

This Calendar Item No. C27 was approved as Minute Item No. 27 by the California State Lands Commission by a vote of 3 to 4 at its 2/2/04 meeting.

CALENDAR ITEM
C27

A 41
S 19

02/02/04
PRC 2180.1
J. Smith

AMENDMENT OF LEASE TERMINATION AGREEMENT

LESSEE:

Southern California Edison
P.O. Box 800
Rosemead, California 91770

AREA, LAND TYPE, AND LOCATION:

Sovereign lands in the Pacific Ocean, offshore of Mandalay Beach, Ventura County.

BACKGROUND INFORMATION:

On September 17, 2001, pursuant to Minute Item 19, the Commission authorized a Lease Termination Agreement for Lease No. PRC 2180.1, (Agreement), to Southern California Edison (SCE) in conjunction with the decommissioning of its Mandalay Marine Terminal and ancillary components. The Agreement authorized two anchors that are buried deep below the seafloor to be abandoned in place and included the removal of the entire 4,950-foot submarine pipeline to its offshore terminus and associated onshore valve boxes, equipment and miscellaneous piping. The work was conducted April through July 2002. SCE was able to successfully remove approximately 4,730 feet of pipeline. However, after three unsuccessful attempts, SCE was unable to remove a 214-foot section of the pipeline encased in concrete and buried approximately fifteen (15) feet deep within the surfzone.

This segment of pipeline is comprised of 24-inch diameter steel line pipe with a 0.5-inch wall thickness. The pipeline has a two to three-inch thick exterior reinforced gunite weight coating, and is covered by a cement cap that was previously added during repair activities conducted at the site in 1968. The concrete cap and the burial depth render the removal of the segment extremely hazardous. SCE proposes to abandon the pipeline in place to avoid the safety risk to personnel and potential environmental impacts associated with removal. The pipeline was previously pigged and flushed prior to the original removal activities. The abandonment proposed and condition (cleanliness) of the pipeline

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are in accordance with Commission regulations. No additional work is needed at the site and it is considered highly unlikely that this section of pipeline will become exposed. SCE is responsible for any claims arising from the abandonment of the anchors and remaining 214-foot pipeline segment. Commission staff therefore recommends that the Agreement be amended to include the abandonment, in place, of this 214-foot section of pipeline.

Pursuant to the terms of the Agreement, SCE was required to pay monthly rent in advance, until the pipeline was removed. Upon Commission approval of the Lease Termination Agreement Amendment and the acceptance of a quitclaim deed by Commission staff, the requirement for monthly rent will cease.

PROPOSED LEASE TERMINATION AGREEMENT AMENDMENT:

Abandonment, in place, of a 214-foot section of pipeline in the surfzone. Monthly rent shall cease upon acceptance of a quitclaim deed from SCE of any and all right, title or interest arising by virtue of Lease No. PRC 2180.1. Further, within 90 days of the Commission's action, SCE shall submit, for Commission staff's approval, a Contingency Plan that describes the procedures that SCE will implement in the unlikely event that any portion of the abandoned pipeline segment becomes exposed. All other terms and conditions of the Lease Termination Agreement shall remain in effect without amendment.

OTHER PERTINENT INFORMATION:

1. Lessee has a right to the uplands adjoining the sovereign lands.
2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15025), the staff has prepared a Proposed Mitigated Negative Declaration for Southern California Edison Mandalay Marine Terminal Decommissioning Program Amendment to the Approved Execution Plan identified as CSLC Mitigated Negative Declaration 723, State Clearinghouse No. 2001041108. Such Proposed Mitigated Negative Declaration was prepared and circulated for public review pursuant to the provisions of the CEQA.

Based upon the Initial Study, the Proposed Mitigated Negative Declaration, and the comments received in response thereto, there is no substantial evidence that the project will have a significant effect on the environment; Title 14, California Code of Regulations, section 15074(b).

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3. A Mitigation Monitoring Program has been prepared in conformance with the provisions of the CEQA (Public Resources Code section 21081.6).
4. 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.

EXHIBITS:

- A. Location and Site Map
- B. Mitigation Monitoring Program

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

CERTIFY THAT A PROPOSED MITIGATED NEGATIVE DECLARATION, CSLC MITIGATED NEGATIVE DECLARATION NO. 723, STATE CLEARINGHOUSE NO. 2001041108, WAS PREPARED FOR THIS PROJECT PURSUANT TO THE PROVISIONS OF THE CEQA, THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN AND IN THE COMMENTS RECEIVED IN RESPONSE THERETO AND THAT THE MITIGATED NEGATIVE DECLARATION REFLECTS THE COMMISSION'S INDEPENDENT JUDGMENT AND ANALYSIS.

