

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 06/26/06 meeting.

CALENDAR ITEM
C24

A 34

06/26/06
PRC 8079 WP 8079.9
J. Brown

S 17

AMENDMENT OF GENERAL LEASE – PUBLIC AGENCY USE

LESSEE:

Los Angeles Department of Water and Power
111 North Hope Street
Los Angeles, CA 90012-2607

AREA, LAND TYPE, AND LOCATION:

Sovereign lands in Owens Lake, Inyo County.

CURRENT AUTHORIZED USE:

Research and monitoring at the South Sand Sheet, implementation of shallow flooding and monitoring at the North Sand Sheet, and the construction and operation of the South Zone Dust Control Project.

AUTHORIZED IMPROVEMENTS:

Installation of the Owens Lake South Sand Sheet Air Quality and Sand Fence Effectiveness Monitoring System, consisting of air monitoring towers and meteorological instrumentation, and sand trapping devices.

First Lease Amendment: Installation of additional air monitoring towers and pipeline delivery systems; construction of access roads to service the pipeline systems; construct utility infrastructure for shallow flooding; construction of soil berms along the down-slope gradient and side boundaries of each irrigation block, and drain tiles consisting of perforated piping along the side and down-slope gradient boundaries of each irrigation block.

Second Lease Amendment: Installation of managed vegetation with irrigation; install and implement additional acreage for shallow flooding (with support infrastructure previously described in the First Lease Amendment); construction of ponds; place gravel in designated areas; construction of mainline pipelines, and installation of additional air/meteorological monitoring towers.

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Third Lease Amendment: Installation of additional shallow flooding areas (with supporting infrastructure previously described in First Lease Amendment) and the construction of an underground electrical system.

LEASE TERM:

20 years, beginning May 1, 1999.

CONSIDERATION:

The public health and safety; 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.

PROPOSED AMENDMENT:

1. Amend **Section 1 – Basic Provisions** of the lease to include the following:
 - a) **Land Use or Purpose**
Construct, install, operate and monitor additional acreage of shallow flooding dust control measures associated with Phases IV and V of the Owens Lake Dust Control project on the land as depicted on the attached Exhibit A.
 - b) **Authorized Improvements**
Phase IV - 15 miles of 12-foot wide and three to eight-foot high berms and roads; four miles of 12-inch-diameter subsurface perforated drain pipe; 2.25 miles of eight to 30-inch diameter high density polyethylene (HDPE) conveyance pipe; four control valve facilities; two pump stations; five miles of high voltage (480 and 4,800 volts) power cables;

Phase V - 26 miles of three to eight-foot earthen roads and berms with riprap slope; 14 miles of 12-inch diameter subsurface perforated drain pipe; 22 miles of eight to 30-inch diameter HDPE conveyance pipe; 41 miles of eight to 12-inch diameter HDPE shallow flood lateral pipe; seven control valve facilities; and 74 water monitoring wells.
2. Amend **Section 2 - Special Provisions** of the lease to include the following conditions:

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- a) Submittal of as built plans of, and compliance and monitoring reports for, all of the improvements proposed for Phases IV and V of the Owens Lake Dust Control Project;
 - b) Compliance with all certified and adopted CEQA documentation for Phases IV and V.
3. Modify the **Land Description** to include additional lease premises as shown on Exhibit A.

BACKGROUND INFORMATION:

The United States Environmental Protection Agency (EPA) has designated the southern part of the Owens Valley as a Serious Non-Attainment Area for PM₁₀. PM₁₀ is an abbreviated reference for suspended particulate (dust) less than or equal to ten micros in mean aerodynamic diameter (approximately 1/10 the diameter of a human hair). The Great Basin Unified Air Pollution Control District (District) has subsequently designated the Non-Attainment area as the "Owens Valley PM₁₀ Planning Area."

The District has determined that dust emissions from the dry lakebed of Owens Lake are responsible for causing the air in the Owens Valley PM₁₀ Planning Area to exceed the PM₁₀ national ambient air quality standards and that water diversions by the city of Los Angeles, Department of Water and Power (City), have caused Owens Lake to become dry and the lakebed to be in a condition that produces dust.

On July 28, 1998, the District and the City entered into a Memorandum of Agreement (MOA) for the control of the dust from the lakebed of Owens Lake which requires the City to implement specified dust control measures (DCMs), which include shallow flooding, managed vegetation and gravel, to control dust emissions at Owens Lake.

On June 14, 1999, the California State Lands Commission (Commission) authorized the issuance of Lease No. PRC 8079.9 to the City for the installation of the Owens Lake South Sand Sheet Air Quality and Sand Fence Monitoring System. This project provided data for the design and implementation of dust control measures as required by the Owens Valley PM₁₀ Planning Area Demonstration of Attainment State Implementation Plan (SIP) dated November 16, 1998.

