief break
- Public comments

Introduction

- Independent Special District formed in 1953
  - Five-member elected Board of Directors
- Provides drinking water to 47,000+ people in Oakley and portions of Bethel Island and Knightsen
- Commitment to provide high-quality water that is sustainable
  - Meeting today's needs while looking to future needs for our customers
- Most of the District's water comes from the Delta
  - The health of the Delta directly affects the District's ability to provide safe drinking water
- The District is a Groundwater Sustainability Agency

DIABLO WATER DISTRICT

Introduction (cont.)

Mission: To be environmentally responsible stewards of the water resources in our care for the benefit of our community by continually striving to be leaders in: high-quality water, customer service, public engagement, technical innovation, and responsible fiscal management

Guiding Principles

We are focused on long-term water solutions.

We are driven by excellence.

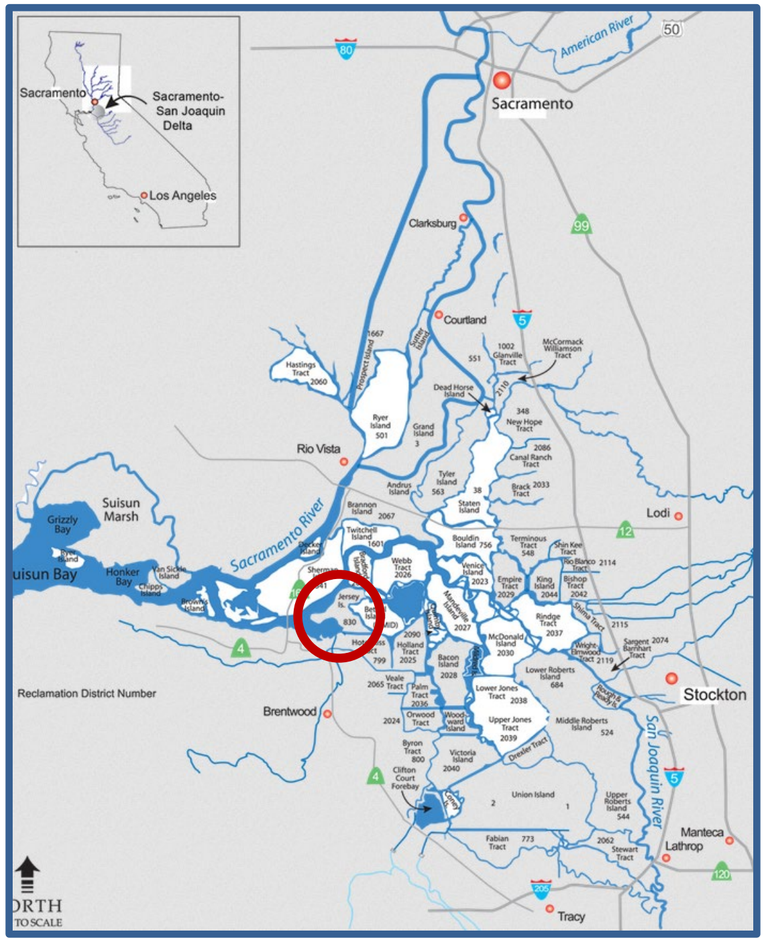
We are leaders in environmental and sustainable projects.

We are transparent with financial and policy decisions.

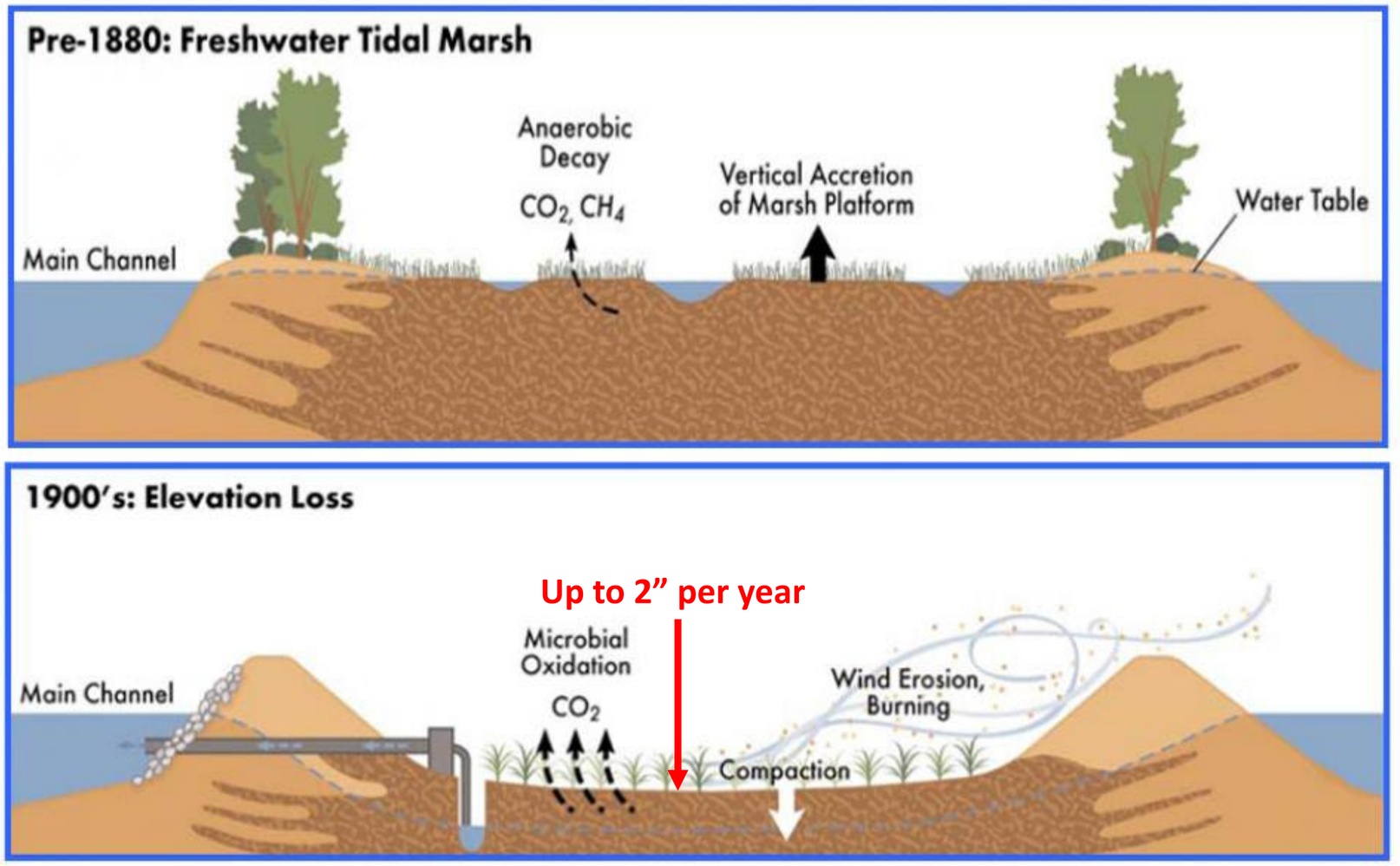
We are committed to diversity, equity, and inclusion.

