

**CALENDAR ITEM  
C116**

A	74	12/02/13
		G09-02
S	37	S. Scheiber

**CONSIDERATION OF PROPOSED EXPENDITURES OF \$3,061,000 OF TIDELAND FUNDS BY THE CITY OF NEWPORT BEACH FOR CAPITAL IMPROVEMENT PROJECTS WITHIN THE CITY OF NEWPORT BEACH, ORANGE COUNTY**

**APPLICANT:**

City of Newport Beach  
100 Civic Center Drive  
Newport Beach, CA 92660

The City of Newport Beach (City) is trustee of sovereign tide and submerged lands granted by the Legislature pursuant to Chapter 74, Statutes of 1978 and as amended; (Statutory Grant).

**BACKGROUND:**

Pursuant to Section 1(k) of Chapter 74, Statutes of 1978 as amended by Chapter 317, Statutes of 1997, and Chapter 745, Statutes of 2001 (Chapter 74), the City has submitted a description for the proposed expenditure of tideland funds, in the amount of approximately \$3,061,000, for 7 capital improvement projects within the City of Newport Beach for review by the California State Lands Commission (Commission) for consistency with Chapter 74. Pursuant to Chapter 74, the Commission has 60 days to notify the City that such capital improvement projects are not authorized by the applicable subdivisions of Chapter 74. Commission staff received notice from the City of the proposed expenditure for the 7 capital improvement projects on September 11, 2013.

The proposed expenditure of approximately \$3,061,000 of tideland revenue is to fund 7 capital improvement projects located on Newport Beach tidelands, as shown on Exhibit A.

The projects, as proposed and described by the City, are identified as follows:

- **Bay Beach San Management and Minor Dredging:** This project consists of normal sand and sediment maintenance operations throughout the harbor's bay beaches and street ends. Additionally, sand maintenance and dredging work within the Grand Canal and Semeniuk Slough are proposed.

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Estimated expenditure: \$350,000

- **Harbor Piers Maintenance:** This project provides for inspection and maintenance of City owned piers in Newport Harbor. A consultant will prepare construction plans and specifications based on reported recommendations for needed maintenance work.

Estimated expenditure: \$400,000

- **Lower Harbor Dredging Testing and Documentation:** Dredging of the entire lower Newport Bay was recently completed in cooperation with the U.S. Army Corps of Engineers. This project provides for necessary sediment testing and documentation following major dredging activities.

Estimated expenditure: \$300,000

- **Newport Harbor Dredging Permit – RGP54:** The Regional General Permit 54 (RGP54) is a blanket dredging permit for Newport Harbor to meet regulations governed by the U.S. Army Corps of Engineers, the California Coastal Commission and the Regional Water Quality Control Board. RGP54 is designed to simplify the permit process for the local harbor community to perform minimal impact dredging activities. Significant tasks of the permit process include performing sediment testing and negotiating permit conditions.

Estimated expenditure: \$491,000

- **Ocean Pier Maintenance:** This project provides for the bi-annual inspection and maintenance of the Newport Pier and Balboa Pier. The consultant prepared inspection report will focus on the underside condition of both piers and will form the basis of the construction work. Staff will prepare the construction project plans and specifications based on the report's recommendations to complete the needed maintenance work such as crack sealing stringers and piles and replacing missing or broken timber members, corroded straps, and other identified deficiencies.

Estimated expenditure: \$600,000

- **Seawall and Bulkhead Modifications:** This project continues the consultant process of developing conceptual design and plans for the eventual replacement of the entire seawall around both Balboa Islands. Design efforts will also include public outreach and conceptual approval, necessary CEQA review, technical support and assistance with the Commission and the California Coastal Commission, other regulatory review and permitting, final plan development, and construction phasing.

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Other City bulkhead walls may be reviewed. Necessary rehabilitations may be part of this budgeted item.

Estimated expenditure: \$280,000

- **Tidegate Retrofit and Upgrades:** This project provides for the installation of new tidegates and hardware to replace existing deteriorated and high maintenance units within Balboa Peninsula and Balboa Island. Provisions for automated operations to reduce maintenance costs will be implemented where feasible.

Estimated expenditure: \$640,000

**Table Summary of Projects and Expenditure Request**

Bay Beach San Management and Minor Dredging	\$350,000
Harbor Piers Maintenance	\$400,000
Lower Harbor Dredging Testing and Documentation	\$300,000
Newport Harbor Dredging Permit – RGP54	\$491,000
Ocean Pier Maintenance	\$600,000
Seawall and Bulkhead Modifications	\$280,000
Tidegate Retrofit and Upgrades	\$640,000
<b>TOTAL</b>	<b>\$3,061,000</b>

**STAFF ANALYSIS:**

Section 1(j) of Chapter 74, as amended, authorizes the expenditure of tideland revenues for any or all of the purposes set forth in Chapter 74 on public trust lands within the City of Newport Beach. Section 1(a)(1) of Chapter 74, as amended, allows tideland revenue to be expended for a purpose in which there is a general statewide interest and for the establishment, improvement, and conduct of a public harbor; and for the construction, maintenance, and operation thereon of wharves, docks, piers, slips, quays, ways, and streets, and other utilities, structures, and appliances necessary or convenient for the promotion or accommodation of commerce and navigation. Based on the information provided by the City, the proposed capital improvement projects appear to be consistent with section 1 of Chapter 74, as amended, because the projects provide for the preservation, maintenance, and improvement of Newport Harbor.

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**OTHER PERTINENT INFORMATION:**

1. The staff recommends that the Commission find that the subject consistency determination of proposed expenditures of tideland funds does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060, subdivision (c)(3), and 15378.

2. This activity involves lands statutorily exempted from Public Resources Code sections 6370 et seq., pursuant to Public Resources Code section 6377.

**EXHIBIT:**

- A. Location and Site Map

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDING:**

Find that consideration of the consistency of a proposed expenditure of Tideland Funds with section 1 of Chapter 74, Statutes of 1978, as amended, is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

**SIGNIFICANT LANDS FINDING:**

Find that this activity is statutorily exempt from Public Resources Code sections 6370 et seq., pursuant to Public Resources Code section 6377.

**AUTHORIZATION:**

Find that, based on the information provided by the City, the proposed expenditure of tideland funds, in the total amount of approximately \$3,061,000, for 7 capital improvement projects within the City of Newport Beach, does not appear to be inconsistent with the uses set forth in section 1 of Chapter 74, Statutes of 1978, as amended by Chapter 317, Statutes of 1997 and Chapter 745, Statutes of 2001.

NO SCALE

**SITE**



**NEWPORT HARBOR, NEWPORT BEACH**

NO SCALE

**LOCATION**



MAP SOURCE: USGS QUAD

**Exhibit A**  
 G 09-02  
 CITY OF NEWPORT  
 BEACH  
 EXPENDITURE OF TRUST  
 REVENUE  
 ORANGE COUNTY



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.