

**CALENDAR ITEM
C117**

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06/23/11
W 25116
E. Milstein
M. Andersen

CONSIDER ACCEPTANCE OF APPROXIMATELY 5.7 ACRES OF FILLED AND UNFILLED TIDE AND SUBMERGED LANDS AND SUBSEQUENT CONVEYANCE PER THE AUTHORIZATION TO THE CITY OF VALLEJO, AS TRUSTEE, PURSUANT TO CHAPTER 588, STATUTES OF 2004 AND AS PART OF THE MARE ISLAND PROPERTY SETTLEMENT AND EXCHANGE AGREEMENT

PARTIES:

California State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825

Department of Navy
BRAC Program Management Office, West
1455 Frazee Road, Suite 900
San Diego, CA 92108-4310

City of Vallejo
555 Santa Clara St.
Vallejo, CA 94590

INTRODUCTION:

The purpose of this calendar item is to seek authorization from the State Lands Commission (Commission) to accept a quitclaim deed from the United States of America, acting by and through the United States Navy (Navy), to approximately 5.7 acres of filled and unfilled tide and submerged land, located adjacent to Mare Island in San Pablo Bay, known as the Sanitary Sewage Treatment Plant Outfall (SSTP) and referenced in the Western Early Transfer Parcel (WETP) Quitclaim Deed as Exception Parcel 6; and to subsequently transfer Exception Parcel 6 to the City of Vallejo (City), as trustee, pursuant to Chapter 588, Statutes of 2004. This transaction implements a portion of the Mare Island Property Settlement and Exchange Agreement approved by the Commission on June 27, 2001 (Minute Item C36) and the WETP transaction approved by the Commission on June 18, 2002 (Minute Item C26). Exception Parcel 6 is shown for reference in the attached Exhibit A and described in the attached Exhibit B.

BACKGROUND:

Pursuant to Chapter 46, Statutes of 1854, Chapter 81, Statutes of 1897, and Chapter 1452, Statutes of 1963 the State of California granted to the Navy all right, title and interest to certain lands surrounding Mare Island, including lands operating as the Mare Island Naval Shipyard. These granting statutes contained reversionary clauses allowing

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the State a right of reversion to lands lying under the shipyard that were no longer needed by the Navy for military and defense purposes. The Navy closed the Mare Island Naval Shipyard on April 1, 1993, pursuant to the Defense Base Closure and Realignment Act of 1990.

On June 27, 2000, the Commission authorized the Mare Island Property Settlement and Exchange Agreement between the City and the State, acting by and through the Commission. That agreement settled sovereign land title issues at Mare Island Naval Shipyard and authorized the acceptance of remediated parcels of land, including Exception Parcel 6, by the State, subject to the public trust, in exchange for other lands that were to remain with the City of Vallejo, free of any sovereign public trust interest. On June 18, 2002, the Commission accepted title from the Navy to approximately 2,800 acres of land on the west side of the former Mare Island Naval Shipyard, together with public access. This transfer was identified as the WETP. Exception Parcel 6, an area consisting of an outfall used to discharge industrial and storm water runoff, was referenced in the WETP but excluded from the terms and conditions of that agreement because Exception Parcel 6 required remediation. At the time of the WETP, the Department of Toxic Substances Control (DTSC) had required removal of approximately 155 cubic yards of material at the Exception Parcel 6 site due to unacceptable levels of polychlorinated biphenyls and mercury.

The State Legislature, pursuant to Chapter 588, Statutes of 2004, granted, in trust, to the City of Vallejo all the right, title and interest of the State of California held by the state in and to, all tide and submerged lands under navigable waters within the present boundaries of the City of Vallejo.

ANALYSIS AND RECOMMENDATION:

On September 9, 2010, DTSC determined that Exception Parcel 6 had been satisfactorily remediated and that no further action by the Navy was required. The Finding of Suitability for Transfer is attached as Exhibit C. Commission staff has reviewed these findings and concurs with DTSC's determination.

Pursuant to Chapter 588, Statutes of 2004, and based on the finding by DTSC that Exception Parcel 6 has been remediated, staff of the Commission recommends that the Commission accept title to Exception Parcel 6. In addition, staff recommends that the Commission authorize the transfer, by patent of the state's right, title and interest in Exception Parcel 6 to the City, in trust, subject to the public trust.

OTHER PERTINENT INFORMATION:

1. The State, acting by and through the Commission, is authorized under Division 6 of the Public Resources Code and specifically pursuant to Chapter 588, Statutes of 2004, to accept title to Exception Parcel 6 and convey Exception Parcel 6 to the City, as trustee.
2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), staff has

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determined that this activity is exempt from the requirements of CEQA as a statutorily exempt project. The project is exempt because it involves settlement of title and boundary problems.

Authority: Public Resources Code Section 21080.11

3. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370, et seq., but such activity will not affect those significant lands. 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. Site and Location Map
- B. Legal Description
- C. Finding of Suitability for Transfer

RECOMMENDED ACTION:

It is recommended that the commission:

CEQA FINDING:

Find that the activity is exempt from the requirements of CEQA pursuant to 14 California Code of Regulations 15061 as a statutorily exempt project pursuant to Public Resources Code section 21080.11, Settlement of Title and Boundary Problems and from the Subdivision Map Act pursuant to Government Code section 66412(e).

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370, et seq.

AUTHORIZATION:

1. Approve and authorize the execution by the Executive Officer and recordation in the office of the Solano County Recorder of a certificate of acceptance of a Quitclaim Deed, substantially in the form on file in the offices of the Commission, from the United States of America, acting by and through the Department of the Navy, for approximately 5.7 acres of filled and unfilled tide and submerged land, located adjacent to Mare Island in San Pablo Bay and referenced in the Western Early Transfer Parcel (WETP) Quitclaim Deed as Exception Parcel 6.

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2. Find that the lands to be conveyed to the California State Lands Commission are to be accepted as sovereign public trust lands for the benefit of the people of the State of California.
3. Approve and authorize the conveyance, by patent, or quitclaim substantially in the form on file in the offices of the Commission, and recordation in the office of the Solano County Recorder thereof, of all right, title, and interest of the State of California in Exception Parcel 6 from the State of California, acting by and through the California State Lands Commission, to the City of Vallejo as trustee, pursuant to Chapter 588, Statutes of 2004.
4. Authorize and direct staff of the Commission and/or the California Attorney General to take all necessary or appropriate action on behalf of the Commission, including the execution, acknowledgement, acceptance and recordation of all documents as may be necessary or convenient, to carry out the conveyances described in this staff report; and to appear on behalf of the Commission in any legal proceeding relating to the subject matter of the conveyances of Exception Parcel 6.