Why Jersey Island is a Critical Resource

Jersey Island

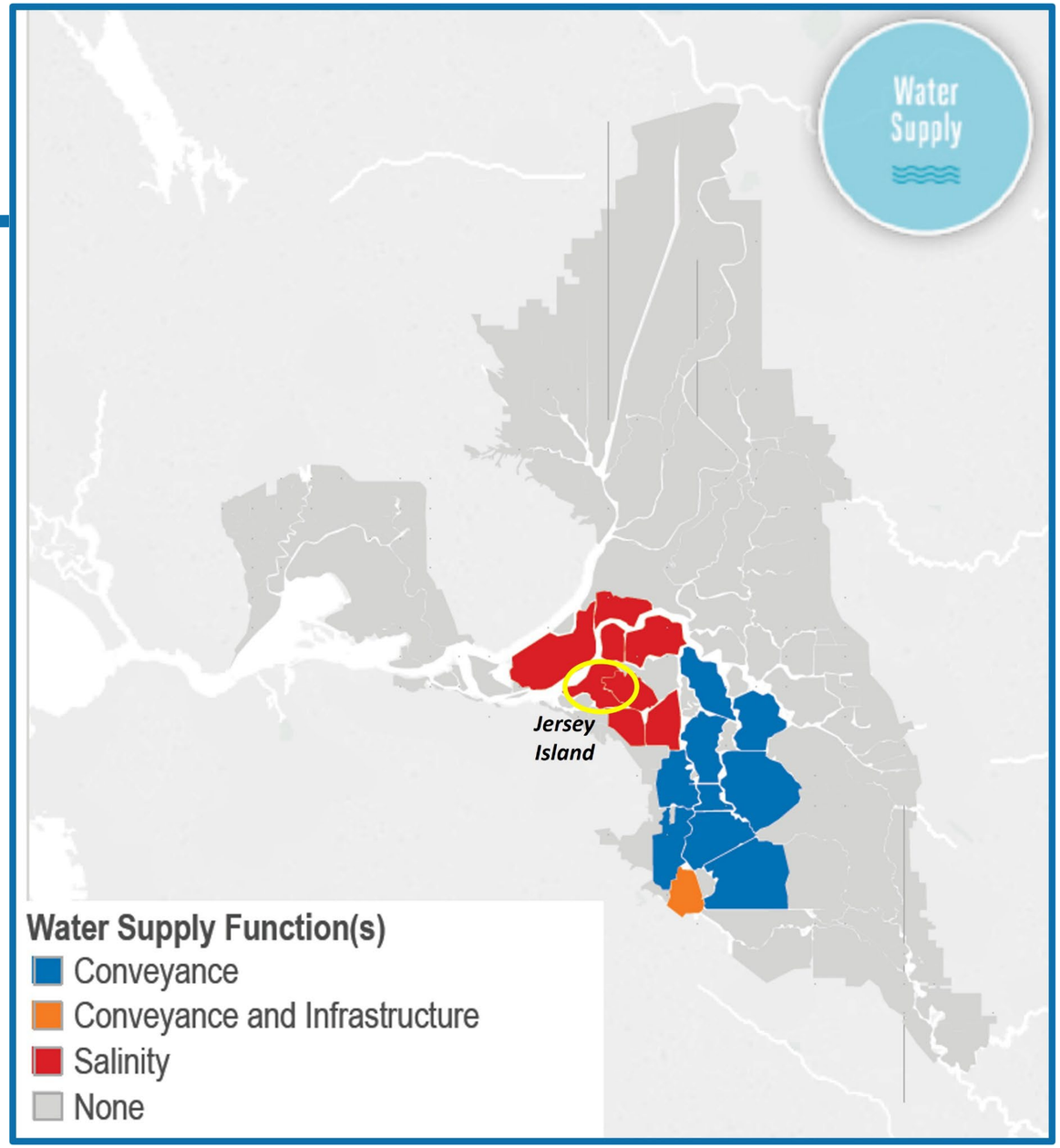


The Delta's Biggest Risk: *Subsidence*



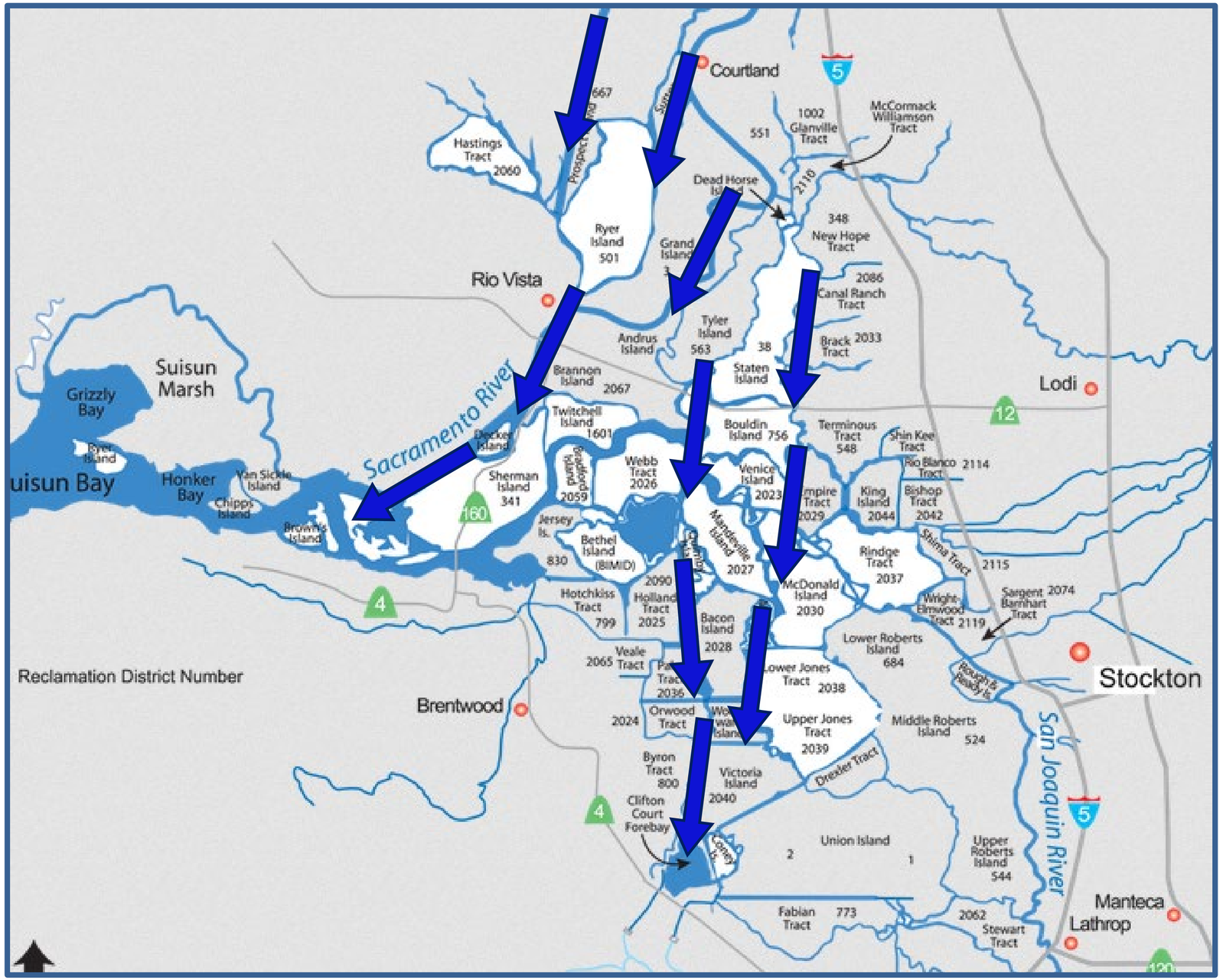
Risk to Water Delivery

- Jersey is 1 of 8 islands (in red) critical to preventing salinity from entering the Delta
- Parts of Jersey Island are more than 18 feet below sea level, putting significant strain on levees
- Levee failure would disrupt water delivery to Diablo Water District and Contra Costa County