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On June 27, 2000, the Commission amended Lease No. PRC 8079.9 so that the City could construct and operate a shallow flooding project located on 13.5 square miles on the North Sand Sheet area of the dry lakebed of Owens Lake. On November 26, 2001, the Commission amended Lease No. PRC 8079 so that the City could construct and operate an additional 154 acres of shallow flooding at the south Zone Dust Control Project.

On October 1, 2002, the Commission authorized the issuance of a Sublease to the California Department of Water Resources to access, maintain, and monitor the existing California Irrigation Management and Information System (CIMIS) Weather Station located on the lease premises for the North Sand Sheet Shallow Flooding Project.

The Great Basin Unified Air Quality Control District (District) has ordered LADWP to construct and begin operating nearly 30 square miles of dust controls on the lakebed by the end of 2006. The District's 2003 State Implementation Plan also contains provisions requiring the District to continue to monitor air pollution emissions from the lakebed and identify any additional areas that may require PM₁₀ controls in order to meet the standards. The United States Environmental Protection Agency (USEPA) requires all State Implementation Plans to contain contingency measures that will be implemented in case initial control strategies fail to bring the area into compliance.

By letter dated December 21, 2005, the District Air Pollution Control Officer determined that an additional 9.31 square miles of the Owens Lake bed would require air pollution control measures. In addition, 0.66 square miles of the lakebed has been identified to be watched, requiring the City to prepare a 30 percent design for air pollution control measures for this area.

Additional dust control measures beyond Phase V would require the preparation of appropriate CEQA documentation by the City to analyze and mitigate for any potential impacts that may be caused by such project, and would also require an amendment of the lease.

OTHER PERTINENT INFORMATION:

1. The Lessee owns/has the permission to use the lands adjoining the lease premises and has applied to amend the lease to construct, implement and monitoring dust control measures for Phases IV and V of the project described above.

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2. As to Phase IV of the project, an EIR and EIR addendum were prepared and certified for this project by the Great Basin Unified Air Pollution Control District. Staff has reviewed the documents and Mitigation Monitoring Program adopted by the lead agency.
3. Findings made in conformance with the State CEQA Guidelines (Title 14, California Code of Regulations, sections 15091 and 15096) are contained on file in the Sacramento office of the Commission.
4. As to Phase V of the project, a Mitigated Negative Declaration and Mitigation Monitoring Program, SCH#2005061068 were prepared and adopted for this project by the city of Los Angeles Department of Water and Power on September 23, 2005. Staff has reviewed such documents on file in the Sacramento office of the Commission.
5. This activity involves lands which have NOT been identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. However, the Commission has declared that all state school lands and submerged lands are "significant" by nature of their public ownership (as opposed to "environmentally significant"). Since such declaration of significance is not based upon the requirements and criteria of Public Resources Code sections 6370, et seq., use classifications for such lands have not been designated. 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:

United States Army Corps of Engineers
California Regional Water Quality Control Board
California Department of Fish and Game
Great Basin Air Pollution Control District

EXHIBIT:

- A. Location and Site Map

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CALENDAR ITEM NO. C24 (CONT'D)

CEQA FINDING (Phase IV):

FIND THAT AN EIR AND EIR ADDENDUM WERE PREPARED AND CERTIFIED FOR THIS PROJECT BY THE GREAT BASIN AIR POLLUTION CONTROL 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), AS CONTAINED ON FILE IN THE SACRAMENTO OFFICE OF THE CALIFORNIA STATE LANDS COMMISSION.

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

CEQA FINDING (Phase V):

