

**CALENDAR ITEM  
C50**

A 76  
S 38

08/15/14  
PRC 932.1  
K. Foster

**GENERAL LEASE - BEACH NOURISHMENT USE**

**APPLICANT:**

Cabrillo Power I LLC  
4600 Carlsbad Boulevard  
Carlsbad, CA 92008

**AREA, LAND TYPE, AND LOCATION:**

Sovereign land in the Pacific Ocean adjacent to Carlsbad State Beach and Agua Hedionda Lagoon, city of Carlsbad, San Diego County.

**AUTHORIZED USE:**

Placement of up to 500,000 cubic yards of suitable dredge materials per dredging cycle from Agua Hedionda Lagoon on sovereign land adjacent to Carlsbad State Beach, city of Carlsbad, San Diego County.

**LEASE TERM:**

10 years, beginning September 1, 2014.

**CONSIDERATION:**

\$125 per year plus the public use and benefit, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the Lease.

**SPECIFIC LEASE PROVISIONS:**

**Insurance:** In an amount no less than \$1,000,000 per occurrence.

**OTHER PERTINENT INFORMATION:**

1. Applicant owns and has the right to use the upland adjoining the lease premises.
  
2. On October 6, 2004, the Commission authorized the issuance of a General Lease - Industrial Use to Cabrillo Power I LLC for the placement of suitable dredge materials from Agua Hedionda Lagoon on sovereign land adjacent to Carlsbad State Beach. The term of the existing lease

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expires on August 31, 2014, and the Applicant is applying for a new General Lease - Beach Nourishment Use.

3. Applicant operates the Encina Power Station located adjacent to Agua Hedionda Lagoon. Agua Hedionda Lagoon provides cooling water for the Station. The Applicant periodically dredges the area around the Station's cooling water intake pipes to remove sediment that accumulates in the Lagoon as a result of tidal action. Dredging is conducted in cycles of between one and three years to maintain the tidal prism and help prevent the intake pipes from being clogged.
4. The area that is being dredged is in Agua Hedionda Lagoon on land not within the jurisdiction of the State Lands Commission. Consequently, the dredging aspect of this project does not need to come under lease.
5. Prior to each dredging cycle, the Applicant is required to prepare and submit a Sampling and Analysis Plan (SAP) for that cycle that describes the procedures that will be followed for sampling and testing the sediment to be removed to insure the material meets the requirements of state and federal standards for materials suitable for placement on the beach.
6. Because the placement of dredge materials at Carlsbad State Beach provides a public benefit by augmenting existing beach sand and replacing sand lost through erosion, thereby enhancing the public's recreational opportunities, staff recommends that the minimum annual rent of \$125 be applied to the new lease so long as such public benefit remains.
7. The staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 4, Minor Alterations to Land; California Code of Regulations, Title 14, section 15304 .

Authority: Public Resources Code section 21084 and California Code of Regulations, Title 14, section 15300.

8. 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

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through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

**APPROVALS OBTAINED:**

None

**FURTHER APPROVALS REQUIRED:**

City of Carlsbad  
California Department of Parks and Recreation  
California Regional Water Quality Control Board  
California Coastal Commission  
U.S. Army Corps of Engineers

**EXHIBITS:**

- A. Land Description
- B. Site And Location Map

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDING:**

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061 as a categorically exempt project, Class 4, Minor Alterations to Land; California Code of Regulations, Title 14, section 15304.

**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 issuance of a General Lease - Beach Nourishment Use to Cabrillo Power I LLC beginning September 1, 2014, for a term of 10 years, for placement of up to 500,000 cubic yards of suitable dredge materials per dredging cycle from Agua Hedionda Lagoon on sovereign land adjacent to Carlsbad State Beach as shown on Exhibit A attached and by this reference made a part hereof; annual rent in the amount of \$125 plus the public use and benefit, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease; liability insurance in an amount no less than \$1,000,000 per occurrence.

## EXHIBIT A

PRC 932.1

### LAND DESCRIPTION

A parcel of tide and submerged land situate in the Pacific Ocean adjacent to the mouth of the Agua Hedionda Lagoon, San Diego County, State of California, and being more particularly described as follows:

A strip of tide and submerged land 500 feet wide lying adjacent to the Agreed Ordinary High Water Mark of the Pacific Ocean as described in Boundary Line Agreement 271, on file at the Sacramento Office of the California State Lands Commission; said strip bounded on the northeast by said Agreed Ordinary High Water Mark; bounded on the southwest by a line parallel with the said Agreed Ordinary High Water Mark and lying 500 feet southwesterly measured at right angles therefrom; bounded on the northwest by the southeasterly boundary and extension thereof, of Parcel 1 of Parcel Map No. 9906, filed in the Office of the County Recorder of San Diego County on April 14, 1980 as File No. 80-126572; bounded on the southeast by the northwesterly boundary and extension thereof, of Lot 20 of Map No. 3052, filed in the Office of the County Recorder of San Diego County on February 4, 1954 as File No. 14672.

The sideline of said strip to be lengthened or shortened so as to terminate on the northwest at the southeasterly boundary and extension thereof of said Parcel 1, and on the southeast at the northwesterly boundary and extension thereof of said Lot 20.