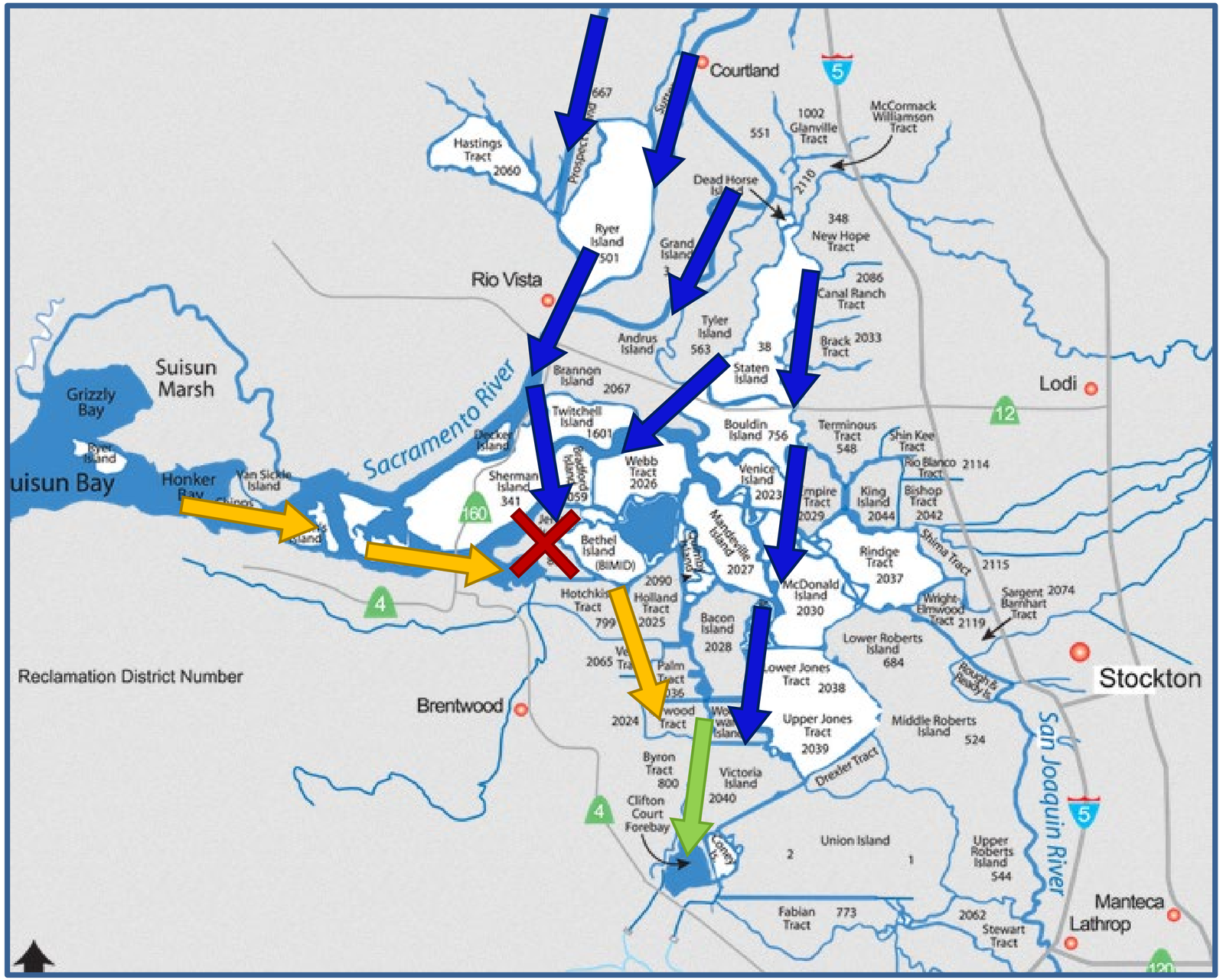
Typical Flow in the Delta

- Freshwater comes down the Sacramento River
- Most water flows into the Bay to keep saltwater out of the Delta
- Some flows into Contra Costa and State Water Project intake pumps



Flow During Jersey Island Levee Failure

- Freshwater is diverted into subsided Jersey Island
- Saltwater flows into the Delta, including Contra Costa and State Water Project intake pumps
- 6 – 18 months to remove saltwater from the Delta
- The District has no way to remove saltwater from our system
  - Antioch desalination plant cost $116 million

