This Calendar Item No. 61 was approved as Minute Item No. 61 by the California State Lands Commission by a vote of 3 to 0 at its 04-05-04 meeting.

Minute Item
61

04/05/04
WP 8481
J. Smith
P. Griggs
J. Trout

LONG BEACH ENERGY, A DEPARTMENT OF THE CITY OF LONG BEACH (APPLICANT)

Regular Item 60, 61 and 62: Commission listened to staff presentation pertaining to the restoration of the Bolsa Chica wetlands in Orange County.

Item 60 is to grant Fish and Wildlife Service a four-year lease to start construction.

Item 61 is the relocation of the gas line by the City of Long Beach.

Item 62 is to provide CalTrans the right-of-way to build a detour for the Pacific Coast Highway during construction of a bridge and then give ownership of the new bridge.

All three items were approved as presented by a 3-0 vote.

MINUTE ITEM

This Calendar Item No. 61 was approved as Minute Item No. 61 by the California State Lands Commission by a vote of 3 to 0 at its 04-05-04 meeting.

CALENDAR ITEM
61

A 67

S 35

PRC 8481

04/05/04
WP 8481.9
J. Smith;
P. Griggs;
J. Trout

CONSIDER CERTIFICATION OF THE PROPOSED MITIGATED NEGATIVE DECLARATION AND A GENERAL LEASE - PUBLIC AGENCY USE FOR THE BOLSA CHICA LOWLANDS LINE 1228 RELOCATION PROJECT

LESSEE:

Long Beach Energy, a Department of the
City of Long Beach
2400 East Spring Street
Long Beach, California 90806-2285

AREA, LAND TYPE, AND LOCATION:

Public trust lands within the Bolsa Chica lowlands, Orange County.

AUTHORIZED USE:

Continued use and maintenance of, including the relocation of a portion of, an existing natural gas pipeline.

LEASE TERM:

49 years, beginning April 5, 2004, and ending April 4, 2053, or six months after commercial production ceases, whichever occurs first.

CONSIDERATION:

No monetary consideration.

SPECIFIC LEASE PROVISIONS:

Insurance:

Liability insurance with limits of no less than $10,000,000.

OTHER PERTINENT INFORMATION:

1. Applicant has a right to use the lands adjoining the lease premises.

2. In 1996, the Commission, along with seven other State and federal agencies (the U.S. Army Corps of Engineers, the U.S. Fish and Wildlife Service, the U.S. Environmental Protection Agency, the National Marine

Fisheries Service, the California Resources Agency, California Coastal Conservancy and the California Department of Fish and Game) signed an Interagency Agreement to buy, plan, design, construct and maintain the Bolsa Chica wetlands to mitigate the impacts of expanding facilities for the Ports of Los Angeles and Long Beach. The U.S. Fish and Wildlife Service and the U.S. Army Corps of Engineers were the lead agencies pursuant to the National Environmental Policy Act (NEPA) process and the Commission acted as Lead Agency for the California Environmental Quality Act (CEQA) review.

At its meeting on February 12, 1997, the Commission authorized the purchase of approximately 880 acres of the Bolsa Chica lowlands from the Signal Bolsa Corporation, a subsidiary of Koll Real Estate Group. At that same meeting, the Commission authorized the acceptance of an approximately 25-acre parcel from the Bolsa Chica Land Trust to complete the Bolsa Chica lowlands acquisition.

The Commission certified the Bolsa Chica Lowlands Restoration Project (Project) Final Environmental Impact Report/Environmental Impact Statement, adopted Findings, adopted a Mitigation Monitoring Program, adopted a Statement of Overriding Considerations, and approved the Project on January 30, 2002. The NEPA lead agencies issued the Record of Decision in the second quarter of 2002.

The Project consists of two key phases. Phase I, which is scheduled to begin in 2004, will restore the ecological function of the existing wetland area by increasing tidal influence and open water habitat by dredging a tidal basin within the existing wetlands and connecting it directly to the Pacific Ocean. Phase II will restore the remaining area, and is scheduled to occur in 2024, or at the time when the oilfields have reached their productive limit and are abandoned.

