MINUTE ITEM

This Calendar Item No. 25 was approved as Minute Item No. 25 by the California State Lands Commission by a vote of 3 to 6 at its 6-19-98 meeting.

CALENDAR ITEM C25

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06/19/98 W 25285 B. Dugal

DREDGING LEASE

APPLICANT:

City of Morro Bay 1275 Embarcadero Center Morro Bay, California 93442

AREA, LAND TYPE, AND LOCATION:

Granted, sovereign lands, minerals reserved, in Morro Bay Harbor, City of Morro Bay, San Luis Obispo County.

AUTHORIZED USE:

Dredge a maximum of 300,000 cubic yards of material during each year of the lease from mooring areas A1-1 through A1-5. Dredged materials will be used for beach nourishment on lands granted to the City of Morro Bay in the surf zone north of Morro Bay Harbor, between Morro Creek and Azure Street or offshore south of the Harbor mouth at an approved disposal site. Both disposal sites are U.S. Army Corps of Engineers approved disposal sites.

LEASE TERM:

Five years, beginning June 1, 1998.

CONSIDERATION:

No royalty will be charged as the project will result in a public benefit; however, \$0.25 per cubic yard will be charged for any material used for private benefit or commercial sale purposes.

OTHER PERTINENT INFORMATION:

- 1. Applicant is the Trustee of the legislatively granted tide and submerged lands.
- 2. This is a maintenance project to dredge the mooring areas to return them to the depths and width of its original design.
- The proposed dredging project will impact a 0.45 acre area of eelgrass habitat. The proposed project also involves restoring the 0.45 acre area

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of eelgrass habitat according to the policy of the National Marine Fisheries Service.

- 4. A Mitigated Negative Declaration was prepared and adopted for this project by the city of Morro Bay. The California State Lands Commission's staff has reviewed such document.
- 5. A Mitigation Monitoring Program was adopted by the City of Morro Bay.
- 6. 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:

City of Morro Bay California Coastal Commission

FURTHER APPROVALS REQUIRED:

Department of Parks and Recreation U. S. Army Corps of Engineers

EXHIBITS:

- A. Dredge Location/Site Map
- B. Deposition Sites
- C. Notice of Determination
- D. Mitigation Monitoring Program

PERMIT STREAMLINING ACT DEADLINE:

October 19, 1998

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION: CEQA FINDING:

> FIND THAT A MITIGATED NEGATIVE DECLARATION AND A MITIGATION MONITORING PROGRAM WERE PREPARED AND ADOPTED FOR THIS PROJECT BY THE CITY OF MORRO BAY AND THAT THE COMMISSION HAS REVIEWED AND

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CONSIDERED THE INFORMATION CONTAINED THEREIN. ADOPT THE MITIGATION MONITORING PROGRAM, AS CONTAINED IN EXHIBIT D ATTACHED HERETO.

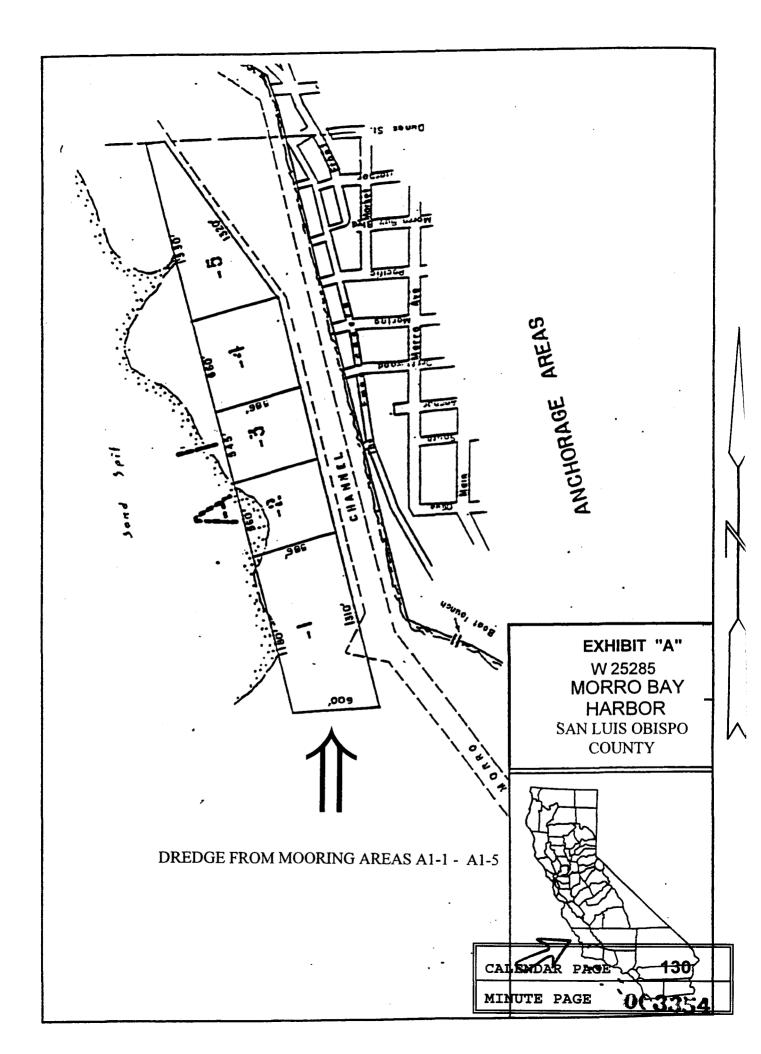
SIGNIFICANT LANDS INVENTORY FINDING:

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 ISSUANCE OF A DREDGING LEASE TO CITY OF MORRO BAY BEGINNING JUNE 1, 1998, FOR A TERM OF FIVE YEARS, FOR DREDGING A MAXIMUM OF 300,000 CUBIC YARDS OF MATERIAL FROM THE LANDS DEPICTED ON THE ATTACHED EXHIBIT A DURING EACH YEAR OF THE LEASE TO MAINTAIN NAVIGATION. DREDGED MATERIALS WILL BE USED FOR BEACH NOURISHMENT AT THE APPROVED DISPOSAL SITES ON THE LANDS SHOWN ON EXHIBIT B ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF: SUCH PERMITTED ACTIVITY IS CONTINGENT UPON APPLICANT'S COMPLIANCE WITH APPLICABLE PERMITS, RECOMMENDATIONS, OR LIMITATIONS ISSUED BY FEDERAL, STATE AND LOCAL GOVERNMENTS; NO ROYALTY AS THE PROJECT WILL RESULT IN A PUBLIC BENEFIT: HOWEVER, \$0.25 PER CUBIC YARD WILL BE CHARGED FOR ANY MATERIAL USED FOR PRIVATE BENEFIT OR COMMERCIAL SALE PURPOSES.

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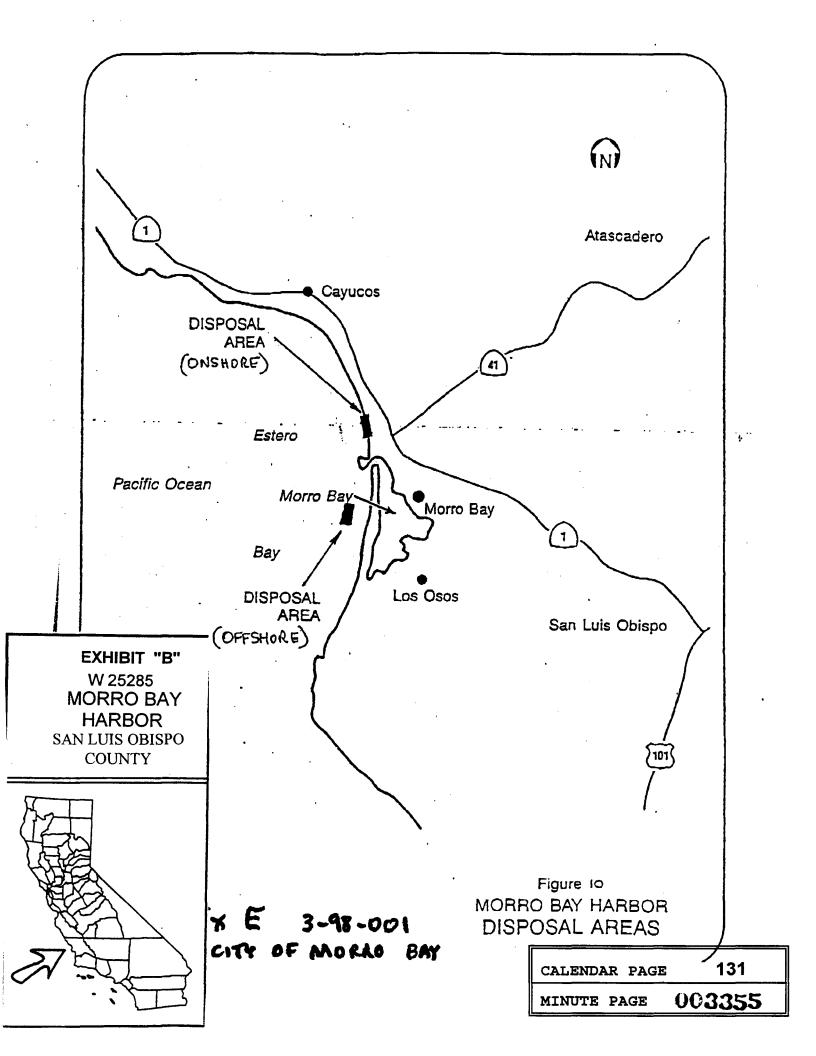