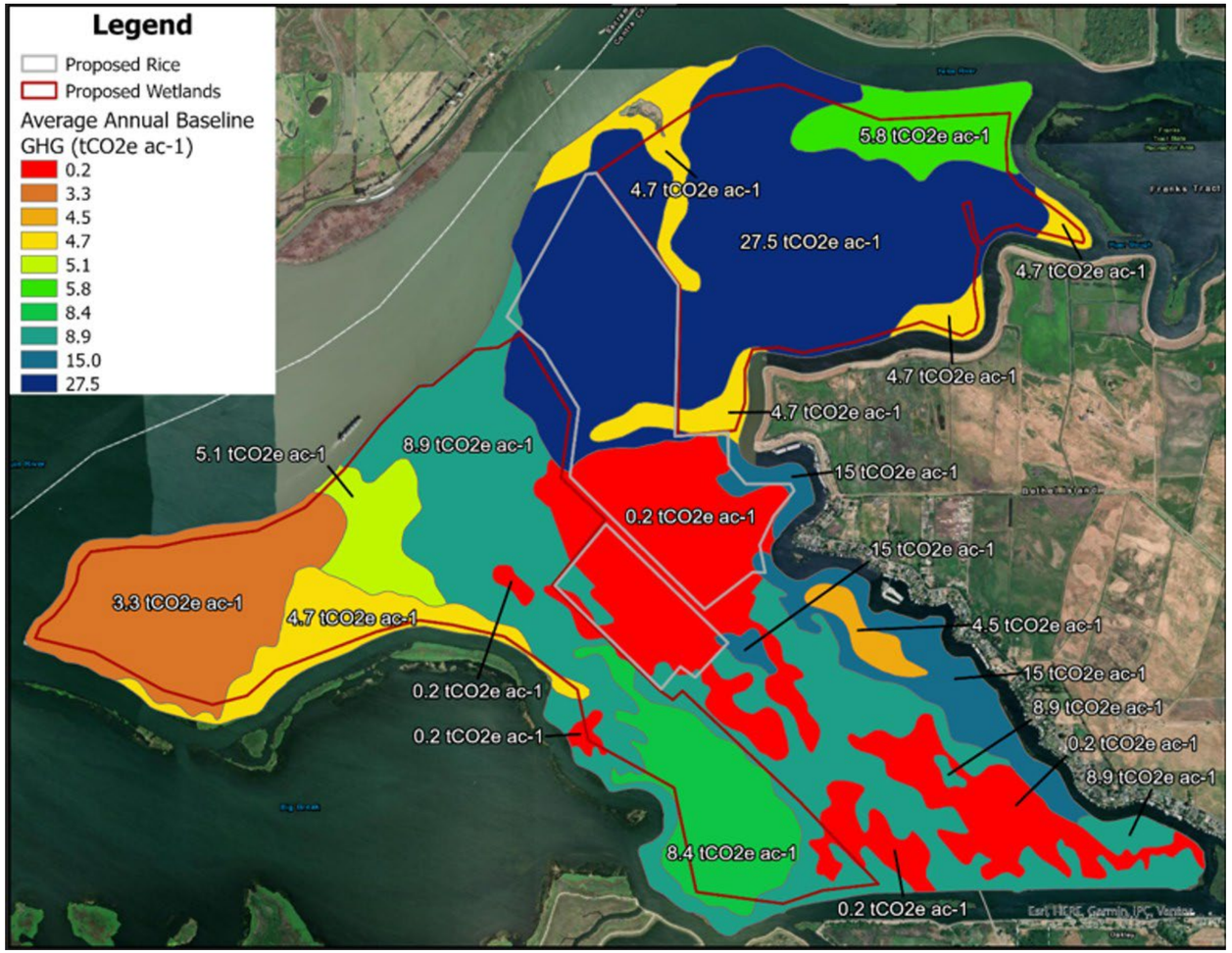


Water Rights

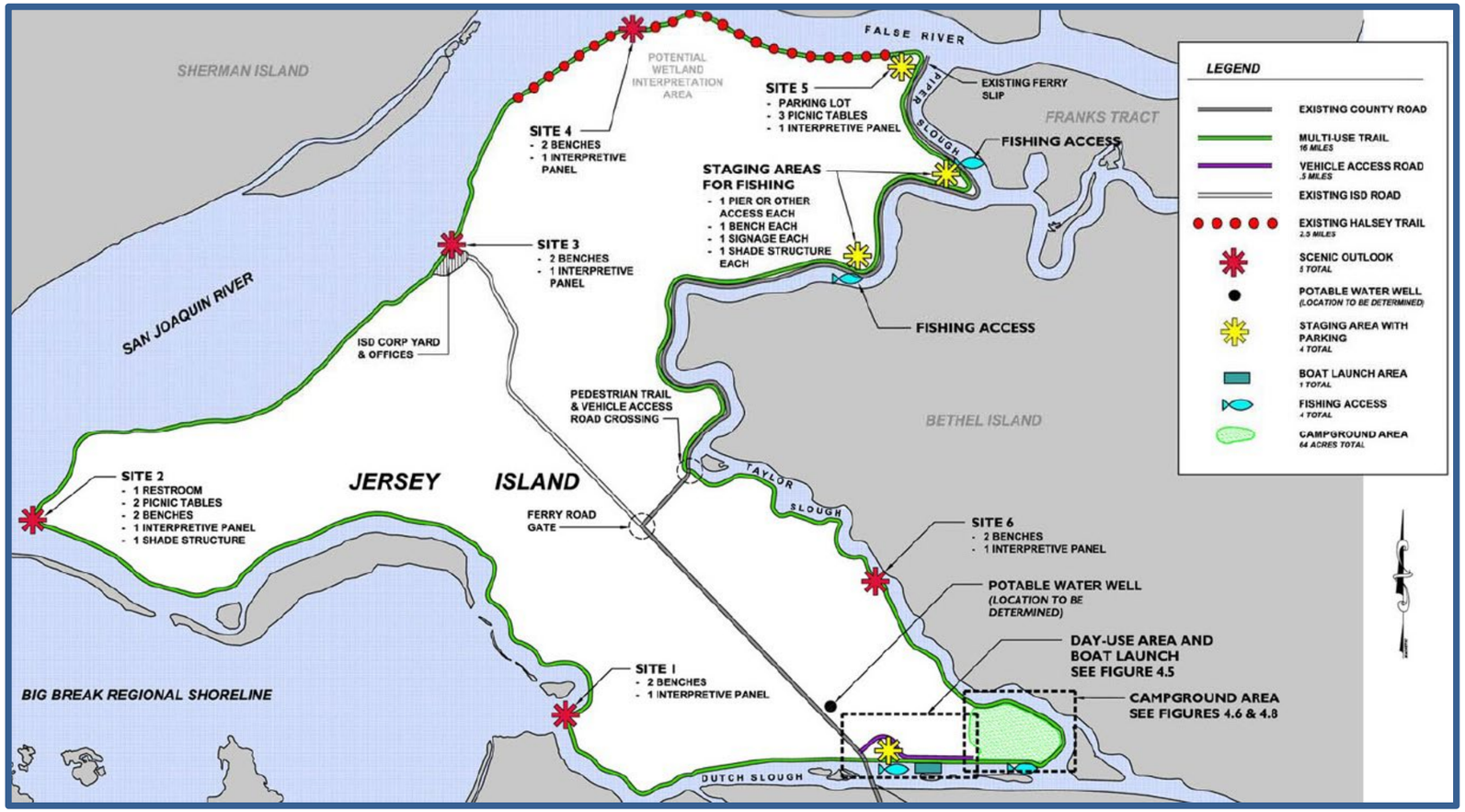
- Jersey Island has appropriative riparian water rights (i.e., very senior rights)
- Initial use would be to stabilize the island and reduce stress on levees
- Future District supply is a long-term opportunity
- Municipal use subject to state approval with no certainty
- Must monetize the island through other efforts

Carbon Emissions Reductions

- Carbon offset sales (with agricultural lease revenue) will pay for island operations and levee maintenance (O&M)
  - Voluntary market; not California's compliance market
- Restoring Jersey Island is a highly efficient way to prevent carbon emissions via restoration
  - Land-based carbon projects reduce emissions by 0.25 – 0.5 tons per acre per year
  - Jersey Island is emitting 11.5 tons per acre per year (41,000 total tons of carbon)



A New Resource for Contra Costa County



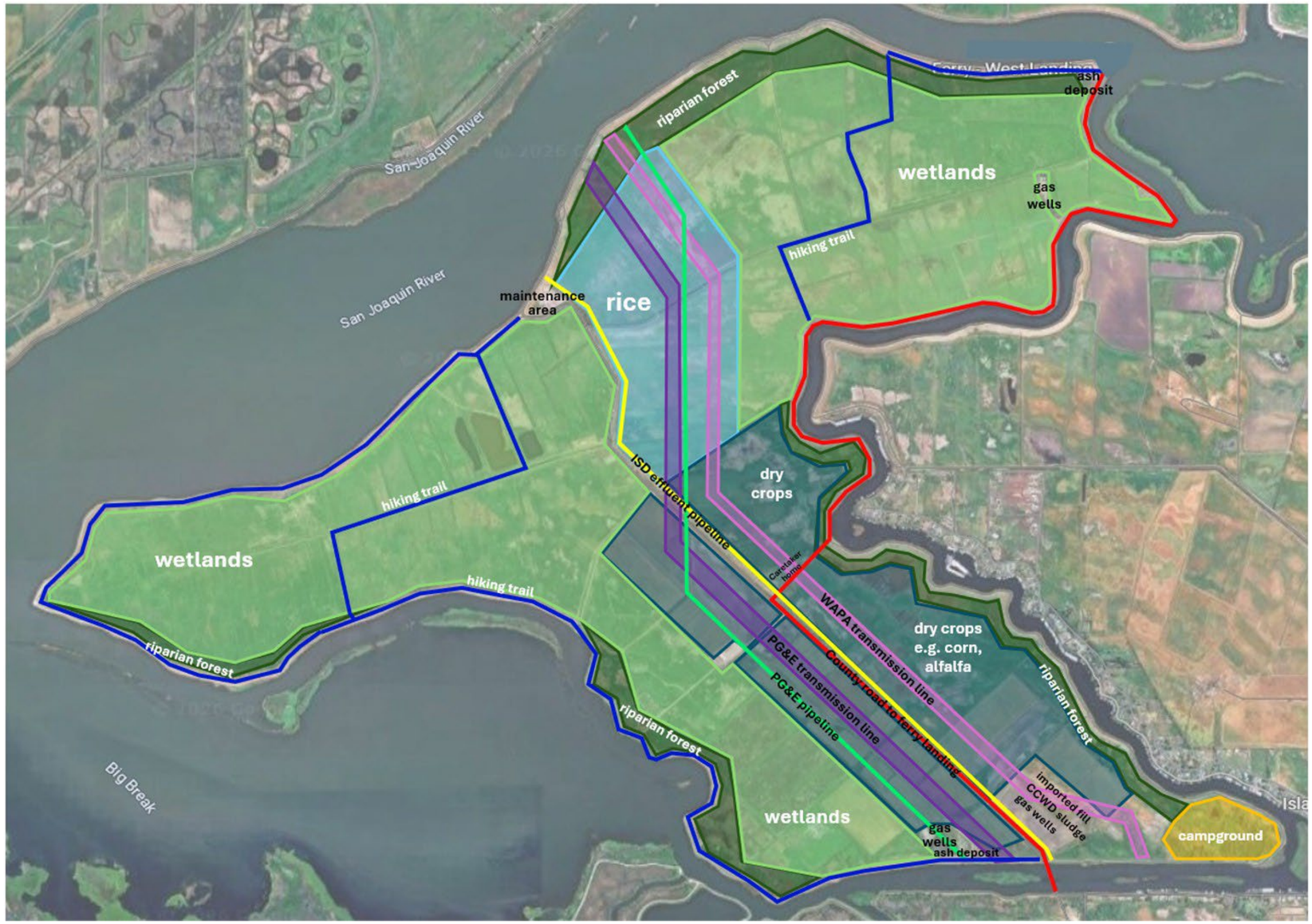
- *East Bay Regional Parks District* has expressed interest in incorporating portions of Jersey Island into its park system
- Will help residents better access the Delta
  - Will increase appreciation of this Congressionally-designated National Heritage Area in our backyard

A Community Resource

Current: Degraded pasture and invasive blackberry

Potential: Refuge for thousands of migrating birds

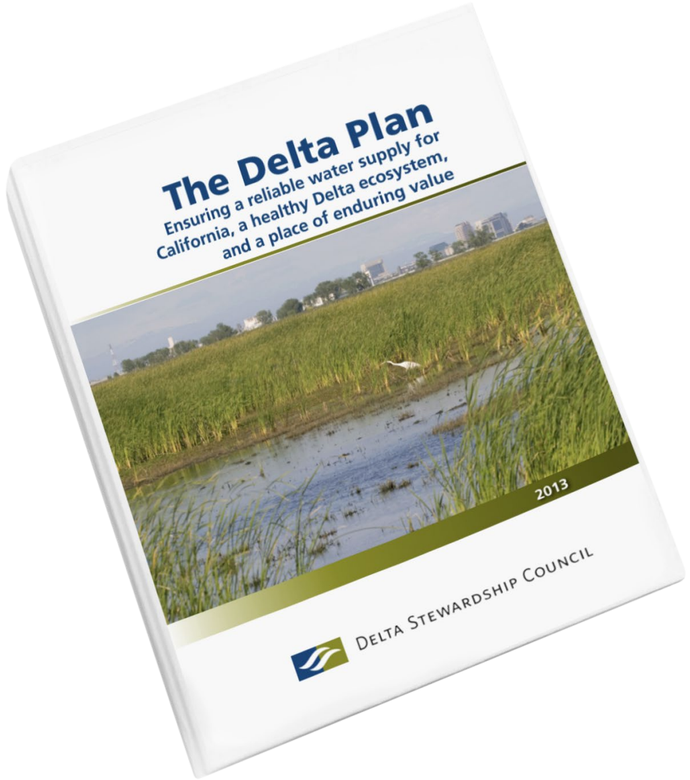
Draft Restoration Plan



- ~2,200 acres of native habitat
- ~1,000 acres of wildlife-friendly agriculture
- Campground and trail network
- Designed to strengthen and protect water quality and levees
- Subject to public and partner input