The Commission acquired the property subject to an existing pipeline easement. The existing natural gas pipeline (Line 1228) is owned by the city of Long Beach (City) and is operated, maintained, and leased by the Southern California Gas Company. The easement provides that if the pipeline interferes with the use of the land at any time, the City shall relocate the pipeline at its sole cost and expense once at the request of the landowner. An approximately 0.9-mile segment of Line 1228 must be relocated to accommodate Phase I of the Restoration Project. Approximately 4,700 linear feet of new 12" diameter pipeline will be installed adjacent to existing unpaved and elevated roads (Road 70 and Rattlesnake Road) and within an existing utility corridor within the

Lowlands. The pipeline relocation will require approximately six weeks to complete and is required to be completed by October 1, 2004, to meet the Phase I schedule. Removal of the existing pipeline will occur only after the new section of Line 1228 has been relocated outside of the Phase I Restoration area. Should the Commission ever determine at some time in the future that the remainder of the pipeline interferes with the use of the land, the City is obligated to relocate the remainder of the pipeline once at its sole expense.

3. Although removal of Line 1228 from its existing alignment was not a specific component of the Restoration Project EIR/EIS, because the activities are proposed to be conducted as part of the extensive excavation required by the Restoration, its impacts are addressed within the bounds of the larger project analyzed in the 2001 Bolsa Chica Lowlands Restoration Project EIR/EIS. Such EIR/EIS and the Proposed Mitigated Negative Declaration, in total, constitute the environmental documentation for the relocation of Line 1228.

   Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15025), the staff has prepared a Proposed Mitigated Negative Declaration identified as CSLC ND No. 726, State Clearinghouse No. 2004021012. Such Proposed Mitigated Negative Declaration was prepared and circulated for public review pursuant to the provisions of the CEQA.

   Based upon the Initial Study, the Proposed Mitigated Negative Declaration, and the comments received in response thereto, there is no substantial evidence that the project will have a significant effect on the environment; Title 14, California Code of Regulations, section 15074(b).

   A Mitigation Monitoring Program has been prepared in conformance with the provisions of the CEQA (Public Resources Code section 21081.6).

4. The Bolsa Chica lowlands were acquired for the specific purpose of restoring the area as tidal wetlands as mitigation for development at the Ports of Los Angeles and Long Beach. The lowlands acquired for the Restoration Project are adjacent to the Bolsa Chica Ecological Reserve that has been identified as possessing significant environmental values pursuant to Public Resources Code sections 6370-6377.

   Although the Commission considers all lands "significant" by nature of their public ownership, use classifications, specifically designed to protect the significant environmental values of the area designated, are not

assigned unless such lands have been identified as possessing significant environmental values pursuant to Public Resources Code sections 6370-6377. The Bolsa Chica lowlands have been subjected historically to intensive modifications that eliminated its wetlands function, including, but not limited to, elimination of its access to the sea and oil and gas production. Accordingly, the area was neither identified pursuant to Public Resources Code sections 6370-6377 nor assigned use classifications; therefore, the finding of the project's consistency with the use classification as required by Title 2, California Code of Regulations, section 2954 is not applicable.

APPROVALS OBTAINED:

U.S. Army Corps of Engineers; Regional Water Quality Control Board; California Coastal Commission.

EXHIBITS:

A. Location and Site Map
B. Mitigation Monitoring Program

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

1. RE-ADOPT THE FINDINGS FOR THE 2001 BOLSA CHICA LOWLANDS RESTORATION PROJECT ON FILE IN THE SACRAMENTO OFFICE OF THE COMMISSION, MADE IN CONFORMANCE WITH TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15091.

2. RE-ADOPT THE MITIGATION MONITORING PROGRAM PREPARED FOR THE 2001 BOLSA CHICA LOWLANDS RESTORATION PROJECT ON FILE IN THE SACRAMENTO OFFICE OF THE COMMISSION, IN CONFORMANCE WITH THE PROVISIONS OF THE CEQA (PUBLIC RESOURCES CODE SECTION 21081.6.

3. RE-ADOPT THE STATEMENT OF OVERRIDING CONSIDERATIONS MADE FOR THE 2001 BOLSA CHICA LOWLANDS RESTORATION PROJECT ON FILE IN THE SACRAMENTO OFFICE OF THE COMMISSION, MADE IN

CONFORMANCE WITH TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15093.