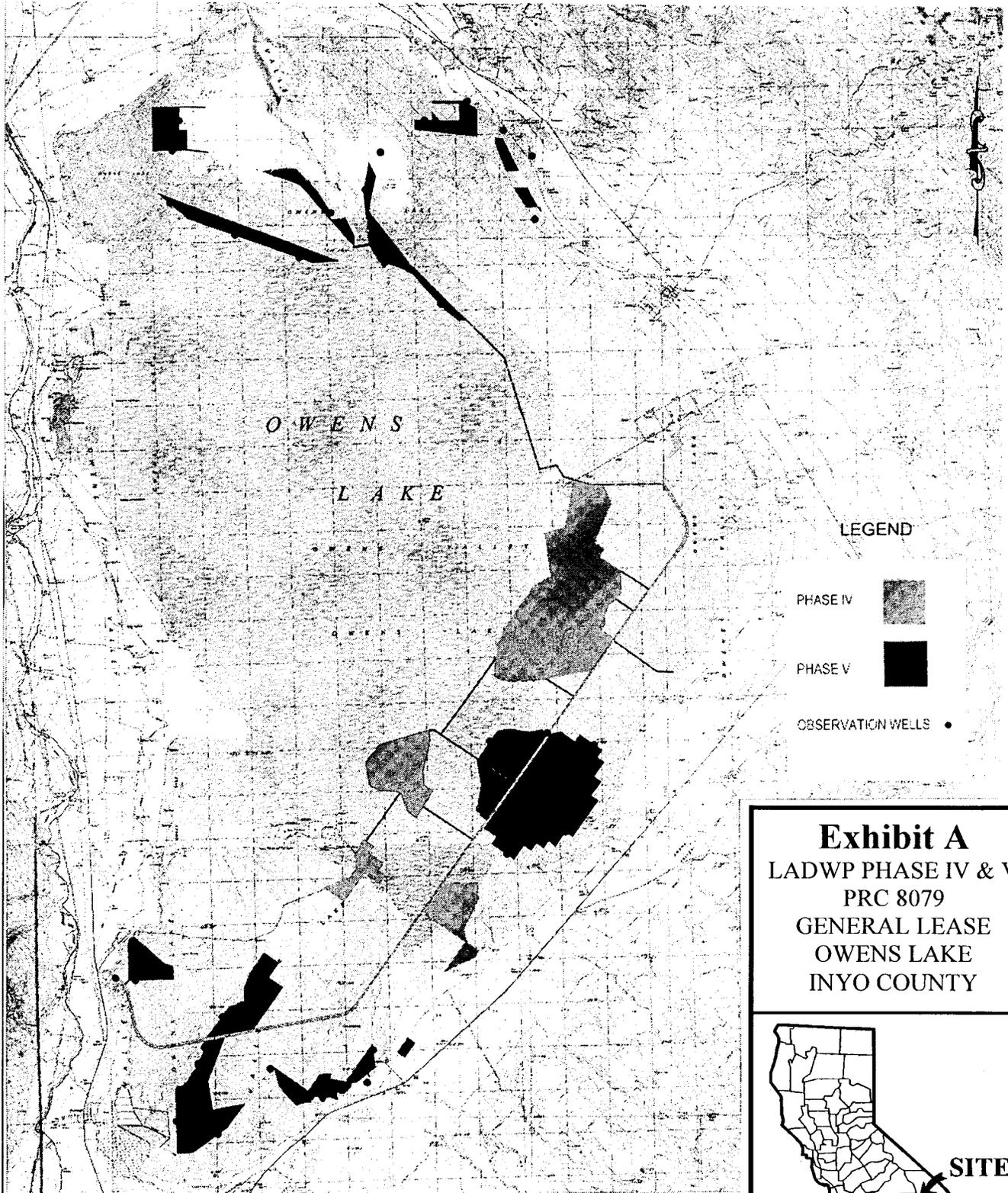
FIND THAT A MITIGATED NEGATIVE DECLARATION WAS PREPARED AND ADOPTED FOR THIS PROJECT BY THE CITY OF LOS ANGELES, DEPARTMENT OF WATER AND POWER AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

ADOPT THE MITIGATION MONITORING PROGRAM, ON FILE IN THE SACRAMENTO OFFICE OF THE COMMISSION.

AUTHORIZATION:

AUTHORIZE THE AMENDMENT OF LEASE NO. PRC 8079.9, A GENERAL LEASE - PUBLIC AGENCY USE, ON LANDS AS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, EFFECTIVE JUNE 26, 2006; TO AMEND THE LAND USE OR PURPOSE TO INCLUDE THE CONSTRUCTION, INSTALLATION, OPERATION AND MONITORING OF SHALLOW FLOODING DUST CONTROL MEASURES ASSOCIATED WITH PHASES IV AND V OF THE OWENS LAKE DUST CONTROL PROJECT; TO AMEND THE AUTHORIZED IMPROVEMENTS, INCLUDE ADDITIONAL SPECIAL PROVISIONS, AND REVISE THE LAND DESCRIPTION TO INCLUDE PHASE IV AND V SHALLOW FLOODING DUST CONTROL MEASURES AS DESCRIBED IN EIR 2002111020 AND IN MITIGATED NEGATIVE DECLARATION 2005061068; ALL OTHER TERMS AND CONDITIONS OF THE LEASE WILL REMAIN IN EFFECT WITHOUT AMENDMENT.

OWENS LAKE DUST MITIGATION PROGRAM PHASE IV & V



LEGEND

- PHASE IV 
- PHASE V 
- OBSERVATION WELLS 

Exhibit A
LADWP PHASE IV & V
PRC 8079
GENERAL LEASE
OWENS LAKE
INYO COUNTY



MAP SOURCE: USGS QUAD

This exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the 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.