Black labels: existing infrastructure
White labels: proposed project

Consistent with State Plans & Objectives



Project Status

- Signed agreement with Ironhouse Sanitary District (landowner); allows access to investigate compatibility with our intended use
- Inspired this to be a top funding priority of the Delta Conservancy and the Gordon & Betty Moore Foundation
  - Working with legislature to secure Prop 4 funds for remaining funding need
  - Funding will not come from current water ratepayers
- Built a large group of strategic partners
- Currently conducting due diligence
  - All due diligence costs to-date funded by the Richard King Mellon Foundation

Supporters of the District Receiving State Funds to Rehabilitate Jersey Island

CONTRA COSTA COUNTY, CALIFORNIA

East Bay Regional Park District

California Rice
THE ENVIRONMENTAL CROP

Berkeley
UNIVERSITY OF CALIFORNIA

OAKLEY
CALIFORNIA

CALIFORNIA STATE UNIVERSITY EAST BAY

RESTORE THE DELTA
Fishable. Swimmable. Drinkable. Farmable

CENTRAL VALLEY JOINT VENT
CONSERVING BIRD HAB

RICHARD KING MELLON FOUNDATION

GORDON AND BETTY MOORE FOUNDATION

GREENBELT ALLIANCE

Reclamation District #830

Current Due Diligence Status

Environmental Site Assessments

Nicki Franks, EKI Environment & Water, Inc.

Phase I

- Standardized process to identify "recognized environmental conditions" (RECs), i.e., the presence or likely presence of hazardous substances
- Process includes review of historical documentation and aerial imagery; conducting questionnaires and interviews; completing a site visit

Phase II

- Uses results of the Phase I to identify where to test soil and water for hazardous substances
- Includes soil and water sampling and laboratory analysis to determine the presence and levels of hazardous substances

Phase I ESA Results

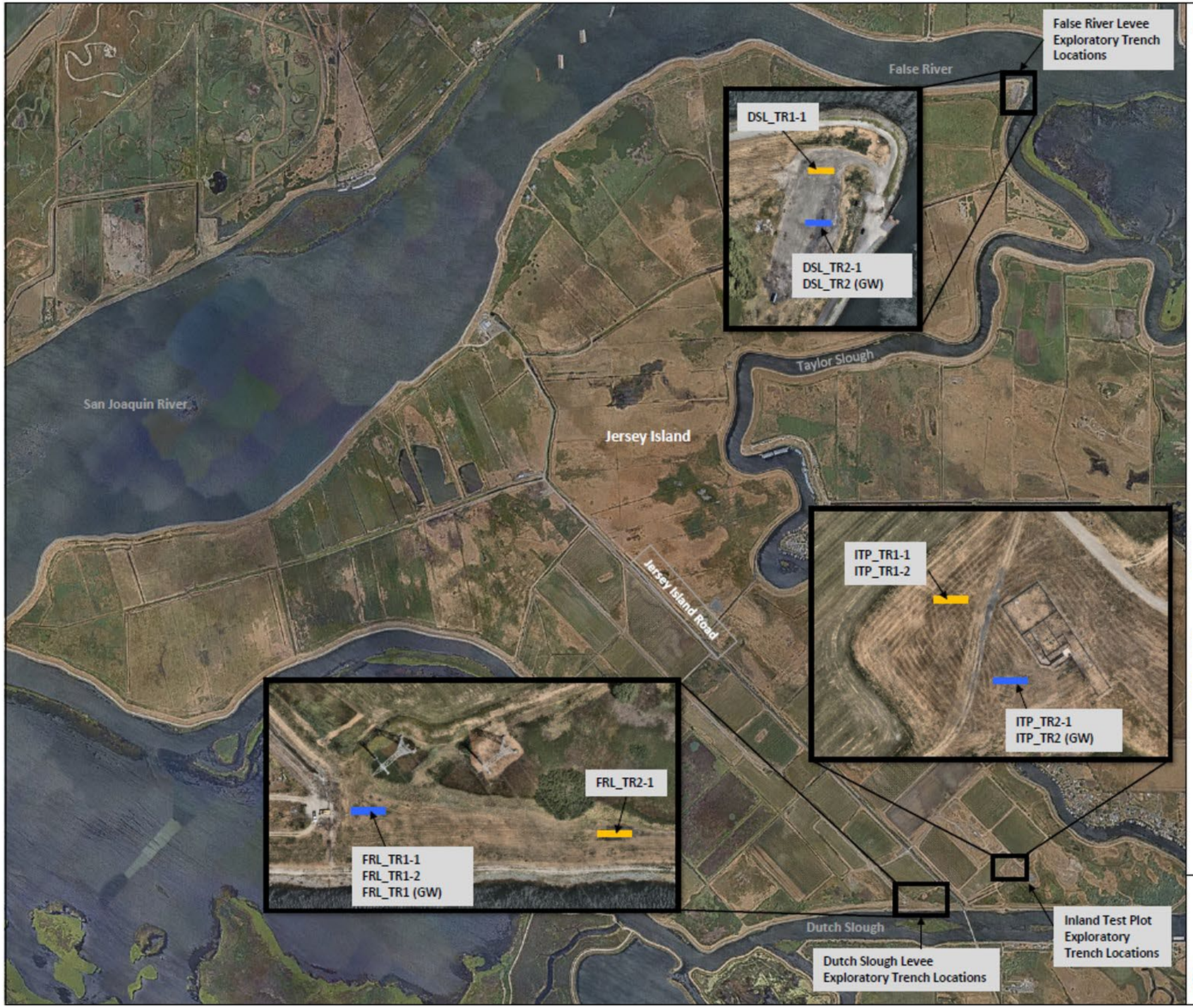
Potential RECs:

- Wood ash disposal sites
- Natural gas wells
- Imported fill disposal sites
- Biosolid application sites
- Cattle corrals
- Maintenance area

Subject Property Setting and Features

eki environment & water

Jersey Island
Contra Costa County, CA
February 2026
EKI C50377.00
Figure 2



Legend

- Exploratory Trench Soil Sample Location and Sample ID
- Exploratory Trench Soil and Groundwater Sample Location and Sample ID

Wood Ash Sampling

deposited by Fiberboard Corporation in the 1980s

Results:

Total lead and soluble lead found above aquatic screening levels in both soil and groundwater

Ash Deposit Exploratory Trench Locations

eki environment & water

Jersey Island
Contra Costa County, CA
April 2026
EKI C50377.00
Figure 2

Legend

- Exploratory Trench and Soil Sample Location and Sample ID
- Exploratory Trench and Soil and Groundwater Sample Location and Sample ID

Gas Well Sampling

around plugged and abandoned wells

Results:

No compounds identified at levels of concern

Gas Well Pad
Exploratory Trench Locations

Jersey Island
Contra Costa County, CA
April 2026
EKI C50377.00
Figure 3

eki environment & water

Legend

- Exploratory Trench and Soil Sample Location
- Exploratory Trench and Soil and Groundwater Sample Location

Imported Fill Sampling

Results:

PFAS levels slightly above protection-of-groundwater screening levels

Import Fill and Sludge
Exploratory Trench Locations

Jersey Island
Contra Costa County, CA
April 2026
EKI C50377.00
Figure 5

eki environment & water

Legend

- Agriculture Field Multi-Increment Surface Soil Sample Location and Sample ID
- Biosolids Application Field Multi-Increment Surface Soil Sample Location and Sample ID
- Former Cattle Corral Multi-Increment Surface Soil Sample Location and Sample ID

Agricultural Sampling

Results:

- No pesticides
- No compounds identified at levels of concern around corrals
- Some fields above screening levels for PFAS

Agriculture Field, Cattle Corral, and Biosolids Field Sample Locations

Jersey Island
Contra Costa County, CA
April 2026
EKI C50377.00
Figure 4

eki environment & water

Legend

- Agriculture Field Multi-Increment Surface Soil Sample Location and Sample ID
- Biosolids Application Field Multi-Increment Surface Soil Sample Location and Sample ID
- Former Cattle Corral Multi-Increment Surface Soil Sample Location and Sample ID

