

**CALENDAR ITEM
C38**

A 41

03/25/08
W 26249
PRC 1560.9
S. Young

S 23

GENERAL LEASE - PUBLIC AGENCY USE

APPLICANT:

Calleguas Municipal Water District
2100 Olsen Road
Thousand Oaks, CA 91360

AREA, LAND TYPE, AND LOCATION:

Sovereign lands in the Pacific Ocean, near the cities of Oxnard and Port Hueneme, Ventura County.

AUTHORIZED USE:

The installation, use and maintenance of a 30-inch diameter steel or high density polyethylene outfall pipeline and diffuser extending west from the Port Hueneme Beach Parking Lot "A" approximately 4,625 feet on the bed of the Pacific Ocean, for the purpose of transporting concentrate from demineralization of brackish groundwater and to facilitate the reuse or disposal of tertiary treated municipal waste water; and the continued maintenance of a non-operational 18-inch diameter sewer outfall pipeline adjacent to the Port Hueneme Municipal Pier, and previously authorized under Lease PRC 1560.9.

LEASE TERM:

25, beginning March 25, 2008.

CONSIDERATION:

The public health and safety with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the State's best interest.

SPECIFIC LEASE PROVISIONS:

Insurance:

Combined single limit coverage of no less than \$1,000,000.

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Other:

Lessee will execute an "Agreement for Responsibility for the Hueneme Outfall Pipeline" covered under Lease No. PRC 1560.9 and made part of the proposed lease and as identified as Exhibit D attached herein to this calendar item.

OTHER PERTINENT INFORMATION:

1. Applicant has the right to use the uplands adjoining the lease premises.
2. On November 30, 1955, the Commission authorized the issuance of a 49-year "Life-of-Structure Permit," Lease No. PRC 1560.9, to the Port of Hueneme Sanitary District (PHSD) for installation, use and maintenance of a steel 18-inch diameter sewer outfall line extending approximately 1000 feet offshore. Subsequently, on March 11, 1957, the Commission approved an amendment to allow construction of a new pier, partially located on the lease premises with the outfall. Lease No. PRC 1560.9 was again amended, on November 1, 1963; to provide for a 4,000 foot extension of the outfall pipeline.

The PHSD subsequently conveyed its interest in the pier to the city of Port Hueneme (City). As the pier and the outfall pipeline were owned by different entities, in 1967, the Commission agreed to rescind its prior authorization of the pier under Lease No. PRC 1560.9 and issue a new permit to the City for the pier, Lease No. PRC 4661.9. The sewer outfall pipeline remained under lease to the PHSD. In 1970, the PHSD was dissolved and the City took over the operations of the PHSD. At some point, the City discontinued the use of the existing sewer outfall pipeline and Lease No. PRC 1560.9 expired in 2004.

3. A new waste water outfall replacement project, a component of the Calleguas Regional Salinity Management Project (Project), is now being proposed by the Calleguas Municipal Water District (District). The new project as a whole consists of a new pipeline system to transport concentrate from demineralization of brackish groundwater and excess tertiary treated municipal wastewater for reuse, where possible, or to an ocean outfall for disposal outside the Calleguas Creek Watershed, when no reuse opportunities are available. Over time, the project will result in a net reduction in the salinity of surface and ground waters within the Watershed.

During the planning for the Project, the District considered utilizing the existing, non-operational pipeline, previously under Lease No. PRC 1560.9. After extensive engineering evaluation, it was determined that the

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Hueneme outfall was not adequate and does not have the hydraulic capacity for the needed design flow rate. The District has now assumed the responsibilities for the existing abandoned sewer outfall pipeline and Staff recommends that it be included in a lease to the District for the Project.

Accordingly, the District is now applying for a General Lease – Public Agency Use for the installation, use and maintenance of a new 30-inch diameter pipeline which will be located parallel to and approximately 150 feet north of the existing non-operational pipeline. The onshore portion will extend from a point in the Port Hueneme Beach Parking Lot “A” to the shoreline, approximately 550 feet west of the Port Hueneme Fishing Pier. The offshore portion of the pipeline/diffuser is proposed to be installed below the sea floor using horizontal directional drilling (HDD) methodology. The HDD length will be approximately 2,350 feet overall. Beyond the 50-foot water depth, the pipeline will be laid along the seafloor extending approximately 2,750 feet with the last approximately 400 feet of this length dedicated to the diffuser. The outfall placement has been designed to minimize conflicts with existing uses at Port Hueneme Beach Park and the offshore recreational area.

4. An EIR was prepared and certified for this project by the Calleguas Municipal Water District on November 3, 2007. The California State Lands Commission staff has reviewed such document and Mitigation Monitoring Program prepared in conformance with the provisions of CEQA (Public Resources Code Section 21081.6) and adopted by the lead agency.
5. Findings made in conformance with the State CEQA Guidelines (Title 14, California Code of Regulations, sections 15091 and 15096) are contained on file in the Sacramento office of the California State Lands Commission.
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 Port Hueneme
City of Oxnard
U.S. Army Corps of Engineers

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FURTHER APPROVALS REQUIRED:

Los Angeles Regional Water Quality Control Board
California Coastal Commission

EXHIBITS:

- A. Location and Site Map
- B. Land Description
- C. Mitigation Monitoring Program
- D. Agreement for Responsibility
for the Hueneme Outfall Pipeline

PERMIT STREAMLINING ACT DEADLINE:

July 7, 2008

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT AN EIR WAS PREPARED AND CERTIFIED FOR THIS PROJECT BY THE CALLEGUAS MUNICIPAL WATER DISTRICT ON NOVEMBER 3, 2007, AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

ADOPT THE FINDINGS MADE IN CONFORMANCE WITH TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTIONS 15091 AND 15096 (h), AS CONTAINED ON FILE IN THE SACRAMENTO OFFICE OF THE CALIFORNIA STATE LANDS COMMISSION.

ADOPT THE MITIGATION MONITORING PROGRAM, AS CONTAINED ON FILE IN THE SACRAMENTO OFFICE OF THE CALIFORNIA STATE LANDS COMMISSION.

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 EXECUTION OF THE AGREEMENT REGARDING RESPONSIBILITY FOR THE HUENEME OUTFALL PIPELINE, ATTACHED AS EXHIBIT D AND BY THIS REFERENCE MADE A PART HEREOF.

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AUTHORIZE ISSUANCE OF A GENERAL LEASE - PUBLIC AGENCY USE TO CALLEGUAS MUNICIPAL WATER DISTRICT BEGINNING MARCH 25, 2008, FOR A TERM OF 25 YEARS, FOR THE INSTALLATION, USE AND MAINTENANCE OF A 30-INCH DIAMETER STEEL OR HIGH DENSITY POLYETHYLENE SEWER OUTFALL PIPELINE AND DIFFUSER; AND THE CONTINUED MAINTENANCE OF A NON-OPERATIONAL 18-INCH DIAMETER SEWER OUTFALL PIPELINE, AS SHOWN ON EXHIBIT A AND AS DESCRIBED ON EXHIBIT B ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; CONSIDERATION BEING THE PUBLIC HEALTH AND SAFETY; WITH THE STATE RESERVING THE RIGHT AT ANY TIME TO SET A MONETARY RENT IF THE COMMISSION FINDS SUCH ACTION TO BE IN THE STATE'S BEST INTEREST; AND WITH THE PROVISION OF PUBLIC LIABILITY INSURANCE IN THE AMOUNT OF NO LESS THAN \$1,000,000 COMBINED SINGLE LIMIT.