MINUTE ITEM
This Calendar Item No. C39 was approved as Minute Item No. 39 by the California State Lands Commission by a vote of 3 to 0 at its 2-21-03 meeting.

CALENDAR ITEM
C39

A 11

S 7

PRC 8441.9

02/21/03
W 25582
N. Smith

GENERAL LEASE – INDUSTRIAL USE

LESSEE:
Rhodia, Inc.
100 Mococo Road
Martinez, California 94553

AREA, LAND TYPE, AND LOCATION:
7.6 acres, more or less, of sovereign lands in Carquinez Strait, city of Martinez, Contra Costa County.

BACKGROUND:
This lease will authorize Rhodia to remediate soils and sediments contaminated with copper and zinc in, and adjacent to Peyton Slough, in accordance with the San Francisco Bay Regional Water Quality Control Board (RWQCB) Cleanup and Abatement Order No. 01-094. The project involves: 1) removing contaminated soils and sediments; 2) excavating a new slough approximately 400 feet east of the existing slough; 3) relocating an existing tide gate; 4) rerouting water flow to the new slough alignment and dewatering the existing slough; 5) placing contaminated excavated material along the bottom of the dewatered existing slough and covering the material, and 6) placing an engineered cap over contaminated sediments in and along the embankment of the existing slough to chemically and physically isolate the remaining contaminated sediments; and (7) placing additional sediment on top of the cap to bring elevations of the marsh plain to an appropriate height to support the establishment of tidal marsh vegetation. In summary, the proposed project would re-align Peyton Slough and cap remaining contamination within the alignment of the existing slough. A portion of the proposed project will be constructed on lands owned by the California State Lands Commission, Shore Terminals, LLC and Rhodia, Inc.

LEASE TERM:
25 years, beginning March 1, 2003.

CONSIDERATION:

The benefit to the public's health and safety derived from the remediation of contaminated sediments, as well as, the benefits of enhanced wildlife habitat, with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the State's best interest.

SPECIFIC LEASE PROVISIONS:

Insurance:

Liability Insurance: Combined single limit coverage of $5,000,000.
Pollution Liability Insurance: $5,000,000.

Bond:

$1,500,000.

OTHER PERTINENT INFORMATION:

1. Applicant owns uplands adjoining the lease premises.

2. A Mitigated Negative Declaration was prepared and adopted for this project by the California Regional Water Quality Control Board, San Francisco Bay Region. The California State Lands Commission's staff has reviewed and commented on such document.

   A Mitigation Monitoring Program was adopted by the California Regional Water Quality Control Board, San Francisco Bay Region and is contained on file in the Sacramento office of the California State Lands Commission.

3. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

APPROVALS OBTAINED:

California Regional Water Quality Control Board, San Francisco Bay Conservation and Development Commission.

FURTHER APPROVALS REQUIRED:

U.S. Army Corps of Engineers, California Department of Fish and Game and the City of Martinez.

EXHIBITS:

A. Site Map
B. Location Map
C. Notice of Determination

PERMIT STREAMLINING ACT DEADLINE:

Application not complete at this time

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT A MITIGATED NEGATIVE DECLARATION AND A MITIGATION MONITORING PROGRAM WERE PREPARED AND ADOPTED FOR THIS PROJECT BY THE CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD, SAN FRANCISCO BAY REGION AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

ADOPT THE MITIGATION MONITORING PROGRAM, AS CONTAINED ON FILE IN THE SACRAMENTO OFFICE OF THE CALIFORNIA STATE LANDS COMMISSION.