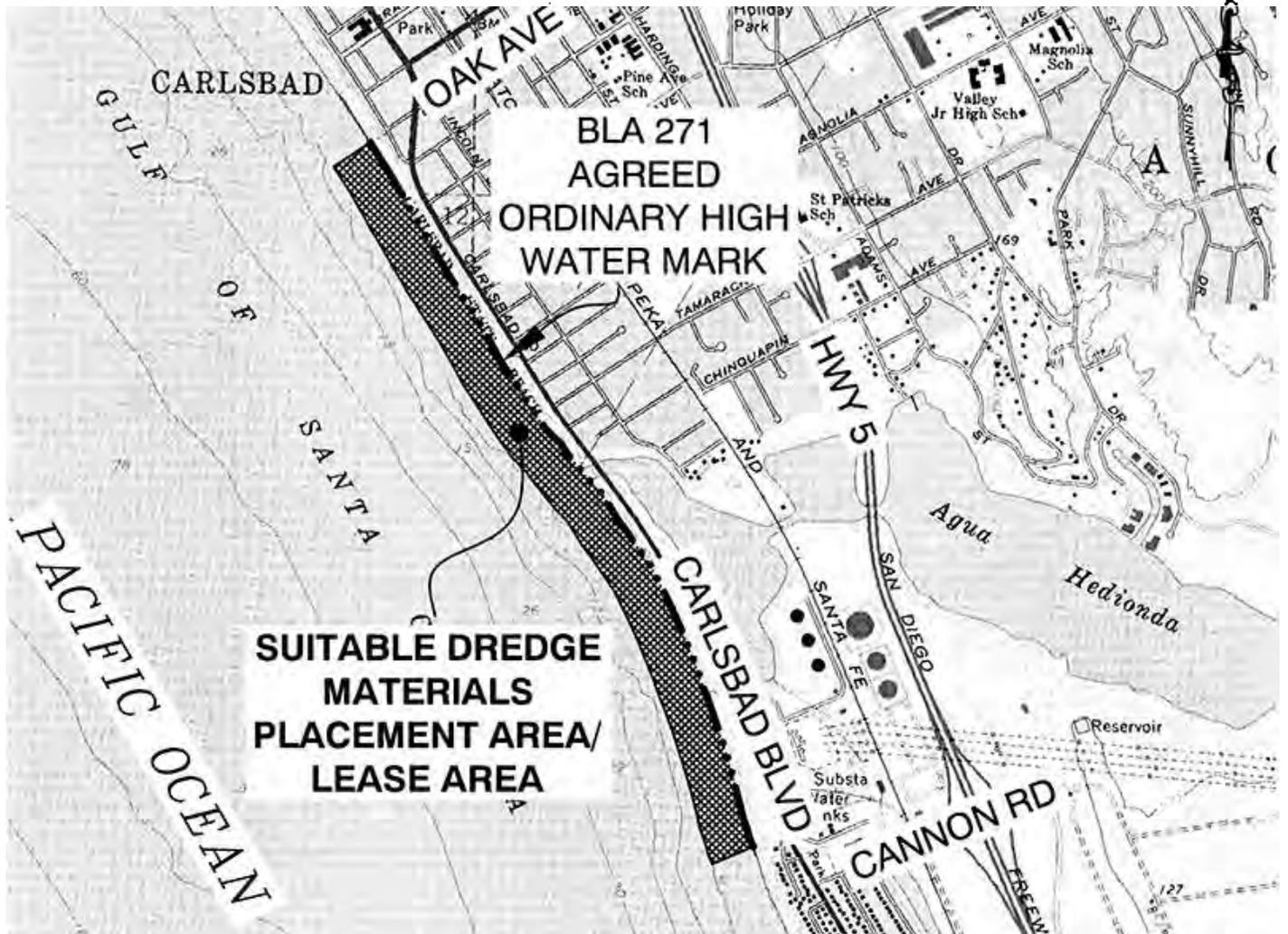
### END OF DESCRIPTION

Prepared 07/23/2014 by the California State Lands Commission Boundary Unit.



NO SCALE

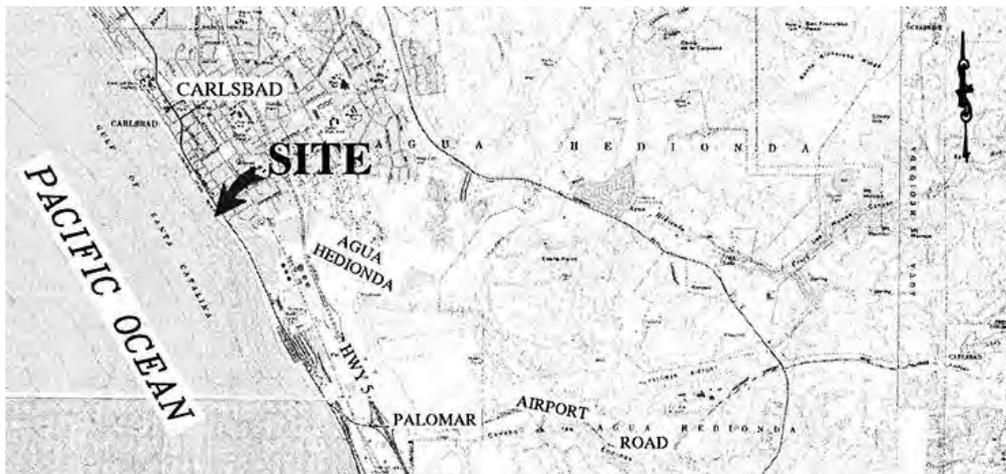
# SITE



CARLSBAD STATE BEACH VICINITY

NO SCALE

# LOCATION



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.

# Exhibit B

PRC 932.1  
CABRILLO POWER I LLC  
GENERAL LEASE - BEACH  
NOURISHMENT USE  
SAN DIEGO COUNTY

