CALENDAR ITEM

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- S 5

06/21/13 PRC 7203.9 D. Jones

AMENDMENT OF MASTER LEASE

LESSEE:

Central Valley Flood Protection Board 3310 El Camino Avenue, Suite 140 Sacramento, California 95821

AREA, LAND TYPE, AND LOCATION:

Designated areas along the Sacramento River and sloughs, distributaries and tributaries that join it.

AUTHORIZED USE:

Construction and maintenance of new and existing bank protection.

LEASE TERM:

30 years, beginning May 1, 1988.

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.

PROPOSED AMENDMENT:

Amend the Lease to add a parcel of land at River Mile (RM) 26.0L, as described in Exhibit A, and authorize the repair and maintenance of bank protection in the Sacramento River near the town of Walnut Grove, Sacramento County. All other terms and conditions of the lease shall remain in effect without amendment.

OTHER PERTINENT INFORMATION:

- 1. Applicant has the right to use the upland adjoining the lease premises.
- 2. The Sacramento River Bank Protection Project (SRBPP), authorized by Congress in 1960, directs the U.S. Army Corps of Engineers (Corps) to provide bank protection along approximately 405,000 linear feet of the Sacramento River and its tributaries. The State Legislature authorized the

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participation of the Central Valley Flood Protection Board (CVFPB), formerly called the Reclamation Board, in the SRBPP. The SRBPP area includes the Sacramento River from Chico (RM 0) to Collinsville (RM 194), Feather and American Rivers, the flood bypass system and associated canals, Delta sloughs; and reaches of lower minor tributaries including Cache Creek, Bear River, Yuba River, and Elder and Deer Creeks.

A Master Lease to CVFPB for the project was authorized by the Commission on May 9, 1988, effective May 1, 1988. The Master Lease authorizes maintenance of existing bank protection structures and construction of new bank protection structures as specific construction sites become known. The Master Lease also requires the CVFPB to seek amendments of the lease to include new sites. This Amendment is the fourteenth Amendment to the Master Lease. The Master Lease was previously amended on June 30, 1988; March 8, 1994; August 21, 1996; August 26, 1997; June 19, 1998; December 16, 1998; November 26, 2001; August 19, 2003; October 6, 2004; June 26, 2006 (Minute Item 32); June 26, 2006 (Minute Item 33); December 14, 2006; June 24, 2008; and June 1, 2009.

- 3. In 2009, the CVFPB coordinated with the Corps to design bank protection measures for 24 priority erosion sites within the SRBPP planning area. Priority erosion sites are areas along the SRBPP levees that are at risk of erosional failure during flooding and/or normal flow conditions. Of the 24 proposed repair sites, the Commission approved 11 of them at its June 1, 2009 meeting. The proposed project being included as part of this lease amendment is one of the 24. The remaining 12 proposed projects have not been scheduled for repair to date.
- 4. The proposed project involves implementing bank protection measures to preclude ongoing streambank erosion at River Mile 26.0L to prevent levee failure. The bank protection measures will include: (1) protecting the toe and upper slopes of the bank with rock; (2) establishing a berm around the mean winter water level to provide aquatic habitat during lower and higher river stages in winter and spring; (3) placing instream wood material for aquatic habitat; and (4) planting pole and container plantings to stabilize the bank and provide riparian and shaded riverine aquatic habitat.

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- 5. The Corps has initiated an informal Section 7 consultation with the U.S. Fish and Wildlife Service and National Marine Fisheries Service.
- 6. A Mitigated Negative Declaration, State Clearinghouse No. 2009042052, was prepared by the Central Valley Flood Protection Board and adopted on May 19, 2009, for this project. The California State Lands Commission staff has reviewed such document.

A Mitigation Monitoring Program was adopted by the Central Valley Flood Protection Board.

7. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based upon the staff's consultation with the persons nominating such lands and through the California Environmental Quality Act (CEQA) review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

FURTHER APPROVALS REQUIRED:

State Historic Preservation Office, Central Valley Regional Water Quality Control Board, U.S. Fish and Wildlife Service, and National Marine Fisheries Service

EXHIBITS:

- A. Land Description
- B. Site and Location Map
- C. Mitigation Monitoring Program

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that a Mitigated Negative Declaration, State Clearinghouse No. 2009042052, was prepared by the Central Valley Flood Protection Board and adopted on May 19, 2009, for this Project and that the Commission has reviewed and considered the information contained therein.

Adopt the Mitigation Monitoring Program, as contained in Exhibit C attached hereto.

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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 section 6370 et seq.

AUTHORIZATION:

Authorize the amendment of Master Lease No. PRC 7203.9, a General Lease – Public Agency Use, to add a parcel of sovereign land described on Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof, and to authorize the repair and maintenance of bank protection, effective June 21, 2013; all other terms and conditions of the lease will remain in effect without amendment.