PFAS

per- and poly-fluoroalkyl substances

Results:

- Biosolids were deposited before PFAS hazards were understood
- Science is still evolving
- PFAS enters waste streams from end users; sanitary districts are passive receivers

Agriculture Field, Cattle Corral, and Biosolids Field Sample Locations

Jersey Island
Contra Costa County, CA
April 2026
EKI C50377.00
Figure 4

eki environment & water

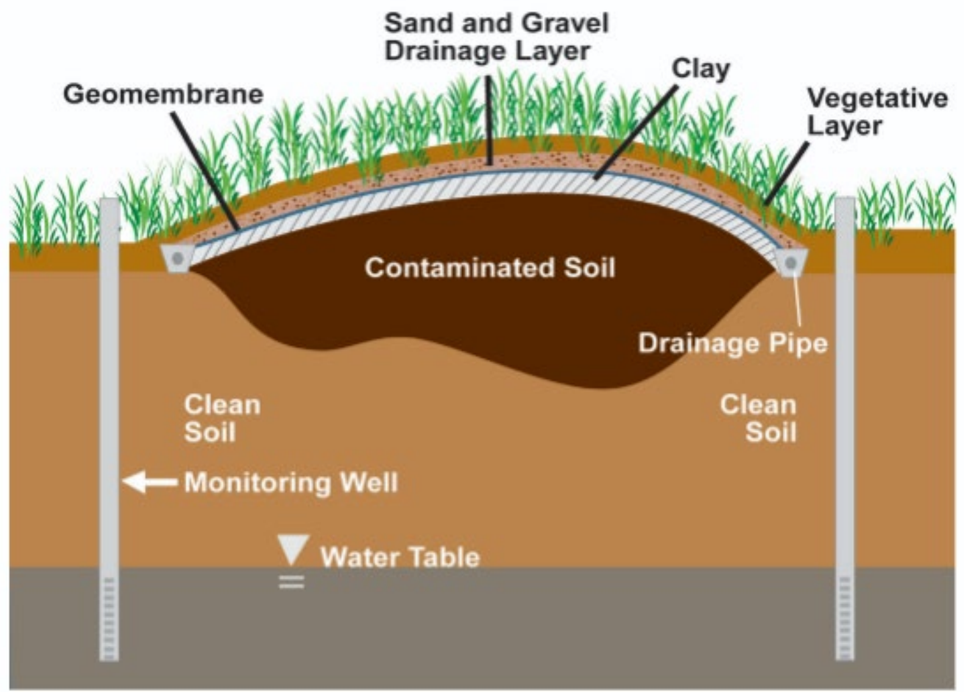
Maintenance Area Sampling

Results:

No compounds identified at levels of concern

Potential Remediation Measures

- Regulators have yet to weigh in; potential options include:
  - Stabilizing lead within ash deposits (via cement binder); installing a fabric cap and vegetated soil cover over ash disposal areas
  - Stabilizing PFAS within biosolids disposal areas (via granular activated carbon)
  - Installing groundwater monitoring wells around ash deposits and biosolids disposal areas to monitor groundwater for possible migration of lead or PFAS
  - Ensuring gas well operators follow through on their obligations to plug & abandon wells and remediate any contamination around well pads



Natural Gas Wells

David Groves, The Earth Partners

- 10 idle gas wells:
  - Two operators: California Resources Production Corporation (6 wells) and PEOCO (4 wells)
  - Leases have expired; operators have an obligation to plug and abandon all wells
- 11 plugged and abandoned (P&A) wells:
  - Test wells that did not produce gas
  - Contamination not found around P&A wells on Jersey
  - Similar P&A wells on adjacent islands have had contamination

Legend

- Well Pad for Idle Gas Wells
- Well Pad for Plugged and Abandoned Gas Wells

Gas Well Locations

N

0 2,500 5,000

Feet

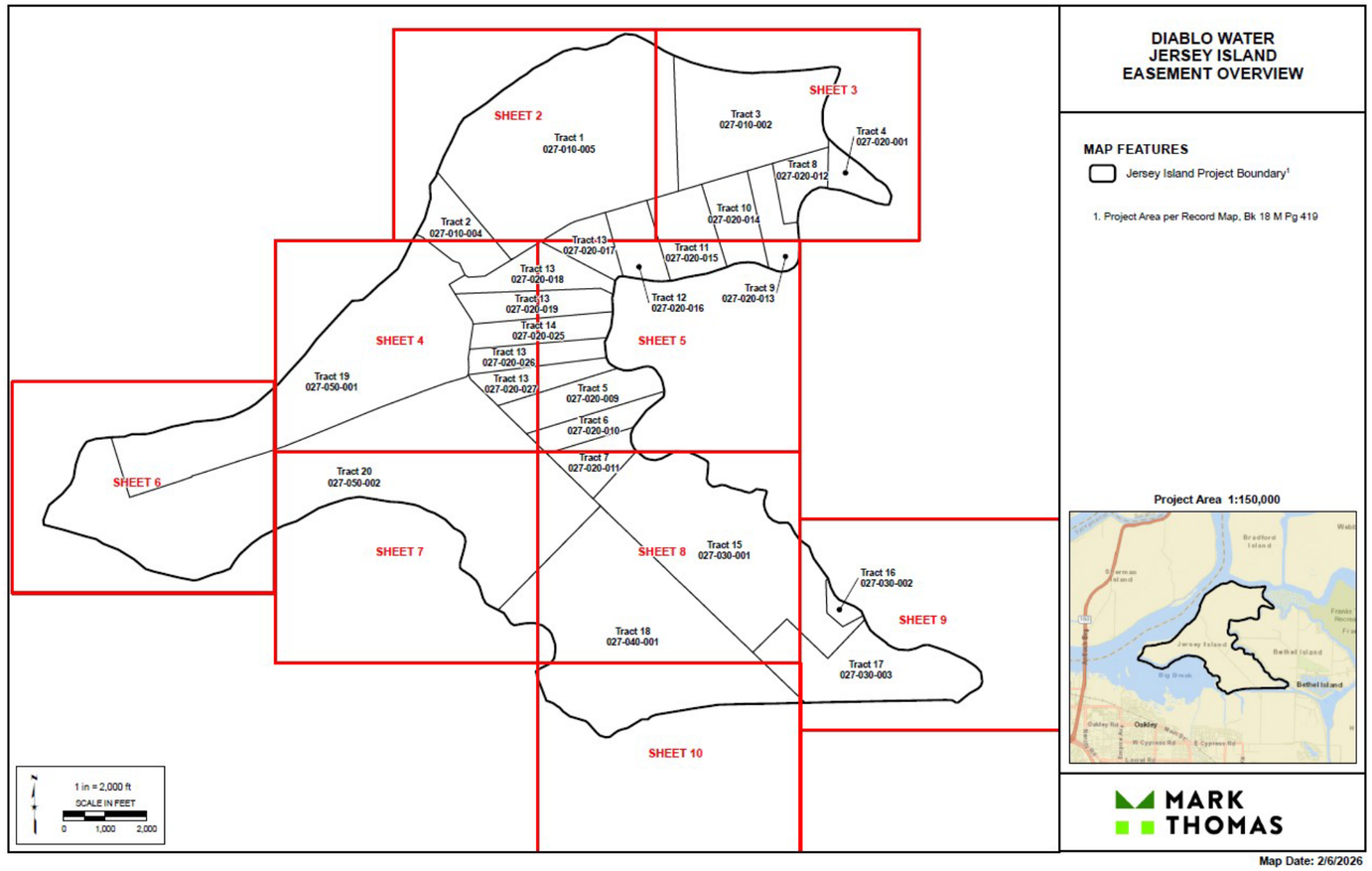
Key Areas of Potential Environmental Concern