ADOPT THE PROPOSED MITIGATED NEGATIVE DECLARATION AND DETERMINE THAT THE PROJECT, AS APPROVED, WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.

ADOPT THE MITIGATION MONITORING PROGRAM, AS CONTAINED IN EXHIBIT B, ATTACHED HERETO.

SIGNIFICANT LANDS INVENTORY FINDING:

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE

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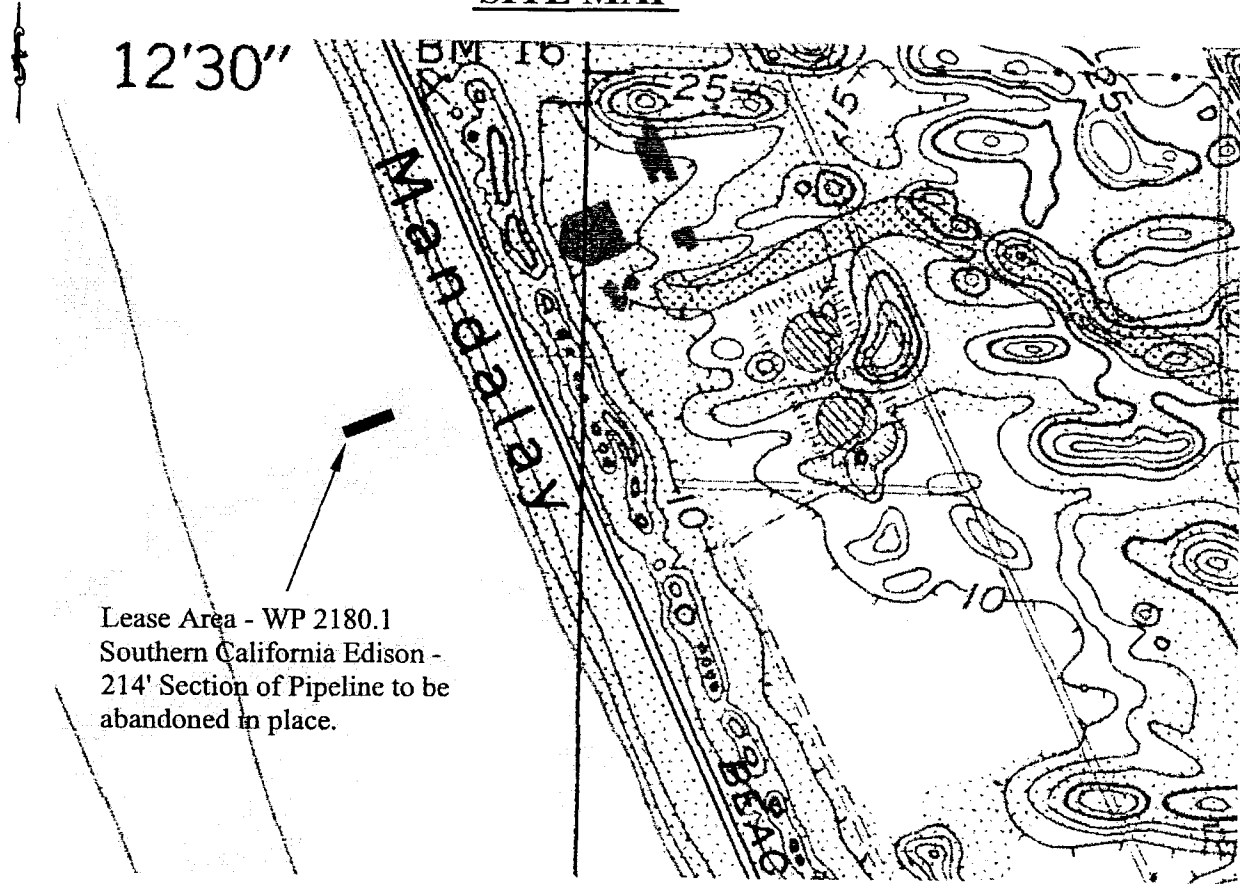
LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370,
ET SEQ.

AUTHORIZATION:

AUTHORIZE THE AMENDMENT OF LEASE TERMINATION AGREEMENT, LEASE NO. PRC 2180.1, OF LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, EFFECTIVE FEBRUARY 2, 2004, TO AUTHORIZE THE ABANDONMENT, IN PLACE, OF A 214-FOOT SECTION OF PIPELINE IN THE SURFZONE; MONTHLY RENT SHALL CEASE, UPON ACCEPTANCE OF A QUITCLAIM DEED BY THE EXECUTIVE OFFICER OR HIS DESIGNEE FROM SCE OF ANY AND ALL RIGHT, TITLE OR INTEREST ARISING BY VIRTUE OF LEASE NO. PRC 2180.1; ALL OTHER TERMS AND CONDITIONS OF THE LEASE TERMINATION AGREEMENT WILL REMAIN IN EFFECT WITHOUT AMENDMENT.

