

MINUTE ITEM
This Calendar Item No. C24 was approved as
Minute Item No. 24 by the California State Lands
Commission by a vote of 3 to 0 at its
8-17-04 meeting.

CALENDAR ITEM
C24

A 78

08/17/04

PRC 8548

W26000

S 39

J. Lucchesi

DREDGING LEASE

APPLICANT:

San Diego Unified Port District
P.O. Box 120488
San Diego, CA 92111-0488

AREA, LAND TYPE, AND LOCATION:

Legislatively granted sovereign lands, with minerals reserved to the State,
at the former Campbell Shipyard, city of San Diego, San Diego County.

AUTHORIZED USE:

Dredge approximately 35,000 cubic yards of sediment in order to facilitate
the creation of an engineered cap over the contaminated sediments at the
former Campbell Shipyard Waterside Leasehold, which is designed to
meet Cleanup and Abatement Order #95-21 requirements issued by the
Regional Water Quality Control Board on May 24, 1995.

All dredged material will be transported by barge to an upland stockpile
area to be dewatered. Once the dredged material is sufficiently
dewatered, the material will be re-handled to truck or rail car for transport
to be disposed of at a Class III local municipal landfill located in Otay
Mesa.

LEASE TERM:

Five years, beginning August 18, 2004.

CONSIDERATION:

No royalty will be charged, as the project will result in a public benefit.
Dredged material may not be sold.

OTHER PERTINENT INFORMATION:

1. Applicant is the Trustee of the legislatively granted sovereign lands,
pursuant to Chapter 67, Statutes of 1962, as amended, with
minerals reserved to the State.

CALENDAR ITEM NO. C24 (CONT'D)

2. Maintenance dredging to maintain the cap stability is not anticipated at the site once the project is completed. The purpose of the initial dredging at the site is to remove a layer of contaminated sediments to be replaced with an isolation cap while maintaining adequate water depth for marine vessel traffic to the Tenth Avenue Marine Terminal.
3. In addition to the engineered cap, an acre of shallow sub-tidal habitat will be created and planted with eelgrass; the existing shipways and marine rails will be demolished; a mole pier will be retrofitted; 1,250 feet of existing seawall will be repaired; rock revetment will be placed along the existing seawall; a 90-foot wave attenuation panel will be built to protect the shallow sub-tidal habitat area; a storm drain will be extended; a 20-30 large slip transient marina, floating dock and hotel dock will be constructed; and 4 aids to navigation will be placed along the perimeter of the cap. As the project area involves lands granted to the San Diego Unified Port District, with minerals reserved to the State, only the dredging portion of the project is subject to Commission review and approval.
4. A Supplemental EIR was prepared and certified for this project by the San Diego Unified Port District. The California State Lands Commission staff has reviewed this document and the Mitigation Monitoring Program adopted by the lead agency.
5. Findings made in conformance with the State CEQA Guidelines (Title 14, California Code of Regulations, sections 15091 and 15096) are on file in the Sacramento Office of the State Lands Commission.
6. A Statement of Overriding Considerations made in conformance with the State CEQA Guidelines (Title 14, California Code of Regulations, section 15093) is on file in the Sacramento Office of the California State Lands Commission.
7. The impact for which a Statement of Overriding Considerations has been made by the San Diego Unified Port District involves cumulative significant effects to water quality. There is a potential for recontamination of the remediated area by lead and PCB contaminated sediments in storm water runoff from Switzer Creek

-2-

000124

CALENDAR PAGE

001239

MINUTE PAGE

CALENDAR ITEM NO. C24 (CONT'D)

Outfall at the Tenth Avenue Marine Terminal, located to the southeast of the project. Because the sources of recontamination are outside the jurisdiction of the Port, the Port is unable to mitigate these impacts. Water Quality mitigation measures that have been adopted and will be monitored by the Port include: turbidity, pile driving, short-term and long-term water quality monitoring.

8. 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:

San Diego Unified Port District

APPROVALS REQUIRED:

Army Corps of Engineers; Regional Water Quality Control Board

EXHIBIT:

- A. Location and Site Map

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT A SUPPLEMENTAL EIR WAS PREPARED AND CERTIFIED FOR THIS PROJECT BY THE SAN DIEGO UNIFIED PORT DISTRICT AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

ADOPT THE FINDINGS MADE IN CONFORMANCE WITH TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTIONS 15091 AND 15096 (h), ON FILE IN THE SACRAMENTO OFFICE OF THE CALIFORNIA STATE LANDS COMMISSION.