eki environment & water

Jersey Island
Contra Costa County, CA
February 2026
EKI C50377.00
Figure 4

Title Review

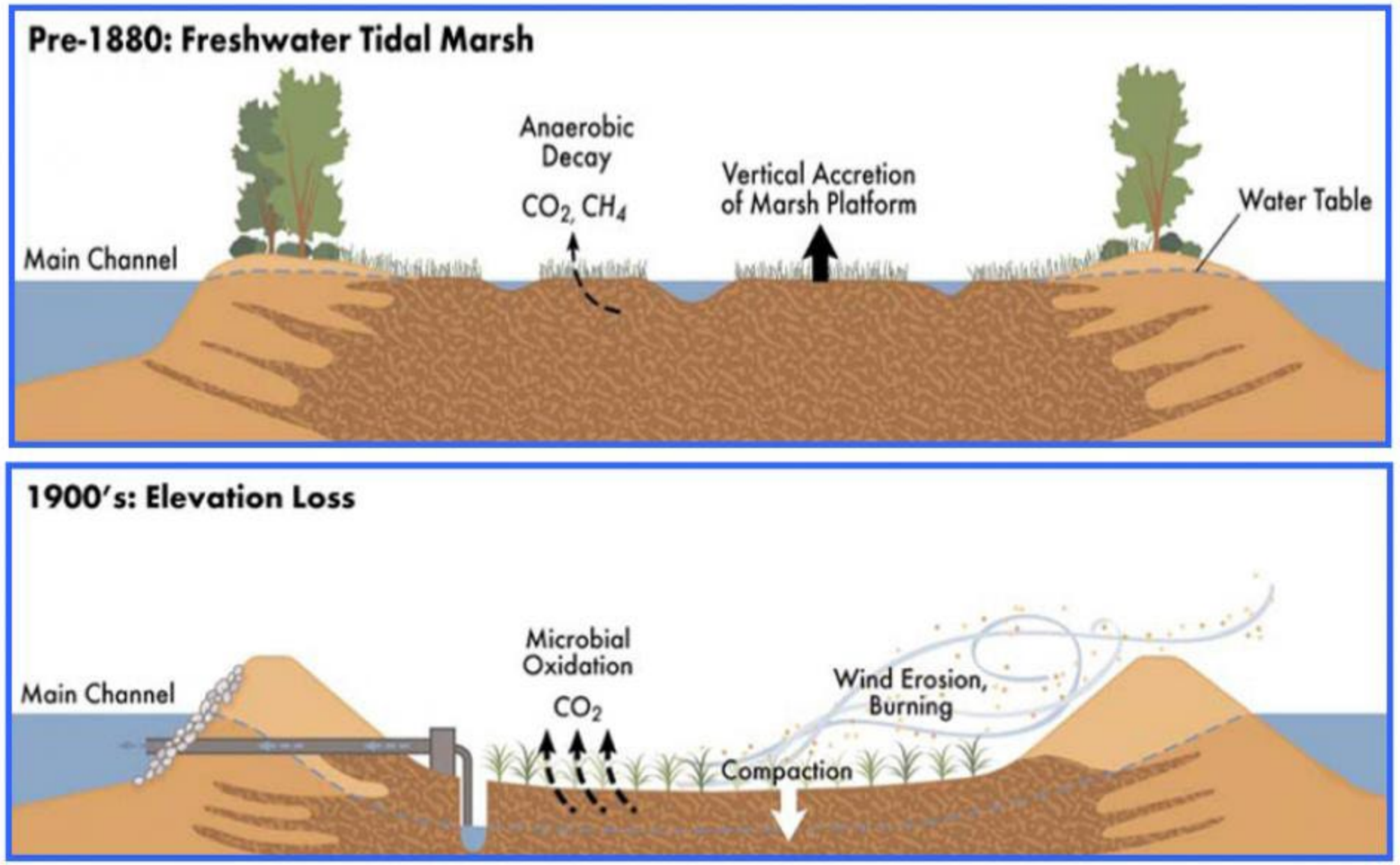
- 105 separate title exceptions (283 exceptions with repetition over 20 tracts)
- Easements are concentrated along central corridor
- Most easements are for overhead powerlines and buried pipelines
  - Surface activities can still occur within these rights-of-way



Carbon Assessment: Emissions in the Delta

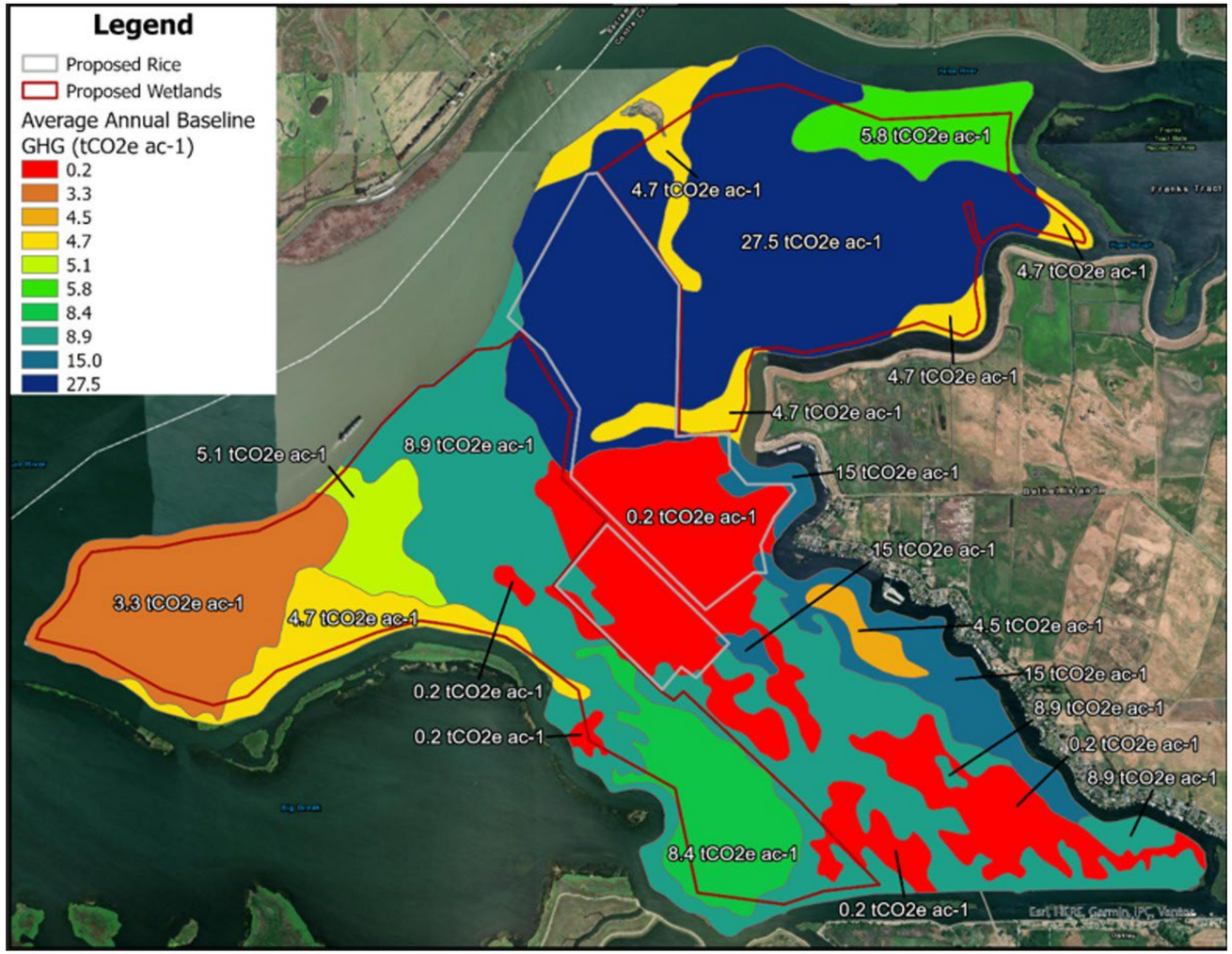
Steve Deverel, HydroFocus, Inc.