EXHIBIT A

MASTER LEASE NO. PRC 7203.9, A GENERAL LEASE – PUBLIC AGENCY USE

Located in the bed of the Sacramento River in Sacramento County, lying immediately beneath the proposed bank protection at River mile 26.0L, near the town of Walnut Grove, Sacramento County.

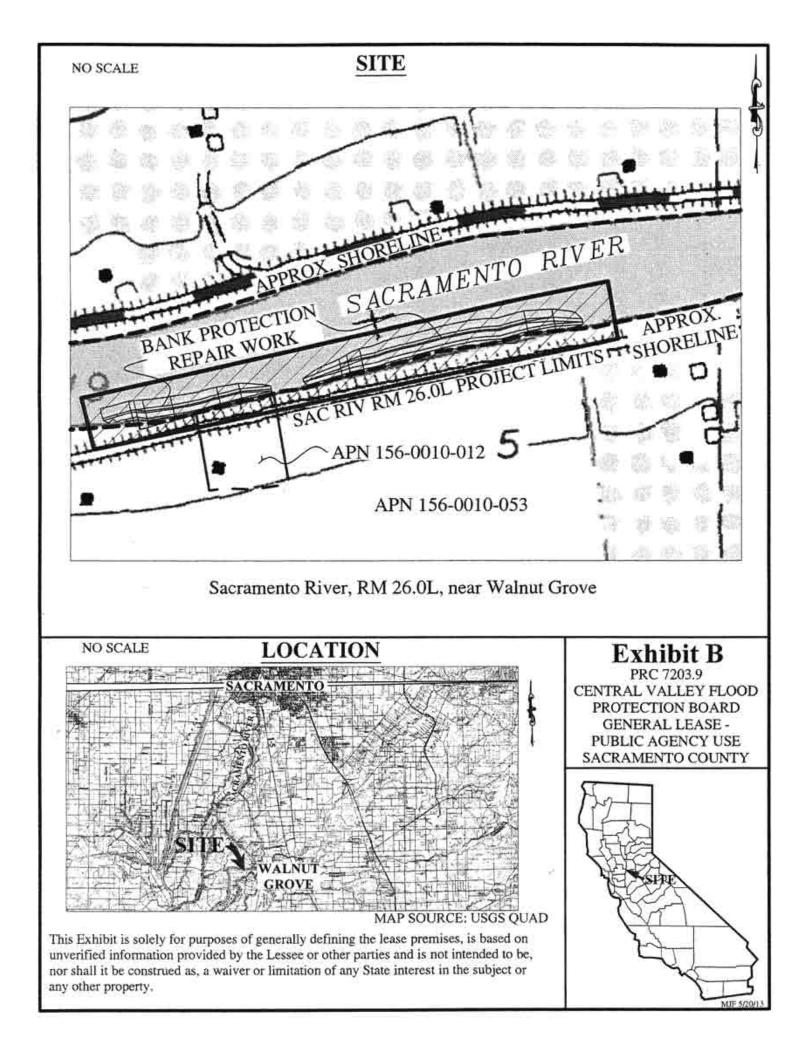


Exhibit C: Mitigation Monitoring Program

Potential Impact	Mitigation Measure	Location	Agency Responsible	Timing
Impact REC1: Temporary Loss of Recreational Opportunities during Construction	 MM REC1: Temporary Loss of Recreational Opportunities during Construction a. Signage and/or buoys shall be provided at each of the erosion sites to warn of the potential hazards during construction. Construction personnel shall warn the public (e.g., boaters, recreationists) to stay away if they approach within 100 feet of construction equipment (e.g., barges, cranes). b. Where construction zones encompass recognized recreational trails, alternate routes and detours shall be imposed. Signage shall be placed around the construction areas to identify the closed areas and alternate routes. 	Sacramento River	CVFPB	Prior to construction
Impact REC3: Public Safety Hazards to Recreational Users	 MM REC2: Public Safety Hazards to Recreational Users a. The design of the restored levees shall ensure local approach visibility for recreational boaters through the use of natural indicators, such as highly visible emergent portions of instream woody material (IWM) and vegetation on the low-elevation areas, to act as visual warning of the presence of shallowly submerged hardscape. IWM shall be oriented in a downstream direction to reduce potential straining effects on river users and the subsequent danger of entrapment. 	Sacramento River	CVFPB	During construction
Impact BIO7: Construction activities could have direct impacts on fish.	 MM BIO3: Fish Impacts a. In-water work activities shall be limited to August 1 through November 30. b. During construction operations, stockpiling of construction materials, portable equipment, vehicles, and supplies shall be restricted to the designated construction staging areas. A qualified biologist shall provide worker environmental awareness training to contractors and construction crews regarding all special-status fish species known to occur near the erosion sites. c. A representative (on-site monitor) shall be appointed by the U.S. Corps of Engineers (Corps) to be the point of contact for any worker that observes a dead, injured, or entrapped special-status fish. Dead or injured fish shall be photographed and the photographs provided 	Sacramento River	CVFPB/Corps	During construction

