

**CALENDAR ITEM
C32**

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02/05/07
WP 7198.9
PRC 5455.9
N. Smith

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ISSUANCE OF A GENERAL LEASE - PUBLIC AGENCY USE

APPLICANT:

Novato Sanitary District
500 Davidson Street
Novato, California 94945

AREA, LAND TYPE, AND LOCATION:

0.31 acres, more or less, of filled sovereign lands in a flood control levee, city of Novato, Marin County.

AUTHORIZED USE:

Installation, maintenance and use of a 16-inch sanitary sewer force main (HDPE), a four-inch fiber optic conduit for future use only by the District in connection with the sewer main; and a temporary construction easement.

LEASE TERM:

25 years, beginning February 15, 2007. The temporary construction easement will expire December 31, 2007.

CONSIDERATION:

The public use and benefit; 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.

OTHER PERTINENT INFORMATION:

1. Applicant has a right to use the lands adjoining the lease premises.
2. In 1977, the California State Lands Commission (CSLC) acquired a 278± acre parcel from the Novato Center pursuant to a title settlement encompassing the proposed lease premises. Subsequently, in 1978, the CSLC issued a lease to California Department of Fish and Game for wildlife management purposes. The Applicant has acquired permission

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from Fish and Game to construct the proposed project by letter dated November 1, 2006.

3. The Novato Sanitary District is implementing the Wastewater Facility Upgrade Project to address aging infrastructure at its two treatment plants to meet current regulatory requirements and to provide incremental capacity in accordance with the city of Novato's General Plan for the projected service area buildout (year 2025). Most of the infrastructure built in the 1950's and 1970's are aging and lacks redundancy in its treatment system. This diminishes the Applicant's ability to meet discharge requirements under its National Pollution Discharge Elimination System (NPDES) permit with the degree of liability required. Consequently, the San Francisco Bay Regional Water Quality Board mandated that the facilities meet current regulatory requirements by July 2008. In order to comply, the Applicant must upgrade its treatment facilities.
4. In 1998, the CSLC issued a lease to the Applicant for the construction of a six-inch sewer main pipeline crossing under Novato Creek and in 1997, authorized a lease for an existing 54-inch sewer main pipeline crossing under Novato Creek and an existing 54-inch outfall pipeline located in San Pablo Bay. The existing sewer improvements at Novato Creek are located in the general vicinity of the proposed new sewer main. The Applicant continues to operate and maintain both of the existing sewer main pipeline systems and does not have any plans to remove these improvements. The Applicant requests that the CSLC issue a separate lease for the new sewer main project.
5. The Applicant has requested a temporary construction easement for the project which will include an additional 0.52 acres and will expire December 31, 2007.
6. An EIR was prepared and certified for this project by the Novato Sanitary District. The California State Lands Commission staff has reviewed such document. A Mitigation Monitoring Plan has been prepared in conformance with the provisions of the CEQA (Public Resources Code section 21081.6). 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 California

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State Lands Commission.

7. A Statement of Overriding Considerations made in conformance with the State CEQA Guidelines (Title 14, California Code of Regulations, section 15093) is contained on file in the Sacramento office of the California State Lands Commission.
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:

Novato Sanitary District and the Department of Fish and Game

FURTHER APPROVALS REQUIRED:

US Army Corps of Engineers, San Francisco Bay Regional Water Quality Control Board, Sonoma-Marín Area Transit, and the California Department of Transportation

EXHIBITS:

- A. Location Map - Lease Premises
- A-1. Location Map – Temporary Construction Easement
- B. Land Description of Lease Premises and Temporary Construction Easement

PERMIT STREAMLINING ACT DEADLINE:

January 18, 2008

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT AN EIR WAS PREPARED AND CERTIFIED FOR THIS PROJECT BY NOVATO SANITARY DISTRICT AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

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

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 STATEMENT OF OVERRIDING CONSIDERATIONS MADE IN CONFORMANCE WITH TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15093, 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 NOVATO SANITARY DISTRICT OF A GENERAL LEASE - PUBLIC AGENCY USE, BEGINNING FEBRUARY 15, 2007, FOR A TERM OF 25 YEARS, FOR THE INSTALLATION, MAINTENANCE, AND USE OF A 16-INCH SANITARY FORCE MAIN AND A FOUR-INCH FIBER OPTIC CONDUIT FOR FUTURE DISTRICT USE, ALONG WITH A TEMPORARY CONSTRUCTION EASEMENT THAT WILL EXPIRE DECEMBER 31, 2007, AS DESCRIBED ON EXHIBIT B ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; THE PUBLIC USE AND BENEFIT, 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.