MINUTE ITEM

Was approved as Minute Item No. 33 by the State Lands Commission by a vote of a meeting.

CALENDAR FTEM

8/76 W 20681 GRH

33.

AUTHORIZATION OF CONTRACT BETWEEN STATE LANDS DIVISION AND URS RESEARCH COMPANY; AND AUTHORIZATION TO HOLD A PUBLIC HEARING

In the Spring of 1974, the Division as lead agency under CEQA, circulated a draft EIR on P.G. EE. s proposal to expand their existing Moss Landing Marine Terminal to accommodate 130,000 DWT oil tankers. As a result of the circularization of the draft EIR, the Division received numerous negative comments on the EIR. As a result of the numerous comments, P.G. EE. requested that the transaction be held in abeyance pending reevaluation of the project and to have time to respond to the comments generated on the EIR.

P.G. E. has now approached the Division with a scaled-down (90,000 DWT tankers) version of the expansion project and has also provided responses to the comments on the EIR. Staff is of the opinion that it would be appropriate to hire a consultant to review the documentation and prepare an objective, unbiased environmental impact report on the project, with which the Commission can better assess the project and make decisions accordingly. Pursuant to existing regulations and guidelines, P.G. E. will defray all costs associated with the Division's environmental document processing, including the contract recommended herein.

In accordance with established guidelines, the Division sent out "Requests for Proposals" to 6 firms perienced in the preparation and review of environment comments. Of the 3 proposals received, one was judged by staff to be in full compliance with the standards set forth in the request for proposal and generally superior to the other proposals. While the firm of URS Research Company did not submit the lowest bid, its proposal did not change the RFP as did the low bidder; and its experience, organization, technical qualifications and past performance on marine-oriented environmental assessments led to its selection as best fulfilling Division requirements.

In order to insure adequate input to the EIR review process and because of the controversial nature of this project, it is proposed that the Executive Officer or his designee be authorized to conduct a public hearing to receive comments on the revised draft EIR. It is likely that the hearing would be held in the Monterey Bay area in order to afford those most directly affected an opportunity to comment.

IT IS RECOMMENDED THAT THE COMMISSION:

AUTHORIZE THE EXECUTION OF A CONTRACT WITH URS RESEARCH COMPANY, TO PROVIDE CONSULTATIVE SERVICES TO THE DIVISION 1133

28

C 17

CALENDAR ITEM NO. 33 (CONTD)

IN REVIEWING AND PREPARING ENVIRONMENTAL DOCUMENTATION ON PACIFIC GAS AND ELECTRIC COMPANY'S MOSS LANDING MARINE TERMINAL PROJECT; PROVIDED, THAT ALL COSTS ASSOCIATED WITH THE PREPARATION AND REVIEW OF ENVIRONMENTAL DOCUMENTS SHALL BE BORNE BY PACIFIC GAS AND ELECTRIC COMPANY.

A PUBLIC HEARING IN THE MONTEREY BAY AREA ON THE REVISED DRAFT ENVIRONMENTAL IMPACT REPORT RELATIVE TO PACTETO LANDING MARINE TERMINAL.