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	to the Corps, the National Marine Fisheries Service, and the U.S. Fish and Wildlife Service. If a live specimen is captured in good condition, and a positive identification cannot be made in the field because of size or lack of other distinguishing characteristics, the fish shall be immediately returned to the river downstream of the project area.			
Impact BIO13: Implementati on of levee repairs would result in temporary and long- term impacts to aquatic habitat for special- status fish species.	 MM BIO5: Impacts to Aquatic Habitat for Special-Status Fish. a. Prior to implementation of the proposed action, formal consultation under section 7 of the Endangered Species Act shall be completed with the National Marine Fisheries Service (NMFS) and the U.S. Fish and Wildlife Service. All terms and condition of the Biological Opinions shall be implemented. b. On-site mitigation shall include the creation of three riparian bench types, including a riparian bench with a 10:1 bank slope (13 U.S. Corps of Engineers [Corps]-built sites), and undulating riparian bench with 2-foot transverse berms and 10:1 bank slope (4 DWR-built sites), and a sloping riparian bench with a 6:1 bank slope (3 Corps-built sites on the Feather River). The riparian benches shall be seasonally inundated during winter and spring high flows. In Reach 1a, where no riparian benches will be constructed, bank slope repairs shall be planted with riparian vegetation. c. Instream woody material (IWM) and fascines shall be installed at all of the erosion sites (except the three setback levee sites) to retain and enhance the structural habitat and hydraulic complexity of the nearshore zones relative to existing conditions. The key objective is to provide essential shaded riverine aquatic habitat and velocity refuge opportunities for rearing juveniles. Woody materials shall be installed at the 22 sites in accordance with the installation designs shown in the revegetation plans. All installed IWM shall consist of hardwood tree species (e.g., English walnut and almond) that span approximately 15 to 20 feet in length and retain an extensive branch and root structure. IWM shall be securely anchored under rock revetment at the front edge of the riparian bench or bank toe (e.g., SAC 8.0L and 10.8L) for both high water winter and spring habitat and for low water summer and fall aquatic habitat. The required 	Sacramento River	CVFPB	Prior, During, and Post construction

Potential Impact	Mitigation Measure	Location	Agency Responsible	Timing
	 specifications for installation of IWM and planting of riparian trees shall be clearly identified in final construction drawings and construction contracts. d. To compensate for salmonid habitat losses identified by the standard assessment methodology (SAM), the Corps and the Central Valley Flood Protection Board (CVFPB) shall purchase or develop aquatic habitat with equivalent values (within the SAM) to provide 1,390 linear feet and 271,363 square feet (6.2 acres) of habitat for juvenile Chinook salmon in fall within Regions 1a, 1b, 2, and 3 by Water Year 2015 (Year 6 for 2009-built sites and Year 5 for 2010-built sites). These values shall be used to compensate for effects on juveniles as well as other salmonid life stages, even though model results indicate that juveniles would potentially experience the greatest habitat losses. A suitable mitigation site shall be situated within 50 miles of the project sites and approved by NMFS. The expected project-related impacts to other juvenile special-status fish species (i.e., green sturgeon, Sacramento splittail, river lamprey, and hardhead) would be similarly mitigated to less-than significant levels with the creation of aquatic habitat by this salmonid-targeted mitigation measure. e. To compensate for delta smelt habitat losses identified by the SAM, the Corps and CVFPB shall purchase or develop aquatic habitat with equivalent values (within the SAM) to provide 1,014 linear feet and 181,455 square feet (4.2 acres) of habitat for the affected delta smelt life stages (spawning, incubation, and rearing) in summer within Regions 1a and 1b. Compensation in these amounts shall be applied no later than 2011 to ensure habitat recovery within the 2-year recovery period recommended by the SAM (USACE 2004). Offsite mitigation credits shall be withdrawn from the Cache Slough/Yolo Bypass Mitigation Area. Prior to 2007, the Cache Slough mitigation site offered 12,000 feet and 138 acres (6,011,280 square feet) of potential habitat compensation. Consid			