Soil Carbon +
Atmospheric Oxygen =
Gaseous CO_2



Carbon Assessment

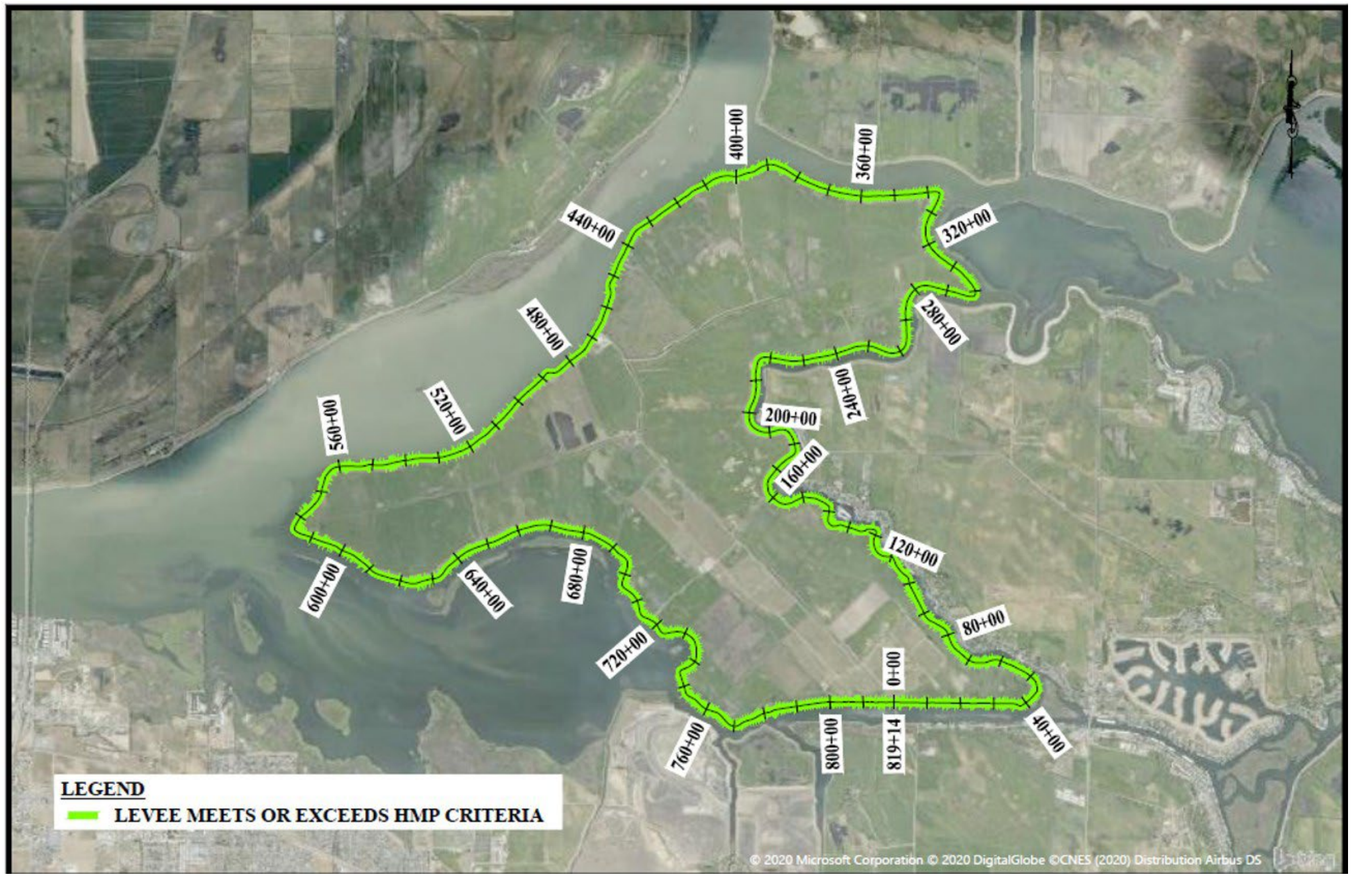
- Jersey Island annually emits ~41,000 tons of greenhouse gases
- Converting the island's peat soil to a wetland–rice mosaic will annually reduce emissions by ~27,000 tons
- Carbon offset sales (with agriculture lease revenue) will pay for island maintenance
- Emissions are concentrated in the northeast, allowing for the phasing of restoration



Reclamation District Assessment

Gilbert Cosio, River Delta Consulting

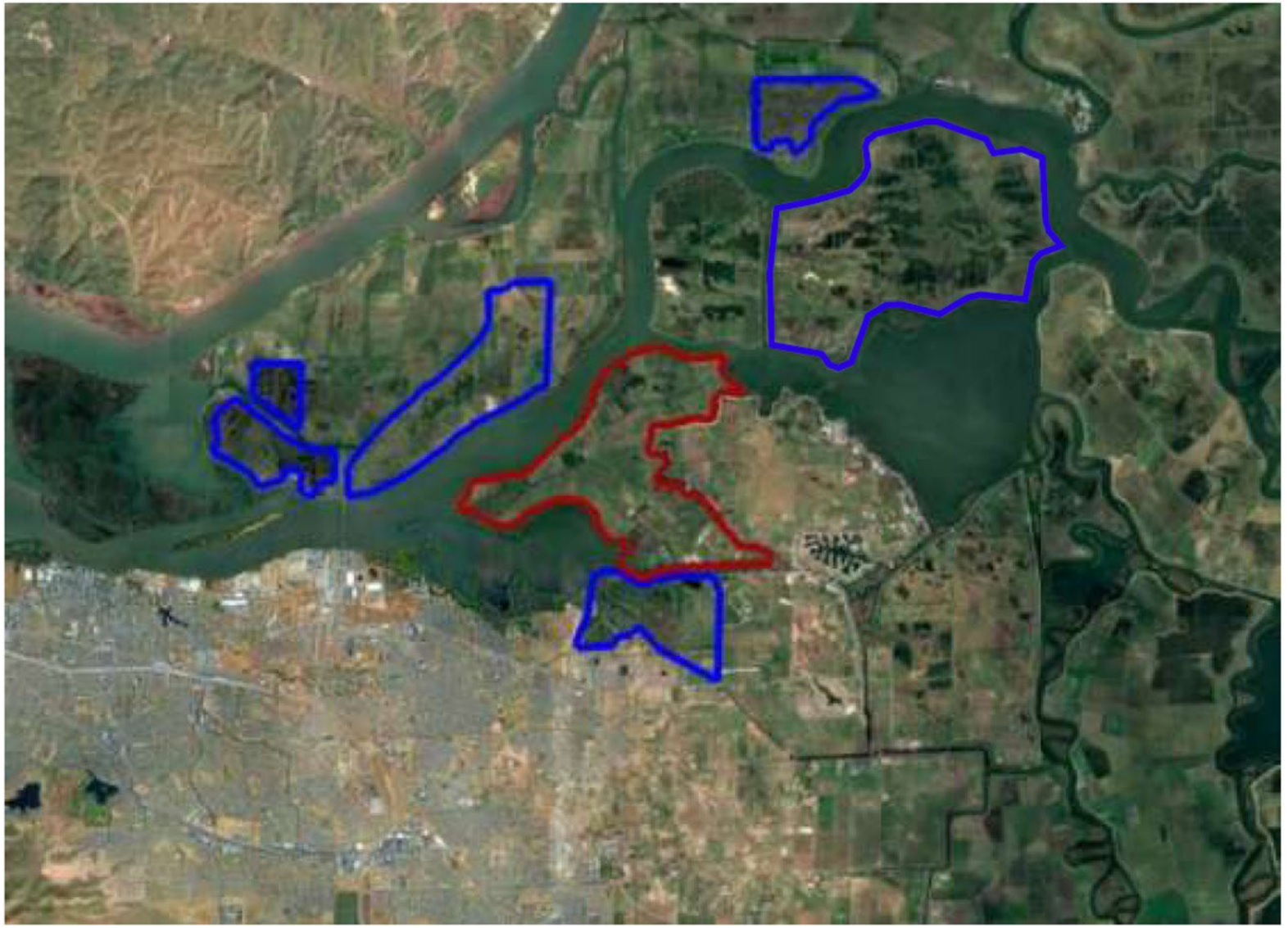
- Jersey Island levees have been rehabilitated and well maintained over the past 30 years
- 100% of the levees meet California's Hazard Mitigation Plan standard
- Jersey Island's pumping plant is new
- RD assessments to agriculture can be <$50/acre to maintain the levees; consistent with other Delta islands
- Continued subsidence will continue to stress levees



Ecological Uplift Assessment

- The Delta is a bottleneck along the Pacific Flyway; 98% of Delta wetlands have been destroyed
- Western Delta reference ecosystems:
  - Hemi-marsh and riparian forest
- Incorporating wildlife-friendly agriculture increases habitat heterogeneity:
  - Winter-flooded rice
  - Winter-flooded corn
  - Irrigated alfalfa

Ecological Uplift Assessment – Connectivity



Next Steps

- Continue to work with legislators to acquire Proposition 4 funding
- Continue to work with regulators to determine required remediation actions
- Complete due diligence items
- Continue to engage the public and receive input and feedback
  - August 19, 2026 District Board Meeting is the next opportunity

Public Comments

How to Stay Informed

www.diablowater.gov/jersey-island

Presentation and files will be uploaded August 4th