4. CERTIFY THAT A PROPOSED MITIGATED NEGATIVE DECLARATION, CSLC MND NO. 726, STATE CLEARINGHOUSE NO. 2004021012, WAS PREPARED FOR THIS PROJECT PURSUANT TO THE PROVISIONS OF THE CEQA, THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN AND IN THE COMMENTS RECEIVED IN RESPONSE THERETO AND THAT THE MITIGATED NEGATIVE DECLARATION REFLECTS THE COMMISSION'S INDEPENDENT JUDGMENT AND ANALYSIS.

5. ADOPT THE PROPOSED MITIGATED NEGATIVE DECLARATION AND DETERMINE THAT THE PROJECT, AS APPROVED, WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.

6. ADOPT THE MITIGATION MONITORING PROGRAM, AS CONTAINED IN EXHIBIT B, ATTACHED HERETO.

AUTHORIZATION:

1. AUTHORIZE ISSUANCE TO LONG BEACH ENERGY, A DEPARTMENT OF THE CITY OF LONG BEACH, OF A GENERAL LEASE – PUBLIC AGENCY USE, FOR A TERM OF 49 YEARS BEGINNING APRIL 5, 2004, AND ENDING APRIL 4, 2053, OR SIX MONTHS AFTER COMMERCIAL PRODUCTION CEASES, WHICHEVER OCCURS FIRST, FOR CONTINUED USE AND MAINTENANCE OF, INCLUDING THE RELOCATION OF A PORTION OF, A NATURAL GAS PIPELINE ON THE LAND SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; NO MONETARY CONSIDERATION; LIABILITY INSURANCE WITH COVERAGE OF NO LESS THAN $10,000,000.

2. AUTHORIZE THE EXECUTIVE OFFICER OR HIS DESIGNEE TO SIGN ON BEHALF OF THE COMMISSION, APPLICATIONS FOR PERMITS FOR THE PROJECT AS A CO-APPLICANT WITH OTHER STATE AND FEDERAL AGENCIES.

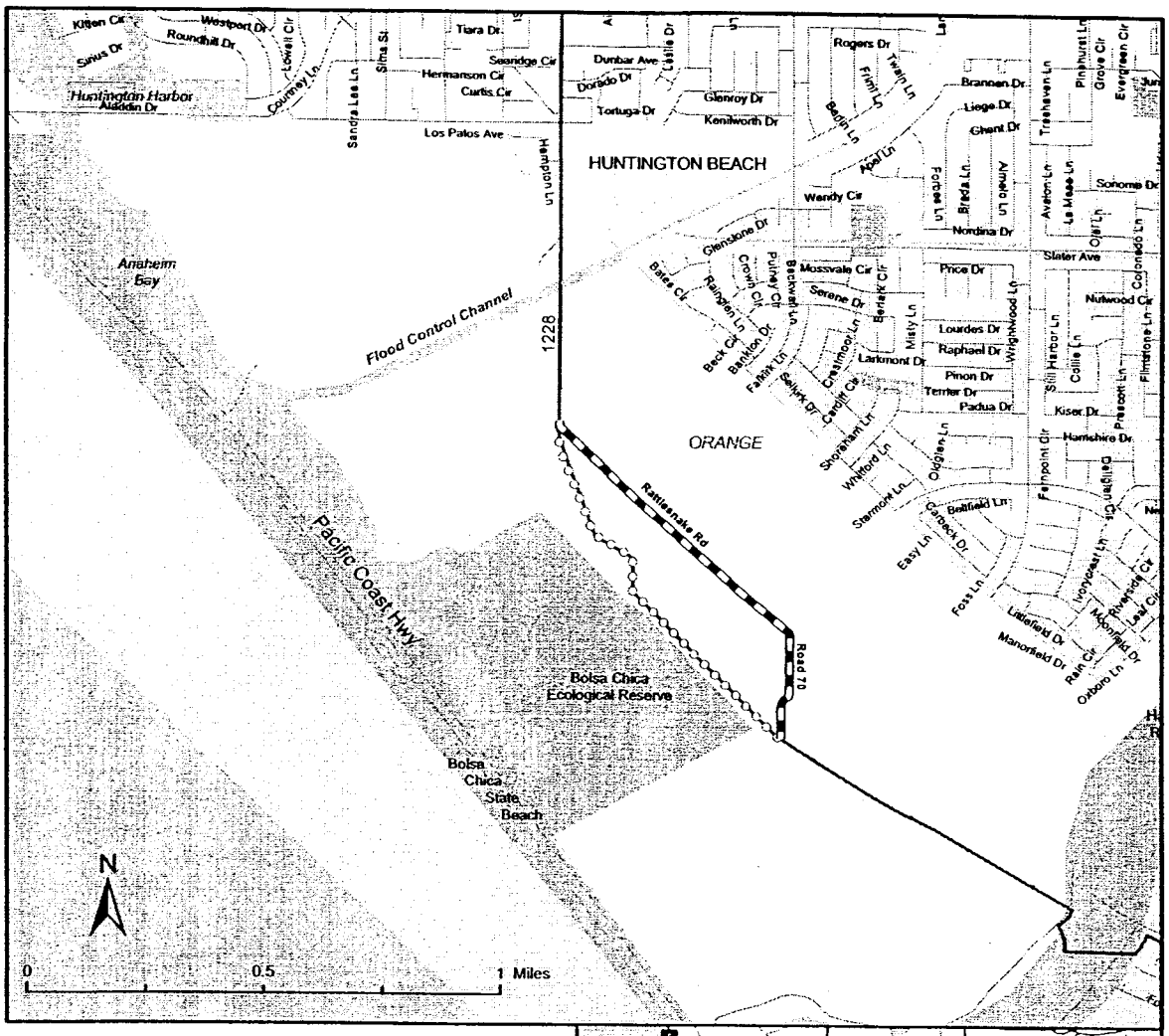
3. AUTHORIZE THE LEGAL STAFF OF THE COMMISSION AND THE ATTORNEY GENERAL'S OFFICE TO TAKE ANY OTHER