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	acres from 13 planned Corps sites in 2008–2009 (USACE 2008b) withdrawn from this mitigation site, this would leave a balance of 7,639 feet and 108.1 acres (4,708,836 square feet for future delta smelt compensation needs.			
Impact BIO16: Construction activities could have impacts on western pond turtles.	 MM BIO8: Impacts to Western Pond Turtle. a. Pre-construction surveys for western pond turtles shall be conducted by a qualified biologist the morning of initiation of construction activities. Any turtles observed shall be allowed to move out of the construction area before construction activities are initiated. b. Prior to initiation of construction activities at all erosion sites, workers shall participate in a worker environmental awareness training provided by a qualified biologist. The training shall instruct workers regarding how to identify the turtle, the habitats used by the turtle, the potential for turtle egg clutches (i.e., nest sites) to be discovered during vegetation clearing, what to do if a turtle or suspected egg clutch is encountered during construction activities, and how to contact the monitoring biologist. The monitoring biologist shall be contacted immediately in the event that a turtle or eggs are encountered. c. Any dead or injured turtles shall be immediately reported to the California Department of Fish and Wildlife (DFW). The treatment of any injured or dead turtles shall be coordinated with the DFW. 	Sacramento River	CVFPB	Prior and During construction
Impact BIO22 Construction activities could have impacts on non–special status fish species.	Implement MMs WQ1, WQ2, and BIO3.	Sacramento River	CVFPB	Prior and During construction
Impact BIO24: Construction activities	 MM BIO14: Impacts to Marine Mammals. a. All aquatic habitat within the construction area shall be inspected for the presence of marine mammals within 2 hours and 30 minutes prior to the initiation of construction and during construction activities. 	Sacramento River	CVFPB	Prior and During construction

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could have impacts on marine mammals.	 b. If a marine mammal is encountered, all construction activities shall cease and the National Marine Fisheries Service (NMFS) and the monitoring biologist shall be contacted for further instructions. Construction activities shall not be initiated or resumed until the marine mammal has completely left the area at its own volition. c. If any dead or injured marine mammals are discovered, all construction activities shall cease and NMFS and the monitoring biologist shall be immediately contacted. Construction activities shall not resume until authorized by NMFS. The treatment of any injured or dead marine mammals shall be coordinated with NMFS. 			
Impact WQ1: Construction activities could cause a temporary increase in turbidity.	 MM WQ1: Impacts to Water Quality. a. The contractor shall prepare a Storm Water Pollution Prevention Plan (SWPPP) and implement the SWPPP during and after construction to minimize turbidity-generating activities. The SWPPP shall include an erosion control plan, a water quality monitoring plan, a hazardous materials management plan, and best management practices (BMPs) for construction activities, including the use of a floating turbidity curtain, as appropriate. The BMPs shall be maintained until terrestrial areas disturbed during construction have been adequately revegetated and stabilized. b. Water quality monitoring, as detailed in the SWPPP, shall contain specific directives for establishing sampling locations and for acceptable levels of turbidity and settleable solids. Sampling shall be conducted at an upstream location in the vicinity of each construction site once daily to establish background levels. Water samples for determining down-current turbidity and settleable solids levels shall be collected 5 feet from the shoreline and 300 feet down-current of any floating turbidity curtain. c. Benchmark levels for turbidity under the Central Valley Regional Water Quality Control Board (RWQCB) Basin Plan shall not exceed 1 NTU above ambient conditions (where natural turbidity levels range from 5–50 NTU); 10 NTU (where natural turbidity levels range from 50–100 NTU); or 10% (where natural turbidity levels are >100 NTU). In determining compliance with these turbidity limits averaging periods 	Sacramento River	CVFPB	Prior and During construction

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may be applied, provided that beneficial uses remain fully protected.d. Settleable solids shall be determined by the American Public Health Association (1998) Method 2540F. During working hours, the construction activity shall not cause the settleable solids down- current from each construction site to exceed 0.1 ml/L after one hour settling.e. Prior to placement of any material within the ordinary high water mark of the waterbody, a Section 401 Water Quality Certification shall be obtained from the RWQCB. All conditions of the Water Quality Certification shall be met.f. Project construction contractors shall obtain and comply with the conditions of a State General Construction Activity Stormwater Permit adopted by the California State Water Resources Control Board.Impact WQ2: construction activities could release hazardousMM WQ2: Hazardous Materials Release. a. The contractor shall develop and implement a hazardous materials management plan prior to initiation of construction. The plan shall include best management practices that would reduce the potential for spills of toxic chemicals and other hazardous materials duringSacramento RiverCVF	
Construction activities could releaseThe contractor shall develop and implement a hazardous materials management plan prior to initiation of construction. The plan shall include best management practices that would reduce the potential for spills of toxic chemicals and other hazardous materials duringRiver	
materials into the waterway.construction. The plan shall include a specific protocol for the proper handling and disposal of materials and contingency procedures to follow in the event of a hazardous materials spill. The plan shall also describe the specific protocol for the proper handling and disposal of potentially hazardous materials that could be encountered during construction. Any spills of hazardous materials to the river shall be cleaned up immediately and immediately reported to the Central Valley Regional Water Quality Control Board, National Marine Fisheries Service, and U.S. Fish and Wildlife Service.	Construction activities could release hazardous materials into