

**CALENDAR ITEM**

**C23**

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10/16/08

S 3

PRC 6759.9

D. Oetzel

**DREDGING LEASE**

**APPLICANT:**

BAE Systems San Francisco Ship Repair  
Foot of 20<sup>th</sup> Street  
P.O. Box 7644  
San Francisco, California 94120

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

Legislatively granted sovereign lands, with minerals reserved to the State, located in San Francisco Bay at the Port of San Francisco, Drydocks 1 and 2 and Piers 3 and 4 of BAE Systems San Francisco Ship Repair, in the city and county of San Francisco.

**AUTHORIZED USE:**

Maintenance dredge a maximum of 710,000 cubic yards of material over ten years to maintain a navigable depth. Dredged material will be disposed of at the United States Army Corps of Engineers' designated sites at SF-11 (Alcatraz), SF-10 (San Pablo Bay), SF-DODS (Deep Ocean Disposal Site), Hamilton Wetlands Restoration Project, Montezuma Wetlands Project, and/or other approved upland sites.

**LEASE TERM:**

Ten years, beginning October 16, 2008.

**CONSIDERATION:**

No monetary consideration will be charged as the project will result in a public benefit as the dredging will enhance water-related commerce and navigation in San Francisco Bay, augment the productivity and biodiversity of flora and fauna in the Bay from the deposition of dredged material at wetland restoration sites, and facilitate the repair of U.S naval vessels. The dredged material may not be sold.

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**OTHER PERTINENT INFORMATION:**

1. On August 19, 2008, the Commission authorized a five-year Dredging Lease with San Francisco Drydock, Inc., for maintenance dredging of a maximum of 385,000 cubic yards of material from San Francisco Bay at Drydocks 1 and 2 and Piers 3 and 4. That lease expired on August 14, 2003. Subsequently, the ownership of San Francisco Drydock was changed. The current owner, BAE Systems San Francisco Shipyard, is now requesting a new Dredging Lease.
2. The current dredging project is needed to maintain safe vessel depths in the San Francisco Bay at the BAE Systems San Francisco Ship Repair facility. BAE Systems Ship Repair is the nation's largest non-nuclear ship repair, overhaul, and conversion company. The company's prime customers are the U.S. Navy, other governmental agencies, and owners of large commercial ships.
3. 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.

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.

**APPROVALS OBTAINED:**

U.S. Army Corps of Engineers  
San Francisco Bay Conservation and Development Commission  
Regional Water Quality Control Board

**EXHIBIT:**

- A. Location and Site Map

**RECOMMENDED ACTION:**

IT IS RECOMMENDED THAT THE COMMISSION:

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**CEQA FINDING:**

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).

**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 TEN YEAR DREDGING LEASE TO BAE SYSTEMS SAN FRANCISCO SHIP REPAIR, BEGINNING OCTOBER 16, 2008, TO DREDGE A MAXIMUM OF 710,000 CUBIC YARDS OF MATERIAL DURING THE LEASE TERM WITHIN SAN FRANCISCO BAY AT DRYDOCKS 1 AND 2 AND PIERS 3 AND 4, AS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF. DREDGED MATERIAL WILL BE DISPOSED OF AT THE UNITED STATES ARMY CORPS OF ENGINEERS' DESIGNATED SITES AT SF-11 (ALCATRAZ), SF-10 (SAN PABLO BAY), SF-DODS (DEEP OCEAN DISPOSAL SITE), HAMILTON WETLANDS RESTORATION PROJECT, MONTEZUMA WETLANDS PROJECT, AND/OR OTHER APPROVED UPLAND SITES. SUCH PERMITTED ACTIVITY IS CONTINGENT UPON APPLICANT'S COMPLIANCE WITH APPLICABLE PERMITS ISSUED BY FEDERAL, STATE, AND LOCAL GOVERNMENTS. NO MONETARY CONSIDERATION WILL BE CHARGED AS THE DREDGING PROJECT WILL RESULT IN A PUBLIC BENEFIT. THE DREDGED MATERIAL MAY NOT BE SOLD.