ACTIONS, INCLUDING LITIGATION, CONSISTENT WITH THIS AUTHORIZATION.

4. AUTHORIZE THE EXECUTIVE OFFICER TO EXECUTE ALL OTHER DOCUMENTS AND TO TAKE SUCH OTHER ACTIONS AS ARE REASONABLY NECESSARY TO ENSURE THE SUCCESSFUL COMPLETION OF THE BOLSA CHICA LOWLANDS RESTORATION PROJECT.

EXHIBIT A

Line 1228 Relocation Project, Bolsa Chica Lowlands

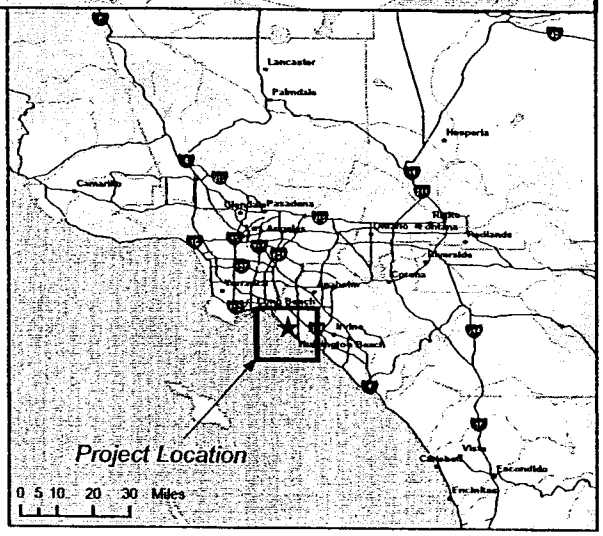


Legend

Project Location

- SCG Transmission Line 1228
- Relocation Alignment (Project)
- Section to be Removed (Associated Action)
- Huntington Beach City Boundary

Sources:
SCG, 2002;
US Bureau of the Census, TIGER Data, 2000;
Rincon Consultants, Inc., March 2004.