NO SCALE

SITE MAP



Lease Area - WP 2180.1
 Southern California Edison -
 214' Section of Pipeline to be
 abandoned in place.

Southern California Edison
 Adjacent to Mandalay State Beach

LOCATION MAP NO SCALE

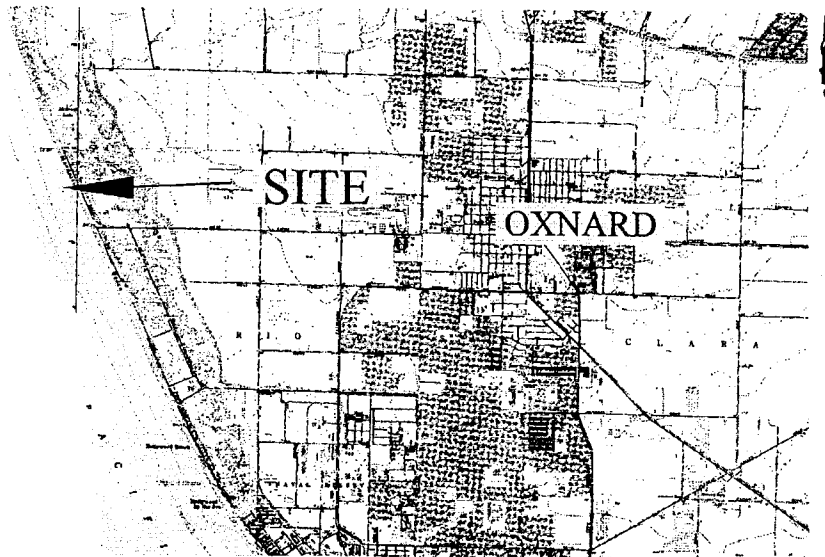


Exhibit A
 WP 2180.1
 Southern California Edison
 Near the City of Oxnard
 Ventura County



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.

MAP SOURCE: USGS QUAD

RAB 01-04

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EXHIBIT B

MITIGATION MONITORING PROGRAM

Alternatives and Associated Impacts	Potential Mitigation Measures	Responsible Party	Residual Impact
Alternatives A – C Using Non-Explosive Methodology (i.e. Surf Sled and Trestle Based Crane) for Removal			
Geology: Suspended sediments during offshore removal of pipeline.	<ul style="list-style-type: none"> Use a silt curtain or other comparable measure to minimize the plume of suspended sediments. 	CSLC	Insignificant
Water Quality: Increases in local turbidity, suspension of sediments, operation and refueling of marine vessels	<ul style="list-style-type: none"> A Contaminated Materials Management Plan (CMMP) will be implemented to ensure safe handling of wastewater and contaminated materials (See Hazards/Risk of Upset). An Oil Spill Response Plan (OSRP) will also be implemented to minimize the potential for hazardous spills during the offshore operations (See Hazards/Risk of Upset). 	CSLC	Insignificant
Air Quality: Incremental increase in impacts to local air quality during operation of diesel-powered construction equipment and vessels.	<ul style="list-style-type: none"> Standard air quality mitigation measures, based upon the model mitigation measures presented in the Ventura County Air Quality Assessment Guidelines (2000), designed to reduce impacts to air quality shall be implemented throughout the duration of the proposed project. Implementation of Best Management Practices (BMPs) during offshore construction activities. 	CSLC	Insignificant
Biology: Disturbance to organisms within the intertidal zone as well as disturbance to onshore species during mobilization of equipment to the nearshore area.	<ul style="list-style-type: none"> The California State Lands Commission approved biological monitor will be retained by SCE on the project site at all times during project operations to conduct pre-activity surveys and to minimize the impacts to sensitive avifauna. A Marine Wildlife Contingency Plan (MWCP) will be 	CSLC	Insignificant

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MITIGATION MONITORING PROGRAM

Alternatives and Associated Impacts	Potential Mitigation Measures	Responsible Party	Residual Impact
	<p>implemented to avoid marine mammal impacts.</p> <ul style="list-style-type: none"> A Site Restoration Plan will be implemented to restore the onshore site to pre-project conditions 		
<p>Hazards/Risk of Upset: Excavation within the active surf zone.</p>	<ul style="list-style-type: none"> Project activities will be conducted in accordance with the selected contractor's standard health and safety protocols and procedures. The Oil Spill Response Plan that was prepared for the original project shall be implemented to reduce the potential of hydrocarbon spills to an insignificant level. The Contaminated Materials Management Plan that was prepared for the original project shall be implemented to reduce the potential impacts associated with the handling of hazardous materials to an insignificant level. Any vessels greater than 300-gross tons in weight shall maintain a vessel specific OSPR approved oil spill contingency plan. Signs shall be placed along the periphery of the onshore project site stating that the area is temporarily off limits to non-project personnel due to the presence of hazards. Construction fencing shall be placed to restrict the access of the public across the project site. A Notice to Mariners shall be issued a minimum of two weeks prior to the commencement of project 	<p>CSLC</p>	<p>Insignificant</p>

