

MINUTE ITEM
This Calendar Item No. C52 was approved as
Minute Item No. 52 by the California State Lands
Commission by a vote of 3 to 2 at its
8-19-03 meeting.

**CALENDAR ITEM
C52**

A 8
S 7

08/19/03
PRC 4941.9
D. Oetzel

DREDGING LEASE

APPLICANT:

Valero Refining Company – California
3400 E. 2nd Street
Benicia, CA 94510

AREA, LAND TYPE, AND LOCATION:

Legislatively granted sovereign lands with minerals reserved to the State;
and ungranted sovereign land located in the Carquinez Strait at the
Benicia Refinery, Solano County.

AUTHORIZED USE:

Dredge a maximum of 80,000 cubic yards of material annually to maintain
a navigable depth. Of the total 400,000 cubic yards of material dredged
over the five year term, 15,000 cubic yards is to be generated from new
dredging – the deepening of the berth and tug moorage area. The
remaining 385,000 cubic yards is to be generated from maintenance
dredging. Dredged materials will be disposed of at United States Corps of
Engineers designated disposal sites SF-9 (Carquinez Strait), SF-10 (San
Pablo Bay), SF-11 (Alcatraz), SF-DODS (Deep Ocean Disposal Site), and
U.S. Army Corps of Engineers approved upland disposal sites.

LEASE TERM:

Five years, beginning August 20, 2003.

CONSIDERATION:

No royalty will be charged; \$0.25 per cubic yard will be charged for any
material used for private benefit or commercial sale purposes.

OTHER PERTINENT INFORMATION:

1. New Dredging: The applicant is to dredge two feet deeper than the
current permitted depth along the face of the dock (Area I of Exhibit
A); the tug moorage area behind the dock is to be dredged to a

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depth of 10-feet Mean Lower Low Water (Area II of Exhibit A). It is believed that Area II has never been dredged.

2. (Maintenance Dredging)

Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a categorically exempt project. The project is exempt under Class 4, Minor Alterations to Land Title 14, California Code of Regulations, section 15304 (g).

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

(New Dredging)

Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of the CEQA under the general rule that the CEQA applies only to projects which have the potential for causing a significant effect on the environment. The staff believes, based on the information available to it, that there is no possibility that this project may have a significant effect on the environment.

Authority: Title 14, California Code of Regulations, section 15061 (b) (3).

3. 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:

San Francisco Bay Regional Water Quality Control Board, San Francisco Bay Conservation and Development Commission.

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FURTHER APPROVALS REQUIRED:

United States Corps of Engineers

EXHIBIT:

A. Location and Site Map

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

(Maintenance Dredging)

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 4, MINOR ALTERATIONS TO LAND; TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15304 (g).

(New Dredging)

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 BECAUSE THERE IS NO POSSIBILITY THAT THE ACTIVITY MAY HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT; TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 (b) (3).

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 VALERO REFINING COMPANY – CALIFORNIA, BEGINNING AUGUST 20, 2003, AND EXTENDING THROUGH

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AUGUST 19, 2008, FOR DREDGING A MAXIMUM OF 80,000 CUBIC YARDS OF MATERIAL ANNUALLY, INCLUDING 15,000 TOTAL CUBIC YARDS OF NEW DREDGING, FROM THE CARQUINEZ STRAIT AS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF. DREDGED MATERIALS WILL BE DISPOSED OF AT THE U.S ARMY CORPS OF ENGINEERS DESIGNATED DISPOSAL SITES SF-9 (CARQUINEZ STRAIT), SF-10 (SAN PABLO BAY), SF-11 (ALCATRAZ), SF-DODS (DEEP OCEAN DISPOSAL SITE), AND U.S. ARMY CORPS OF ENGINEERS APPROVED UPLAND DISPOSAL SITES. SUCH PERMITTED ACTIVITY IS CONTINGENT UPON APPLICANT'S COMPLIANCE WITH APPLICABLE PERMITS, RECOMMENDATIONS, OR LIMITATIONS ISSUED BY FEDERAL, STATE AND LOCAL GOVERNMENTS. NO ROYALTY SHALL BE CHARGED, AS THE PROJECT WILL RESULT IN A PUBLIC BENEFIT; \$0.25 PER CUBIC YARD SHALL BE CHARGED FOR ANY MATERIAL USED FOR PRIVATE BENEFIT OR FOR COMMERCIAL SALE PURPOSES.