Mitigation Monitoring Program

This document is the Mitigation Monitoring Program (MMP) for the Line 1228 Relocation Project, Bolsa Chica Lowlands. Public Resources Code section 21081.6(a) requires that a Lead Agency adopt an MMP prior to approving a project to implement mitigation that has been identified in an Initial Study/Mitigated Negative Declaration (IS/MND). In addition to ensuring implementation of mitigation measures, the MMP provides feedback to agency staff and decision-makers during the project implementation, identifies the need for enforcement action before irreversible environmental damage occurs, and provides information to evaluate the effectiveness of mitigation measures.

Table D-1 below summarizes the mitigation measures for each issue areas identified in the Mitigated Negative Declaration for the Line 1228 Relocation Project. The table identifies each mitigation measure; the action required for the measure to be implemented; the time at which the monitoring is to occur; the monitoring frequency when appropriate; and the agency or party responsible for ensuring that the monitoring is performed. In addition, the table can be used for compliance verification. These columns would be reviewed by the monitoring agency or party and would be used to document monitoring compliance. Mitigation applicable to the removal of the Line 1228 segment from the area affected by Phase 1 of the Bolsa Chica Lowlands Restoration Project is specified in the MMP previously adopted for the Restoration Project.

The numbering format for the table follows that used for the IS/MND. Where an impact was identified to be less than significant, no mitigation measures were required. Thus, the numbering sequence in the table is not continuous since there are no measures required for impacts that are less than significant.

Standard Measures Implemented. The standard measures outlined below, as included in the Project Description and clarified in the Response to Comment letters, will be implemented during all phases of the relocation Project to avoid and minimize potential impacts to the environment. As these measures are part of the Project Description, and are not mitigation measures, they have been listed here for reference to ensure implementation in conjunction with the MMP.

Implementation of BMPs. Erosion control/sedimentation Best Management Practices (BMPs) shall be used to control dust and sedimentation impacts to coastal waters during construction. SCG implements standard BMPs per the attached Water Quality and Construction Best Management Practice Handbook, December 2002 (Appendix B). BMPs anticipated to be used include, but are not limited to, the following:

- Placement of sand bags around the excavation trench and material stockpiles, and covering of stockpiled materials if stockpiles are to be left overnight or for a period of 12 hours or more. Sand bags shall be removed when Project is completed. (BMP 1-05);

- No construction materials, debris, waste, oil, or liquid chemical shall be placed or stored where it may be subject to wind, rain, wave, or tidal erosion or dispersion. (BMP 2-01 thru 2-08);
- Nonessential machinery or construction materials shall not be allowed at any time in wetland areas. (BMP 3-08 and 4-01);
- All stockpiles and construction materials shall be covered, enclosed on all sides, and to the extent feasible, shall not be stored in contact with the soil. Spoil piles will be placed directly adjacent to the excavation area on roadway or upland areas that are vegetated with nonnative iceplant. Areas where pickleweed is present will be avoided. (BMP 1-08 and 2-01);
- Any and all debris resulting from the construction activities shall be removed from the site within 24 hours of completion of construction to prevent the accumulation of sediment and other debris that may be discharged into coastal waters. Specific lay down areas outside of the construction area will be designated to contain debris and pipe for future proper disposal. (BMP 2-01 and 2-04);
- Sediment from the wetlands other than the material generated to uncover the buried pipeline shall not be used for construction material; and
- All debris and trash shall be disposed of in the proper trash and recycling receptacles at the end of each construction day. (BMP 2-04).

Avoidance of Biological Resources. During all phases of Project construction, close coordination with the USFWS construction contractor (during pipeline removal), for the Lowlands Restoration Project and SCG, Aera Energy, and the regulatory agencies will occur to avoid or minimize impacts to onsite biological resources (nesting birds, protected plants), minimize impacts to native pickleweed plants, and to streamline implementation of permit conditions and the construction activities regulated by them.

Preconstruction surveys and monitoring will be conducted to avoid or minimize impacts to biological resources onsite, communicate the approved work and pickleweed mitigation area to the crew, and document compliance. The following monitoring conditions will be implemented: 1) a preconstruction survey for nesting birds prior to construction; 2) tailgate education session for crew prior to construction; 3) flagging of the work area, spoil area, and iceplant removal area; 4) a qualified biological monitor will be present during excavation activities to ensure that nesting birds are avoided, pickleweed impacts are minimized, and to document the total extent of the impact to pickleweed associated with relocation work; and 5) after the excavation phase of construction, biological monitoring will occur as necessary to document permit compliance. In the event nesting birds are found within visual range of the project, work will be stopped and CDFG, USFWS, and CSLC will be contacted to determine the appropriate action prior to construction commencing or continuing.