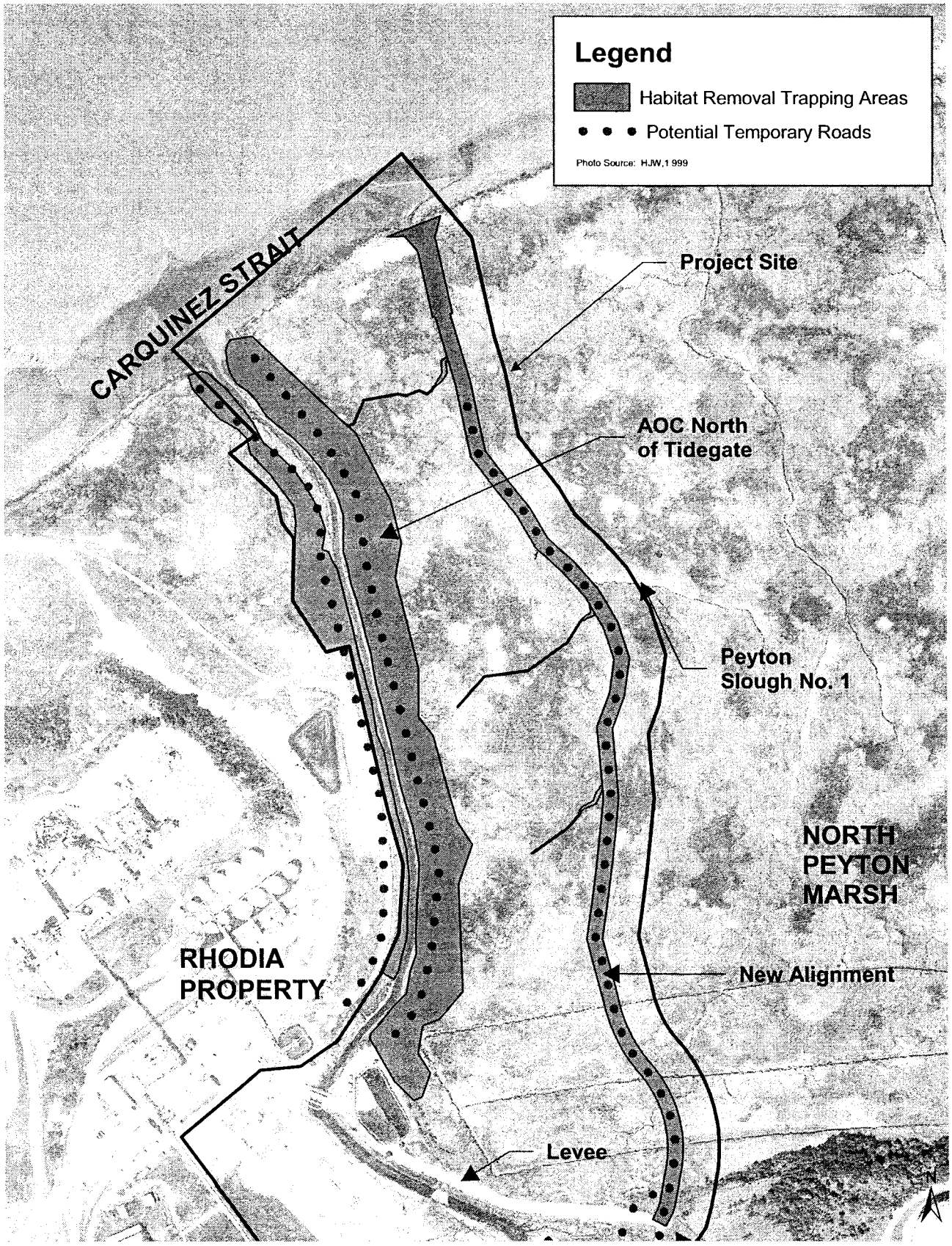
SIGNIFICANT LANDS INVENTORY FINDING:

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

AUTHORIZATION:

AUTHORIZE ISSUANCE TO RHODIA, INC. OF A GENERAL LEASE – INDUSTRIAL USE BEGINNING MARCH 1, 2003, FOR A TERM OF 25 YEARS, FOR 1) REMOVING CONTAMINATED SOILS AND SEDIMENTS; 2) EXCAVATING A NEW SLOUGH APPROXIMATELY 400 FEET EAST OF THE EXISTING SLOUGH; 3) RELOCATING AN EXISTING TIDE GATE; 4) REROUTING WATER FLOW TO THE NEW SLOUGH ALIGNMENT AND DEWATERING THE EXISTING SLOUGH; 5) PLACING CONTAMINATED EXCAVATED MATERIAL ALONG THE DEWATERED BOTTOM OF THE EXISTING SLOUGH AND COVERING

THE MATERIAL; 6) PLACING AN ENGINEERED CAP OVER CONTAMINATED SEDIMENTS IN AND ALONG THE EMBANKMENT OF THE EXISTING SLOUGH TO CHEMICALLY AND PHYSICALLY ISOLATE THE REMAINING CONTAMINATED SEDIMENTS; AND 7) PLACING ADDITIONAL SEDIMENT ON TOP OF THE CAP TO BRING ELEVATIONS OF THE MARSH PLAIN TO AN APPROPRIATE HEIGHT TO SUPPORT THE ESTABLISHMENT OF TIDAL MARSH VEGETATION ON THE LAND SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; CONSIDERATION BEING THE BENEFIT TO THE PUBLIC'S HEALTH AND SAFETY DERIVED FROM THE REMEDIATION OF CONTAMINATED SEDIMENTS, AS WELL AS, THE BENEFITS OF ENHANCED WILDLIFE HABITAT, WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT MONETARY RENT IF THE COMMISSION FINDS SUCH ACTION TO BE IN THE STATE'S BEST INTEREST; LIABILITY INSURANCE FOR COMBINED SINGLE LIMIT COVERAGE OF $5,000,000; POLLUTION LIABILITY INSURANCE IN THE AMOUNT $5,000,000; AND SURETY BOND IN THE AMOUNT OF $1,500,000.



Applicant:	Rhodia Inc. 100 Mococo Rd. Martinez,C A 94553
Purpose:	To remediate contamination in and adjacent to Peyton Slough
City:	Martinez,C A
County:	Contra Costa

