

**CALENDAR ITEM
C24**

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04/09/09
PRC 4975.9
D. Oetzel

DREDGING LEASE

APPLICANT:

ConocoPhillips San Francisco Refinery
1380 San Pablo Avenue
Rodeo, California 94572

AREA, LAND TYPE, AND LOCATION:

Sovereign lands located at the ConocoPhillips Terminal in San Pablo Bay at Davis Point, Contra Costa County.

AUTHORIZED USE:

Dredge a maximum of 90,000 cubic yards of material annually to maintain a navigable depth. Dredged materials will be disposed of at SF-9 (Carquinez Strait), SF-8 (San Francisco Bar Channel Disposal Site), and/or any other U.S. Army Corps of Engineers' approved disposal sites.

LEASE TERM:

Ten years, beginning April 9, 2009.

CONSIDERATION:

No monetary consideration will be charged as the project is in the State's best interest. The dredged material may not be sold.

OTHER PERTINENT INFORMATION:

1. The dredging and disposal of 90,000 cubic yards annually was previously authorized by the Commission at its April 5, 2004 meeting under Lease No. PRC 4975.9. That lease expires on April 4, 2009. Siltation and/or shoaling has occurred at and adjacent to the Applicant's marine terminal which is, also subject to a lease from the commission pursuant to PRC 600.1, and the material is regarded as generally having no commercial value. Dredging this site is in the best interests of the State because it will eliminate or reduce the potential for navigational and shipping hazards and the concomitant potential for environmental damages. Therefore, no royalty shall be

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charged for Dredged Materials disposed of at a Corps of Engineers approved disposal sites.

2. While the marine terminal Lease (PRC 600.1) allows maintenance dredging of 90,000 cubic yards of material annually, the proposed dredging, which is the subject of this calendar item, extends outside of the lease area authorized under PRC 600.1. Therefore, the Applicant has applied for a new dredging Lease.
3. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), staff 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 Regional Water Quality Control Board

FURTHER APPROVALS REQUIRED:

San Francisco Bay Conservation and Development Commission

EXHIBIT:

A. Location and Site Map

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

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

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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 DREDGING LEASE TO CONOCOPHILLIPS SAN FRANCISCO REFINERY, BEGINNING APRIL 9, 2009, FOR A TERM OF TEN YEARS FOR REMOVAL OF A MAXIMUM OF 90,000 CUBIC YARDS OF MATERIAL ANNUALLY FROM SAN PABLO BAY AS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF. DREDGED MATERIALS MAY BE DISPOSED OF AT THE U.S ARMY CORPS OF ENGINEERS' DESIGNATED DISPOSAL SITES SF-9 (CARQUINEZ STRAIT), SF-8 (SAN FRANCISCO BAR CHANNEL), OR ANY OTHER U.S. ARMY CORPS OF ENGINEERS' APPROVED SITES. SUCH PERMITTED ACTIVITY IS CONTINGENT UPON APPLICANT'S COMPLIANCE WITH APPLICABLE PERMITS, RECOMMENDATIONS, OR LIMITATIONS ISSUED BY FEDERAL, STATE, AND LOCAL GOVERNMENTS. NO MONETARY CONSIDERATION SHALL BE CHARGED AS THE PROJECT IS IN THE STATE'S BEST INTEREST. THE DREDGED MATERIAL MAY NOT BE SOLD.