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MITIGATION MONITORING PROGRAM

Alternatives and Associated Impacts	Potential Mitigation Measures	Responsible Party	Residual Impact
	operations.		
Recreation: Temporary obstruction to recreational beach use.	<ul style="list-style-type: none"> • Temporary fencing will be installed around the immediate work areas of the onshore project site to ensure public safety during pipeline pulling operations. • Onshore Recreational Access Plan 	CSLC	Insignificant
Alternative D – Explosive Demolition and Removal by Surf Sled			
Geology: Suspended sediments during offshore removal of pipeline.	<ul style="list-style-type: none"> • Use a silt curtain or other comparable measure to minimize the plume of suspended sediments. 	CSLC	Insignificant
Water Quality: Increases in local turbidity, suspension of sediments, operation and refueling of marine vessels	<ul style="list-style-type: none"> • A Contaminated Materials Management Plan (CMMP) will be implemented to ensure safe handling of wastewater and contaminated materials (See Hazards/Risk of Upset). • An Oil Spill Response Plan (OSRP) will also be implemented to minimize the potential for hazardous spills during the offshore operations (See Hazards/Risk of Upset). 	CSLC	Insignificant
Air Quality: Incremental increase in impacts to local air quality during operation of diesel-powered construction equipment and vessels.	<ul style="list-style-type: none"> • Standard air quality mitigation measures, based upon the model mitigation measures presented in the Ventura County Air Quality Assessment Guidelines (2000), designed to reduce impacts to air quality shall be implemented throughout the duration of the proposed project. • Implementation of Best Management Practices (BMPs) during offshore construction activities. 	CSLC	Insignificant
Biology: Disturbance to organisms within the intertidal zone as well as	<ul style="list-style-type: none"> • The California State Lands Commission approved biological monitor will be 	CSLC	Insignificant

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MITIGATION MONITORING PROGRAM

Alternatives and Associated Impacts	Potential Mitigation Measures	Responsible Party	Residual Impact
<p>disturbance to onshore species during mobilization of equipment to the nearshore area.</p> <p>Risk of injury/death to marine mammals, birds, and fish due to use of explosives.</p> <p>Disturbance to benthic species from anchor placement.</p>	<p>retained by SCE on the project site at all times during project operations to conduct pre-activity surveys and to minimize the impacts to sensitive avifauna.</p> <ul style="list-style-type: none"> • A Marine Wildlife Contingency Plan (MWCP) will be implemented to avoid marine mammal impacts. • A Site Restoration Plan will be implemented to restore the onshore site to pre-project conditions • Explosives Safety Plan • Anchoring Plan 		
<p>Hazards/Risk of Upset: Excavation within the active surf zone, Concerns regarding biological resources and safety of personnel.</p>	<ul style="list-style-type: none"> • Project activities will be conducted in accordance with the selected contractor's standard health and safety protocols and procedures. • The Oil Spill Response Plan that has been prepared for this project (Appendix J of this MND) shall be implemented to reduce the potential of hydrocarbon spills to an insignificant level. • The Contaminated Materials Management Plan that has been prepared for this project (Appendix K of this MND) shall be implemented to reduce the potential impacts associated with the handling of hazardous materials to an insignificant level. • Any vessels greater than 300-gross tons in weight shall maintain a vessel specific OSPR approved oil spill contingency plan. • Signs shall be placed along 	<p>CSLC</p>	<p>Insignificant</p>

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MITIGATION MONITORING PROGRAM

Alternatives and Associated Impacts	Potential Mitigation Measures	Responsible Party	Residual Impact
	<p>the periphery of the onshore project site stating that the area is temporarily off limits to non-project personnel due to the presence of hazards.</p> <ul style="list-style-type: none"> • Construction fencing shall be placed to restrict the access of the public across the project site. • A Notice to Mariners shall be issued a minimum of two weeks prior to the commencement of project operations. • Explosives Safety Plan 		
<p>Recreation: Temporary obstruction to recreational beach use.</p>	<ul style="list-style-type: none"> • Temporary fencing will be installed around the immediate work areas of the onshore project site. • Onshore Recreational Access Plan 	CSLC	Insignificant
Proposed Project – Abandonment In-Place			
<p>Unlikely, but potential re-exposure of abandoned segment</p>	<p>An abandonment agreement between SCE and the CSLC is required.</p>	CSLC	N/A