

**CALENDAR ITEM
C19**

A 76
S 39

02/05/07
WP 8548.9
G. Kato

AMENDMENT OF LEASE

LESSEE:

San Diego Unified Port District
3165 Pacific Highway
San Diego, CA 92101

AREA, LAND TYPE, AND LOCATION:

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

AUTHORIZED USE:

Dredge approximately 41,000 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 to 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:

5 years, beginning August 18, 2004.

CONSIDERATION:

No royalty will be charged. Dredged material may not be sold.

PROPOSED AMENDMENT:

Authorize Lessee to dredge and remove an additional 15,000 cubic yards of dredged material. All other terms and conditions of the lease shall remain in effect without amendment.

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OTHER PERTINENT INFORMATION:

1. Lessee is the Trustee of the legislatively granted sovereign lands, pursuant to Chapter 67, Statutes of 1962 and as amended, with minerals reserved to the State.
2. Design review and modification determined that 56,000 cubic yards of material needed to be dredged to achieve the final design grade of -38 feet mean lower low water for the approach to the Tenth Avenue Marine Terminal and for the construction of a six to seven foot thick engineered cap over the contaminated sediments.
3. An EIR (December 2nd, 2003), a Supplemental EIR (October 2003) and an Addendum (November 2006) were prepared and certified for this project by the San Diego Unified Port District. The California State Lands Commission staff has reviewed such documents and the Mitigation Monitoring Program adopted by the lead agency. Findings made in conformance with the State CEQA Guidelines (Title 14, California Code of Regulations, section 15091 and 15096) are contained on file in the Sacramento Office of the California State Lands Commission.
4. A Mitigation Monitoring Program has been prepared in conformance with the provisions of the CEQA (Public Resources Code Section 21081.6).
5. 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 process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

APPROVALS OBTAINED:

United States Army Corps of Engineers
United States Environmental Protection Agency
NOAA's National Marine Fisheries Service
United States Fish and Wildlife Service
California Department of Fish and Game

FURTHER APPROVALS REQUIRED:

Regional Water Quality Control Board

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EXHIBIT:

- A. Location and Site Map

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT AN EIR, A SUPPLEMENTAL EIR AND AN ADDENDUM WERE 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), AS CONTAINED ON FILE IN THE SACRAMENTO OFFICE OF THE CALIFORNIA STATE LANDS COMMISSION.

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 THE AMENDMENT OF LEASE NO. PRC 8548.9 TO AUTHORIZE THE LESSEE TO DREDGE AND REMOVE AN ADDITIONAL 15,000 CUBIC YARDS OF DREDGED MATERIAL ON GRANTED SOVEREIGN LANDS, WITH MINERALS RESERVED TO THE STATE, AT THE FORMER CAMPBELL INDUSTRIES SHIPYARD WATERSIDE LEASEHOLD, CITY OF SAN DIEGO, SAN DIEGO COUNTY, AS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, EFFECTIVE AUGUST 18, 2004, TO AUGUST 17, 2009; ALL OTHER TERMS AND CONDITIONS OF THE LEASE WILL REMAIN IN EFFECT WITHOUT AMENDMENT.