Permit conditions required by the resource agencies as part of any permitting process associated with the Project (e.g. USACE Section 404 permit, CDFG Streambed Alteration Agreement, RWQCB Section 401 Certification) will also be implemented. In

the event there is a conflict between various permit conditions, the most conservative condition will be applied.

Minimize Impacts to Cultural Resources. No significant cultural resources are anticipated to be uncovered during Project implementation due to the historic disturbance along the Project footprint. The documentation in the Bolsa Chica Lowlands Restoration Project EIR/EIS supports this finding. The following measures will be taken, however, to avoid impacts to cultural resources in the event that any are uncovered. Crews will receive preconstruction training regarding cultural resources and an archaeological monitor will be present during all ground excavation activities. In the event cultural resources or human remains are encountered during any phase of the proposed Project, work will be stopped until the find can be assessed by a qualified archaeologist, Native American representative, or County coroner, as appropriate.

Minimize Human Health Risk/Remediate Hazardous Materials. Extensive soil sampling was conducted within the greater Bolsa Chica Lowlands as part of the EIR/EIS preparation for the Bolsa Chica Lowlands Restoration Project. Several sites were sampled along the alignment of the pipeline relocation for metals, Total Extractable Petroleum Hydrocarbons (TEPH), Waste Oil (WO), Volatile Organic Compounds (VOCs), Polychlorinated Biphenyls (PCBs), Organochlorine Pesticides and Herbicides, and Organophosphorous Insecticides. Only TEPH and WO concentrations exceeding the CSLC cleanup standard of 1,000 parts per million (ppm) were identified as present in surface soils (not at depth) along the Project alignment in surface soils (not at depth) (Jack Fancher, December 2003; Tables 2-3, 2-5, and 2-13 of the 2000 Ecological Risk Assessment, for the Bolsa Chica Lowlands Restoration Project). The excavated soils in this area will be handled as directed by the Bolsa Chica Lowlands Restoration Project Steering Committee, in accordance with the AERA Energy/USFWS clean-up plan to be implemented during the Phase I Lowlands Restoration Project conducted by the USFWS contractor. Material excavated from the footing holes, will be temporarily stored at a secure area for confining potentially contaminated material until it is moved into the appropriate final destination determined by the USFWS contractors.

No other contaminants exceeding local, State, and federal thresholds are anticipated to be encountered during the relocation of Line 1228. In the event soils are determined to be contaminated or otherwise not suitable for backfill, they will be managed by the USFWS contractor in accordance with federal, State, and local requirements and disposed of at a facility authorized to accept it. Soil borings will be monitored by the USFWS contractor who will visually inspect the removed soils for adverse staining signs, detectable odors, and using a photoionization detector [PID]. Any such soils suspected of contamination will be segregated and removed for proper management by the USFWS contractor in accordance with federal, State, and local requirements and disposed of as necessary, at a facility authorized to accept it. Non-contaminated soils not suitable for backfill will also be managed by the USFWS contractor and used for other purposes. Construction crews will also minimize potential human health risk by holding tailgate meetings, and implementing the standard Illness Injury and Prevention Plans (IIPP), and General Site Safety Plans. SCG Standard BMP 2-05 provides direction for hazardous material management, if such material is encountered during pipeline relocation.

Protect Access. Ongoing coordination with AERA Energy, SCG, and the resource agencies will occur over the duration of Project construction to minimize impacts to traffic movement. Given the size of the work area along existing road edges, access during construction is not anticipated to be significantly affected as half the width of the road should be open to traffic during most of the construction effort. Roads intersecting the project area are also anticipated to remain open during construction. Any road closures necessary (such as when the pipeline route crosses a road) will be coordinated with AERA Energy, SCG, and others to minimize disruption to ongoing maintenance, safety, and Restoration Project activities.