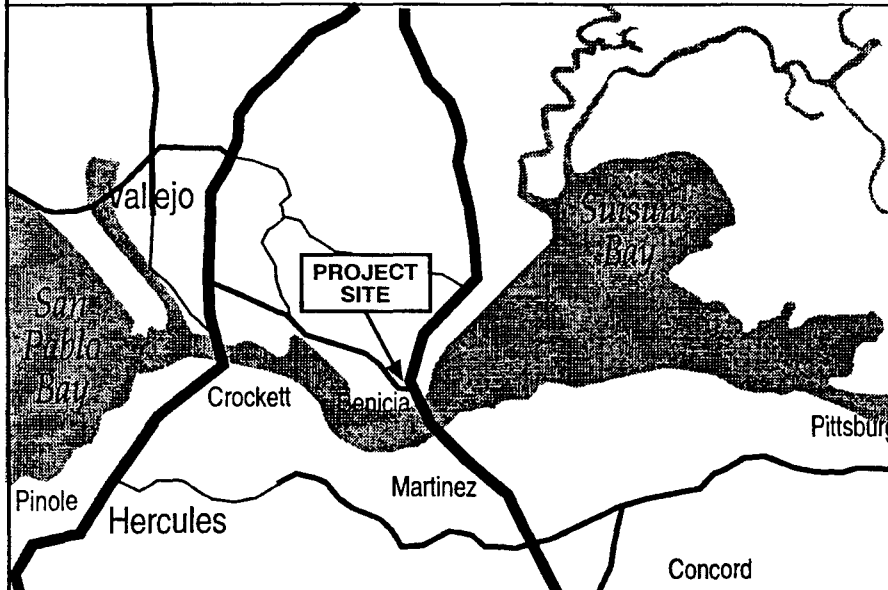
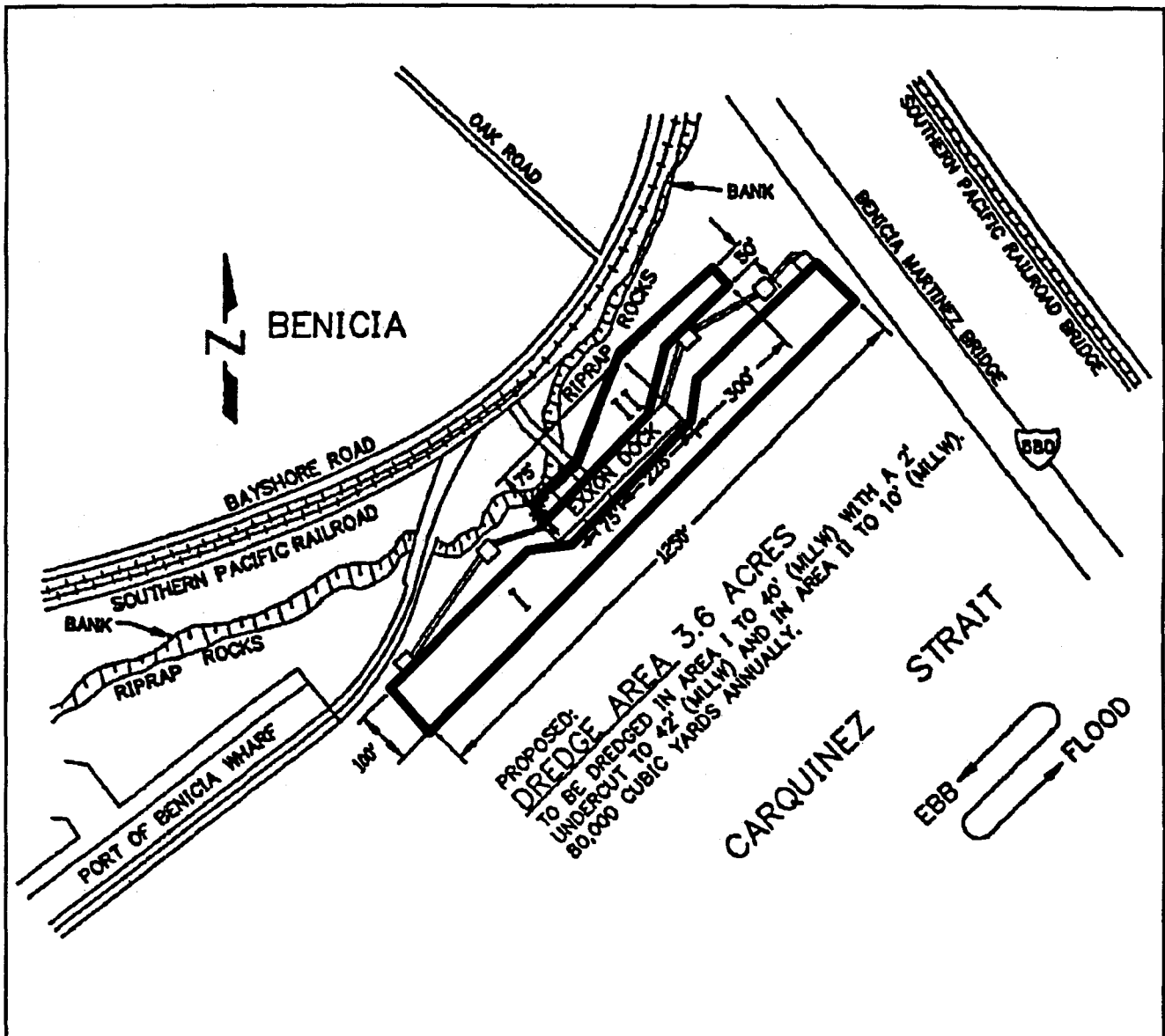


EXHIBIT A
PRC 4941
Location and Site Maps
Carquinez Strait
Solano County



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.