-3-

CALENDAR ITEM NO. **C24** (CONT'D)

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

ADOPT THE STATEMENT OF OVERRIDING CONSIDERATIONS MADE IN CONFORMANCE WITH TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15093, ON FILE THE SACRAMENTO OFFICE OF THE CALIFORNIA STATE LANDS COMMISSION.

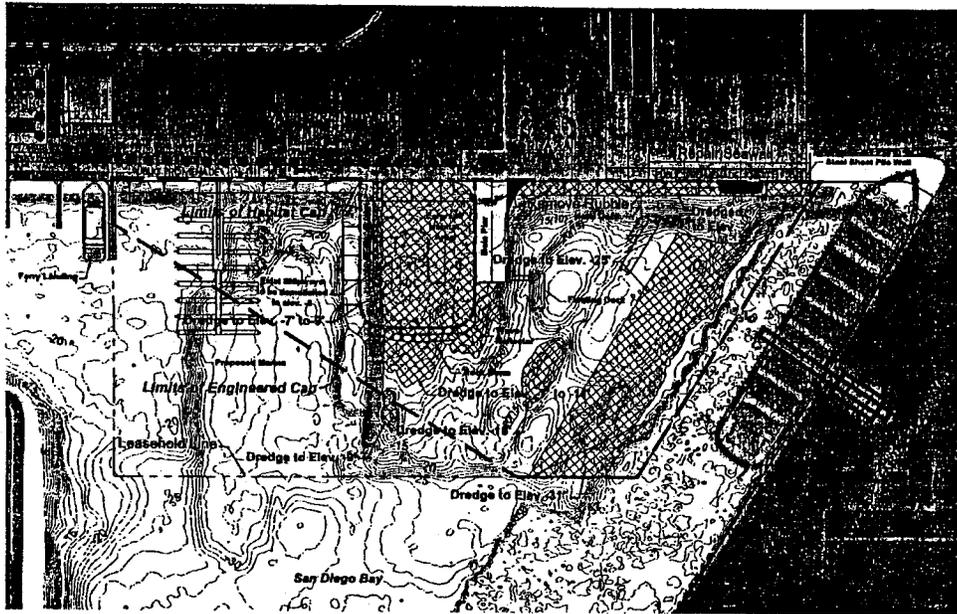
SIGNIFICANT LANDS INVENTORY FINDING:

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 THE ISSUANCE OF A DREDGING LEASE TO SAN DIEGO UNIFIED PORT DISTRICT BEGINNING AUGUST 18, 2004, FOR A TERM OF FIVE YEARS, FOR DREDGING APPROXIMATELY 35,000 CUBIC YARDS FROM THE LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; SUCH PERMITTED ACTIVITY IS CONTINGENT UPON APPLICANT'S COMPLIANCE WITH APPLICABLE PERMITS, RECOMMENDATIONS, OR LIMITATIONS ISSUED BY FEDERAL, STATE AND LOCAL GOVERNMENTS. NO ROYALTY SHALL BE CHARGED, AS THE PROJECT WILL RESULT IN A PUBLIC BENEFIT; DREDGED MATERIAL MAY NOT BE SOLD.

NO SCALE



- Legend:**
- Shallow Subtidal Habitat
 - Area Dredged to Achieve Elevation Indicated
 - Area of Free Oil Product to be Removed (1,000 CY)
 - Navigational Buoy
 - Rock Revetment
 - Bathymetric Contour and Depth (Post-Remediation Depth shown in Parentheses)
 - Dredge Depth

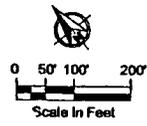


Exhibit A Location and Site Map

LOCATION AND SITE MAP
W26000
San Diego Unified Port District Boat
Dredging Lease
Former Campbell Shipyard
City of San Diego
County of San Diego



This Exhibit is solely for purpose of generally defining the project area, is based on unverified information provided by lessee or other parties, and is not intended to be, nor shall it be construed as, a waiver or limitation of any state interest in the subject or any other property.

J.L. 8/17/04

000127
CALENDAR PAGE

001242
MINUTE PAGE