EXHIBIT C

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CITY OF MORRO BAY

NOTICE OF DETERMINATION

TO: X Office of Planning & Research 1400 Tenth Street Sacramento, CA 95814				FRC	DM:	City of Morro Bay Plannning & Building Department 595 Harbor Street Morro Bay, CA 03442			
<u> </u>	County Go	Dbispo Co. Cleri overnment Cente Dbispo CA 9340	er						
Project Title:		N/A - Repair ar	d Maintenance	2 -					
Project Location	- Specific:	Direct	y west of feder	ally designate	d navigation	al channel			
Project Location	- City:	Могто Вау		Count	y: <u>San</u>	Luis Obispo	•		
Description of P	roject:	5-year mainten	ance dredging	of Harbor to re	store design	depth, up to	12° MLLW		
Name of Public A Name of Public A				State of Califor	nia Coastal lanning Cor				
Person or Agenc	y Carrying	Out Project: <u>CI</u>	TY OF MORR	O BAY HARE	OR DEPAI	RTMENT /R	ICK ALGERT.	DIRECTOR	
SCH #	9511100	2		SI	auna Naum	an,Interim D	Virector	805 772-62	10
State Clearingho	use Number	(If Submitted)		L	ad Agency	Contact Pers	ion T	elephone No. A	Area
This is to advise December 4, 19		of Morro Bay is made the follo						ct on	
1. The pro	ject	will X	will not have	a significant ef	fect on the	environment.			
2.	An Enviror	mental Impact I	Report was pre	pared for this p	roject pursi	ant to the pr	ovisions of Cl	EQA.	
3. X	A Negativ	e Declaration w	as filed for this	s project pursu	ant to the pr	ovisions of C	CEQA.		
4. Mitigati	on measure	s X we	ere wer	e not made a c	ondition of	the approval	of the project.		
5. A staten	nent of Ove	rriding Conside	rations was	was no	t X	adopted	for this project.		
6. Finding	s X	were	were not made	e pursuant to th	e provision	s of CEQA.			
This is to certify General Public a							nd responses is	available to the	;
A l	Signatur	re (Public Agence	;y)	/7	<u>7/16</u> Date		Title: Enviro	onmental Coord	linator
	-	(-			C:\MSOFF	ICE\WINW(ORD/POSTME	ETADREDG95.	.DRM
							LENDAR PA		32
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EXHIBIT D

REQUIRED MITIGATION MEASURES:

- 1. <u>Eelgrass Mitigation Plan</u>: The city shall complete a survey of eelgrass beds in the area proposed to be dredged and shall develop an eelgrass mitigation plan in accordance with the *Southern California Eelgrass Mitigation Policy* (1992) as adopted by the National Marine Fisheries Service and as approved by the U.S. Army Corps of Engineers (ACOE). At minimum, the plan shall include:
 - a. Replacement in-kind at a 1.2 to 1 ratio.
 - b. Additional mitigation efforts may be required if the primary transplant does not meet success criteria as described in the National Marine Fisheries Service Southern California Eelgrass Mitigation Policy (1992).
- 2. <u>Other Agency Approvals</u>: Prior to any dredging activities, the following permits shall be obtained by the City:
 - a. A Section 404 permit (or its equivalent successor) from the U.S. Army Corps of Engineers;
 - b. A letter from the California State Department of Fish and Game stating compliance with Sections 1601 and 1603 (or their equivalent successors) of the State Fish and Game Code;
 - c. A Coastal Development Permit from the California Coastal Commission.
- 3. <u>Dredging Survey Map</u>: The city will provide to the ACOE a pre-dredge hydrographic survey map of the proposed dredging sites prior to commencement of any work.
- 4. <u>Testing of Dredged Material:</u> The City shall test and monitor dredged material discharged onto the beach north of Morro Rock. Material must be compatible with beach sand (i.e. same sand grain size and color). Coliform levels in the dredged material must be within acceptable standards required by the Regional Water Quality Control Board.
- 5. <u>Disposal of Dredged Material</u>: Disposal of the dredged material shall be in compliance with the ACOE maintenance dredging methods and project criteria as contained in the Department of the Army, Los Angeles District Corps of Engineers, Final Environmental Assessment for the Morro Bay Harbor Maintenance Dredging, San Luis Obispo County, California, May 1995, including the approved disposal site along the beach north of Morro Bay, between Morro Creek and Azure Street. To have the least impact to beach users, the disposal operations will begin at the northern limit and work south.
- 6. <u>Air Quality</u>: Dredging equipment shall be properly maintained to reduce emissions. All dredging activities shall comply with the air quality standards enforced by the San Luis Obispo County Air Quality Control District.
- 7. <u>Water Quality</u>: During dredging activities, Best Management Practices (BMPs) shall be used to prevent the accidental release of pollutants, such as fuels, lubricants, chemicals or other harmful substances that may be generated.

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	Negative Declaration Page 3	MINUTE PAGE 0033	57	

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