TABLE D-1 MITIGATION MONITORING PLAN			
Impacts and Mitigation Measures	**Implementing Responsibility and Timing**	**Monitoring/Reporting Responsibility and Timing**	**Level of Impact After Mitigation**
Aesthetics: None Required			
Agricultural Resources: None Required			
Air Quality:			
Impact: Construction Will Generate Emissions From Vehicle Exhaust and Fugitive Dust. **Mitigation Measure AQ-1a** All construction equipment shall be maintained in good operating condition to reduce operational emissions. The contractor shall ensue that all construction equipment is properly serviced and maintained in accordance with the manufacturers' specifications. **Mitigation Measure AQ-1b** Where applicable, equipment and trucks shall not be left idling for prolonged periods (i.e., in excess of 5 minutes). **Mitigation Measure AQ-1c** To the extent feasible, truck deliveries both to and from the site shall be limited to off peak hours. **Mitigation Measure AQ-1d** To the extent reasonably feasible, the contractor shall use available sources of onsite electrical power to operate any required small-scale equipment.	SCG and its contractors will be responsible for implementation all mitigation measures to reduce construction and fugitive dust emissions. During construction.	CSLC or its representative will be responsible for ensuring that all measures are implemented to reduce construction and fugitive dust emissions. During construction.	All less than significant.
Biological Resources:			
Impact: Potential Short-Term Disturbance to Special Status Birds. **Mitigation Measure BIO-1a** In addition to the water management of pickleweed habitat	USFWS/CSLC approved biological consultant will be responsible for implementing the biological construction monitoring	CSLC or their representative will be responsible for ensuring that the biological construction monitoring is implemented.	Less than significant.

CALENDAR PAGE 000347
MINUTE PAGE 000673

proposed as part of the project, staging areas, temporary access roads, and all other construction activities should avoid pickleweed habitat to the greatest extent possible.	construction monitoring. Prior to and during construction.	Prior to and during construction.	
Cultural Resources: None Required			
Geology and Soils: None Required			
Hazards and Hazardous Materials: None Required			
Hydrology and Water Quality: None Required			
Land Use and Planning: None Required			
Mineral Resources: None Required			
Noise:			
Impact: Temporary Increase in Ambient Noise Levels in Project Vicinity during Construction. **Mitigation Measure N-1a**: Haul truck traffic shall be restricted to those hours designated for site construction i.e., 7:00 am to 8:00 pm Monday through Saturday. **Mitigation Measure N-1b**: Contractors will be notified during preconstruction training by USFWS, SCG or Aera Energy, as appropriate, that truck engines are not to be idled near Seapoint Avenue.	USFWS, SCG, Aera and their contractors will ensure that construction activity be restricted to the hours of 7 am and 8 pm Monday through Saturday and that contractors do not unnecessarily idle their engines. Prior to and during construction.	CSLC or their representative will ensure that construction activities occur only between 7 am and 8pm, Monday through Saturday and that trucks do not unnecessarily idle their engines. Prior to and during construction.	All less than significant
Population and Housing: None Required			
Public Services: None Required			

CALENDAR PAGE 000348
MINUTE PAGE 000674

Recreation: None Required			
Transportation/Circulation:			
Impact: Increase in Traffic at Intersection Resulting in Increased Congestion. **Mitigation Measure T-1a** Project construction shall employ an access plan consisting of flaggers or temporary signalization. **Mitigation Measure T-1b** A traffic control plan shall be developed and implemented to show the signage designating the area and alerting motorists to trucks entering PCH. The use of flaggers may be appropriate to handle trucks entering the site during daytime hours. Traffic directions will also be identified.	SCG and its contractors will prepare a traffic control plan (= Traffic Management Plan) to implement appropriate measure to ensure that intersection conditions and traffic flow are not significantly affected. Caltrans and the City of Huntington Beach will review and approve the Plan prior to construction. Prior to and during construction.	CSLC or their representative will be responsible for ensuring that all transportation and traffic mitigation measure are implemented by SCG. Prior to and during construction.	Less than significant.
Utilities and Service Systems: None Required			
Environmental Justice: None Required			

CALENDAR PAGE 000349
MINUTE PAGE 000675