0 250 500 Feet

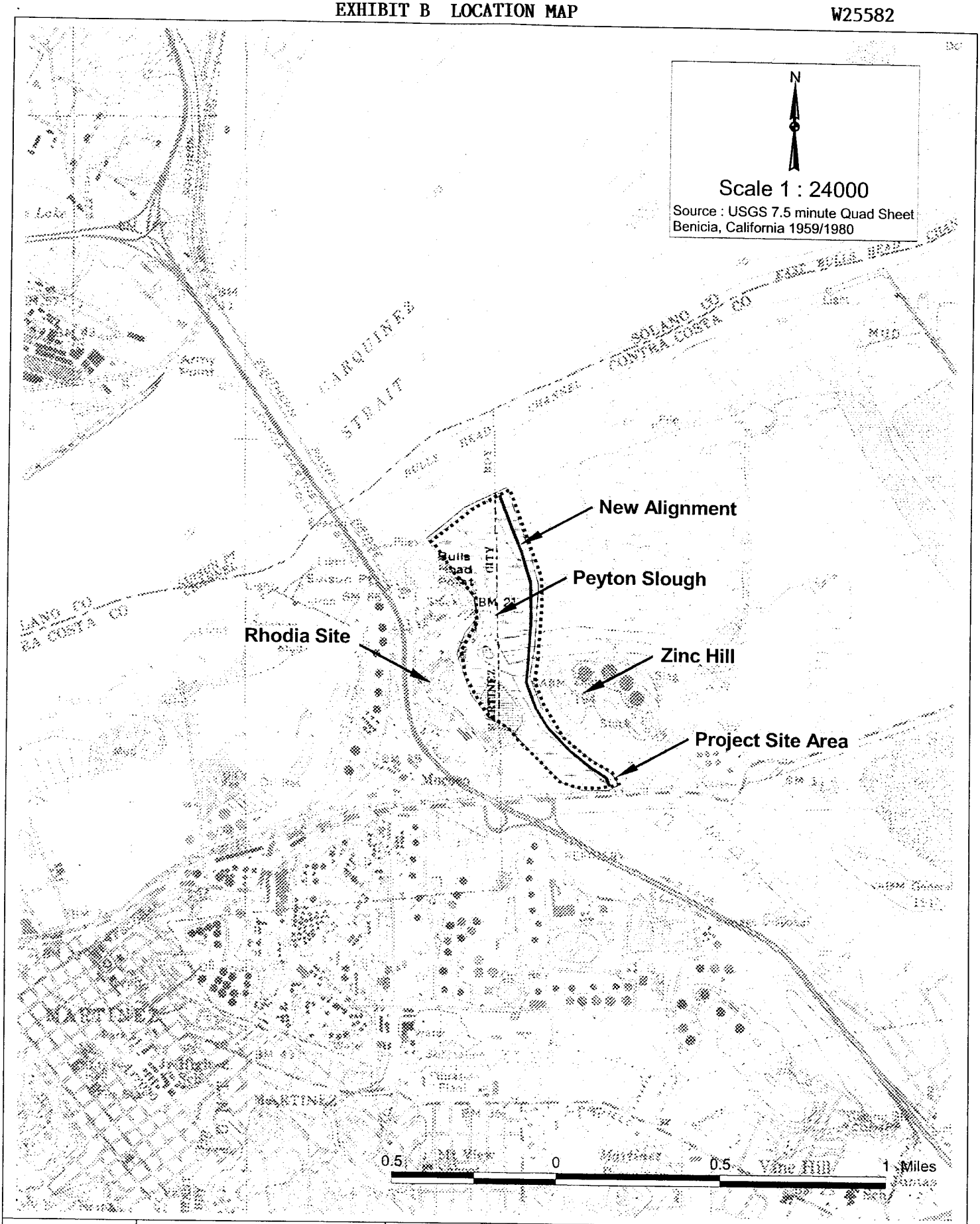
Datum:	NGVD 29, PortC hicago
MHW:	+2.69 NGVD
MLW:	-0.92 NGVD
OHW:	+0.0 NGVD

HabitatR emoval/Trapping Plan

URS

Figure 1

EXHIBIT B LOCATION MAP W25582



URS	Rhodia Martinez Peyton Slough Project No. 51100700700	VICINITY MAP 000203	Figure 1

CALENDAR PAGE

MINUTE PAGE

x:\x_env_waste\Rhodia_Martinez_GIS\Apr\oldprojtmp\workingspace_dugtest.apr

NOTICE OF DETERMINATION

CALIFORNIA REGIONAL WATER
NOV - 1 2002
QUALITY CONTROL BOARD

TO: Office of Planning and Research
P.O. Box 3044
Sacramento, California 95812

FROM: California Regional Water Quality Control Board, San Francisco Bay Region
1515 Clay Street
Oakland, California 94612

DATE: October 16, 2002

PROJECT TITLE: Rhodia Inc., Peyton Slough Remediation Project

STATE CLEARING HOUSE NUMBER: 2002092006

CONTACT PERSON: Rhodia, Inc.
Attn: Ms. Mary Brown, Project Manager
259 Prospect Plains Road, CN 7500
Cranbury, New Jersey 08512

FILED
OCT 25 2002
S.L. WEIR, COUNTY CLERK
CONTRA COSTA COUNTY
BY _____ DEPUTY

PROJECT LOCATION: 100 Mococo Road, Martinez, California

PROJECT DESCRIPTION:

Pursuant to the requirements of Section 13304 of the California Water Code, on August 15, 2001, the California Regional Water Quality Control Board, San Francisco Bay Region (Board), adopted Site Cleanup Requirements, Order No. 01-094, under which Rhodia Inc. (Rhodia) is responsible for remediating contaminated sediments in and adjacent to Peyton Slough, located in the Peyton Slough Marsh system in Martinez, California.

On March 15, 2002, Rhodia submitted a Remedial Design Report which describes the project and sets forth the cleanup plan to remediate the contaminated sediments in and adjacent to Peyton Slough (the Project) for approval by the Board. On September 9, 2002, Rhodia submitted Revision 1 of the Remedial Design Report which has been updated to reflect mitigation alternatives agreed upon by agencies and involved parties, and to include additional sampling data.

The Board has assumed the lead agency role for approving the Project under the California Environmental Quality Act (CEQA at Public Resources Code § 21000 et seq.) and has conducted an Initial Study in accordance with Title 14, California Code of Regulations, § 15063 and prepared a Mitigated Negative Declaration in accordance with Title 14, California Code of Regulations, § 15070 et seq.

Background:

The Project is designed to remediate contaminated sediments in and adjacent to Peyton Slough, located in the Peyton Slough Marsh system in Contra Costa County, California. Copper and zinc are the primary chemicals of concern (COCs), as well as low pH. Elevated levels of COCs and low pH have been identified in specific areas in the Peyton Slough Marsh system, particularly north of Waterfront Road. These areas of concern have been delineated based on extensive sampling and analysis, and consist principally of sediments within Peyton Slough and the dredge spoil piles that were placed along the bank of Peyton Slough during routine dredging.

The Project would consist of (1) excavating a new alignment for Peyton Slough east of the existing Slough and rerouting the water flow, (2) removing dredge spoil piles adjacent to Peyton Slough, (3) dewatering and capping the existing Slough in-situ, and (4) implementing a restoration plan that would revegetate the impacted wetlands and the new cap. In summary, the Project would re-align the existing Peyton Slough and cap the existing slough.

The approval of this Project by the Board is considered a discretionary decision subject to the environmental impact review process under CEQA.

Findings:

Based upon a review of all relevant CEQA documents and supporting information, and acting in its capacity as Lead Agency under CEQA, the Board has determined that the activities proposed in the Project would not result in a significant effect on the environment.

An Initial Study has been prepared by URS Corporation on behalf of the RWQCB. On the basis of this study it is determined that the Project would not have a significant effect upon the environment for the following reasons:

- **The proposed action would have no impacts on** *Agricultural Resources; Land Use and Planning*; *Mineral Resources*; *Population and Housing*; *Public Services*; and *Recreation*.

- **The proposed project would have a less-than-significant impact on** *Geology and Soils*; *Hazards and Hazardous Materials; Hydrology and Water Quality; Transportation and Traffic*; and *Utilities and Service Systems* **and would create less-than-significant temporary** *Noise* **impacts during construction only.**

- **Potentially significant impacts to** *Air Quality*; *Biological Resources*; and *Cultural Resources* **would be mitigated to less than significant levels.**

The Project would employ impact avoidance and minimization mitigation measures as part of project design, as well as compensatory mitigation measures to reduce potentially significant impacts to the environment as described in the Mitigated Negative Declaration and Initial Study.

In accordance with the requirements of CEQA, this Notice of Determination is filed in compliance with section 21108 of the Public Resources Code. The Board, as Lead Agency, approved the above described project on October 16, 2002.

Copies of the Mitigated Negative Declaration and Initial Study, the Remedial Design Report Revision 1, the Mitigation Monitoring and Reporting Program, and supporting information may be viewed at the following location:

California Regional Water Quality Control Board, San Francisco Bay Region
1515 Clay Street
Oakland, California 94612

Loretta K. Barsamian

Loretta K. Barsamian
Executive Officer
California Regional Water Quality Control Board, San Francisco Bay Region

10.18.02
Date

Date received for filing at OPR: