

**CALENDAR ITEM
C37**

A 33
S 18

10/27/11
W 26467
D. Oetzel

DREDGING LEASE

APPLICANT:

City of Morro Bay
1275 Embarcadero
Morro Bay, CA 93442

AREA, LAND TYPE, AND LOCATION:

Sovereign land legislatively granted to the city of Morro Bay with minerals reserved to the State, and ungranted sovereign land, located at the entrance of the Morro Bay State Park Marina, city of Morro Bay, San Luis Obispo County.

AUTHORIZED USE:

Maintenance dredge a maximum of 19,000 cubic yards of material over the term of the lease at the entrance of the Morro Bay State Park Marina and entrance channel to maintain a navigable depth. Dredged material will be disposed of at the U.S. Army Corps of Engineers' designated nearshore placement site south of the entrance to Morro Bay Harbor and at an approved upland disposal site.

LEASE TERM:

5 years, beginning October 27, 2011.

CONSIDERATION:

No monetary consideration is due for the lease because there is no commercial benefit from the project and the dredged material may not be sold.

OTHER PERTINENT INFORMATION:

- 1, The purpose of the project is to maintain safe, navigable berth and access channel depths for vessels using the Morro Bay State Park Marina.

2. The Project is part of a larger dredging project (100,000 cubic yards) within the Morro Bay State Park Marina and access channel. Commission authorization is not required for the dredging of the other 81,000 cubic yards because it will occur on tide and submerged lands outside of the State's ownership.

CALENDAR ITEM NO. **C37** (CONT'D)

The proposed lease area for dredging partially overlaps the lease premises of Lease No. PRC 7629.9, a 25-year lease beginning May 1, 1992, issued to the Department of Fish and Game (DFG) for conservation and management of the State's wildlife and marine resources as part of a DFG wildlife area or ecological reserve. The Applicant has provided a letter from DFG indicating their non-objection to the Applicant's proposed dredging.

3. The Lessee will make all best efforts to control turbidity to protect marine resources and habitats from excessive siltation in the general vicinity of the project.
4. An EIR SCH# 2005021104 was prepared for this project by the city of Morro Bay and certified in October 2008. An addendum to the Final EIR was certified by the city in August 2010 and the Mitigation Monitoring Program was adopted at that time. The California State Lands Commission staff has reviewed such documents and Mitigation Monitoring Program prepared in conformance with the provisions of CEQA (Public Resources Code section 21081.6) and adopted by the lead agency. Findings made in conformance with the State CEQA Guidelines (Title 14, California Code of Regulations, sections 15091 and 15096) are contained in Exhibit D, attached hereto.
5. 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.

APPROVALS OBTAINED:

Central Coast Regional Water Quality Control Board
California Coastal Commission

FURTHER APPROVALS REQUIRED:

U.S. Army Corps of Engineers

EXHIBIT:

- A. Location and Site Map
- B. Land Description
- C. Mitigation Monitoring Program
- D. CEQA Statement of Findings

CALENDAR ITEM NO. **C37** (CONT'D)

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that an EIR SCH#2005021104 was prepared for this Project by the city of Morro Bay and certified in October 2008 and an Addendum to the Final EIR was certified in August 2010 and that the Commission has reviewed and considered the information therein.

Adopt the Mitigation Monitoring Program, as contained in Exhibit C, attached hereto.

Adopt the Findings made in conformance with Title 14, California Code of Regulations, sections 15091 and 15096 (h), as contained in Exhibit D.

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 section 6370, et seq.

AUTHORIZATION:

Authorize the issuance of a 5-year dredging lease to City of Morro Bay, beginning October 27, 2011, to dredge a maximum of 19,000 cubic yards of material during the lease term at the entrance to Morro Bay State Park Marina to maintain a navigable depth on lands as shown on Exhibit A attached (for reference purposes only), and as described in Exhibit B and by this reference made a part hereof. Dredged material will be disposed of at the U.S. Army Corps of Engineers' designated nearshore placement site south of the entrance to Morro Bay Harbor and at an approved upland disposal site. Such permitted activity is contingent upon the Applicant's compliance with applicable permits, recommendations, or limitations issued by federal, State, and local governments. No monetary consideration is due for the lease because there is no commercial benefit from the project and the dredged material may not be sold.

NO SCALE

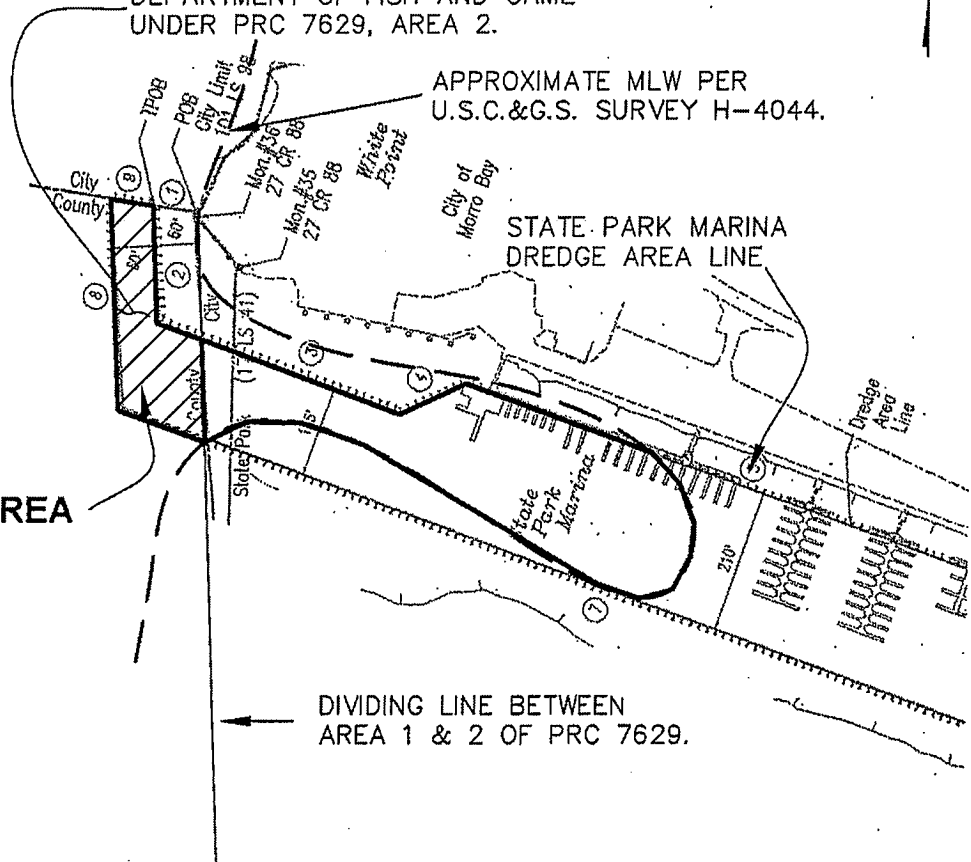
SITE

AREA CURRENTLY LEASED TO
DEPARTMENT OF FISH AND GAME
UNDER PRC 7629, AREA 2.

APPROXIMATE MLW PER
U.S.C.&G.S. SURVEY H-4044.

MORRO BAY

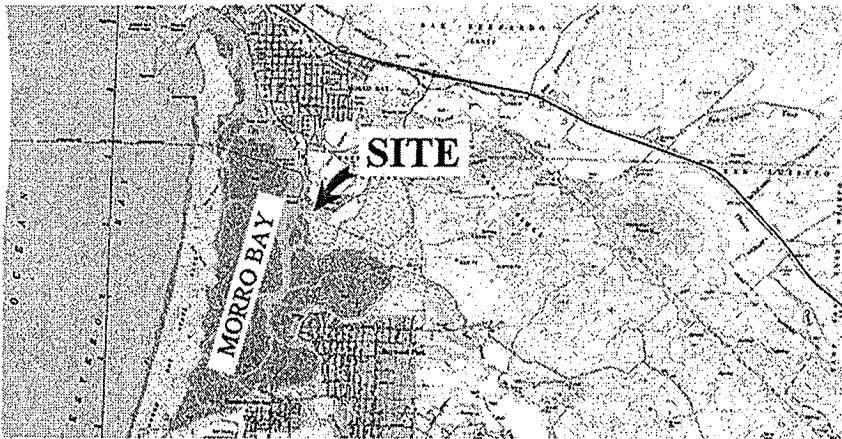
LEASE AREA



MORRO BAY STATE PARK DREDGING

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

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.

Exhibit A

W 26467
MORRO BAY
STATE PARK
DREDGING LEASE
SAN LUIS OBISPO
COUNTY



EXHIBIT B
LAND DESCRIPTION

W26467

A parcel of land lying within the County of San Luis Obispo adjoining the City of Morro Bay, in an area known as the State Park Marina and its approach channel, more particularly described as follows.

Beginning at a 2" diameter brass disk stamped "CITY OF MORRO BAY CITY LIMIT LS 6208", set in a rocky outcrop at sea level near White Point, in the City of Morro Bay, California, as shown on a record of survey map filed June 8, 2009, in Licensed Survey Book 101, Page 98, records of said County, from which point a 2" brass disk stamped "36 MON LS 6208" as shown on a corner record map filed August 6, 2009, in Corner Record Book 27, Page 88, in the County Surveyor's Office of said County, bears South 19° 33' East, 6.76 feet, and also from which a 2" brass disk stamped "LEASE BOUNDARY REF. MON.No.2 1990" set in a concrete-filled clay pipe bears South 71° 34' 03" East, 1592.21 feet;

course 1 - thence westerly, the along the City Limit Line, as shown on said record of survey map, North 80° 45' 00" West, 61.34 feet to a point that is 60.00 feet westerly as measured at right angles to the course of the City Limit Line noted on said record of survey map as South 02° 44' 26" East, the TRUE POINT OF BEGINNING;

course 2 - thence parallel with said City Limit Line, South 02° 44' 26" East, 165.28 feet;

course 3 - thence South 69° 41' 16" East, 65.21 feet;

course 4 - thence along said City Limit Line, South 02° 44' 26" East, 146.72 feet;

course 5 - thence parallel with and distance 135.00 feet southerly from course 3 above, North 69° 41' 16" West, 130.41 feet to a point on a line parallel with and 60.00 feet westerly as measured at right angles from course 2 above;

course 6 - thence parallel with and 60.00 feet westerly from course 2 above, North 02° 44' 26" West, 299.21 feet to a point on said City Limit Line;

course 7 - thence along said City Limit Line, South 80° 45' 00" East, 61.34 feet to the TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM all those lands lying landward of the Ordinary Low Water Mark of Morro Bay in its last natural location.

END OF DESCRIPTION



10.20.11

This description was prepared by me in conformance with the requirements of the Professional Land Surveyors Act.

Robert J. Reese
Robert J. Reese, LS 6208

Oct 20, 2011
date

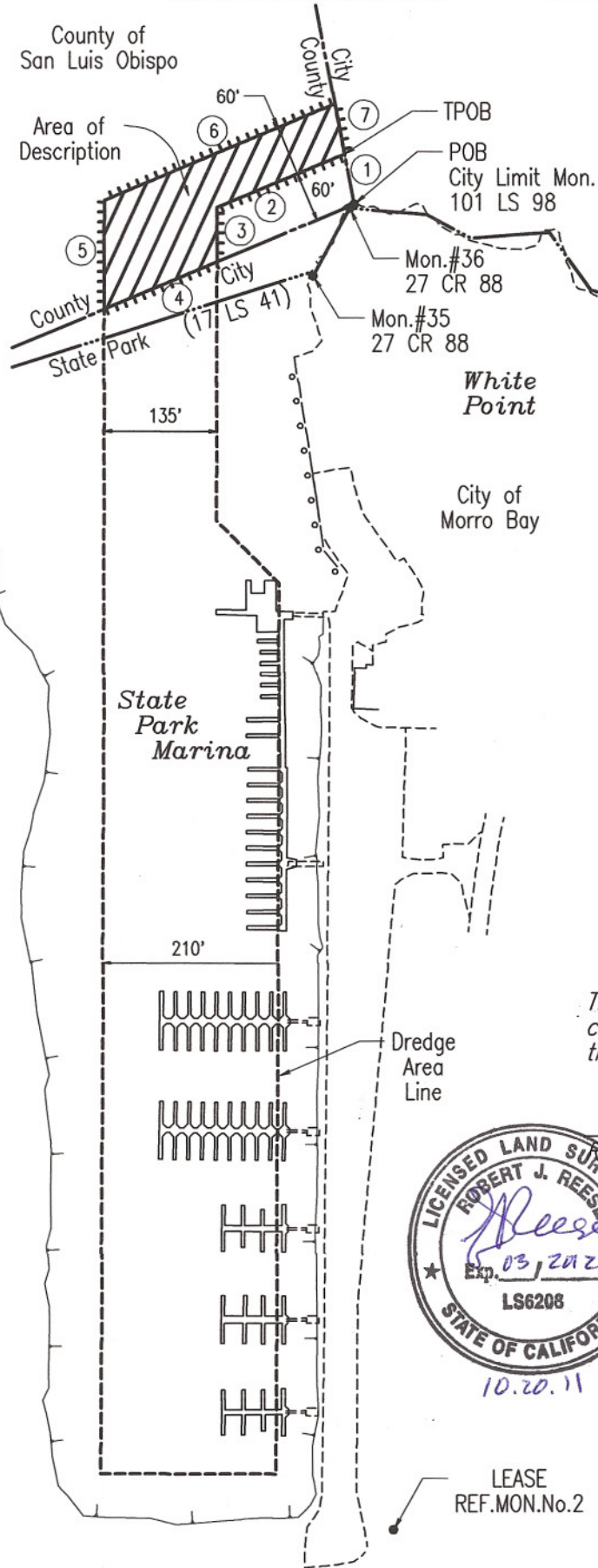
Morro Bay

EXHIBIT B

Oct 19, 2011
1101-exhibit-B-ver2.pro




County of San Luis Obispo

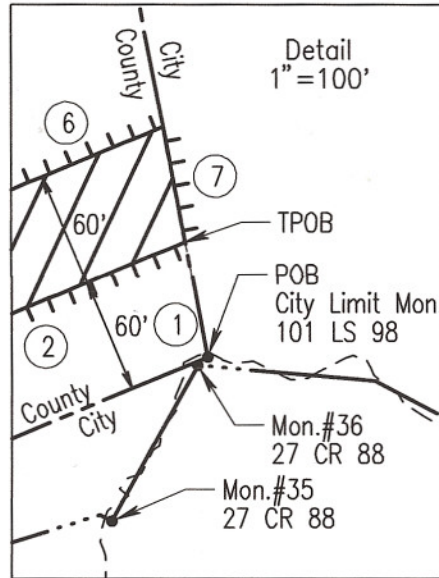
Area of Description



Graphic Scale 1"=200



-  Dredge Area Description Line
-  City Limit Line (101 LS 97,98)
-  State Park Line (17 LS 41)



This map was prepared by me in conformance with the requirements of the Professional Land Surveyors Act.

Robert J. Reese OCT 20, 2011
 Robert J. Reese, LS 6208 date



10.20.11

LEASE REF. MON. No. 2

REESE

Water



& Land

SURVEYING SERVICES

1970 Partridge Drive
 San Luis Obispo CA 93405
 805.543.5375

Exhibit C

APPENDIX A MITIGATION MONITORING AND REPORTING PLAN

MORRO BAY STATE PARK MARINA RENOVATION AND ENHANCEMENT PROJECT



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Morro Bay State Park Marina Renovation and Enhancement Project
Final Environmental Impact Report

Mitigation Measure	Purpose	Monitoring Requirements/Reporting	Responsible Party
Air Quality			
Construction Dust Control Measures.			
<ul style="list-style-type: none"> • Water trucks or sprinkler systems shall be used to prevent dust from leaving the site and to create a crust after each day's activities cease; • Water trucks or sprinkler systems shall be used to keep all areas of vehicle movement damp enough to prevent dust from leaving the site. At a minimum, this would include wetting down such areas in the morning and after work is completed for the day and whenever wind exceeds 15 miles per hour; stockpiled earth material shall be sprayed as needed to minimize dust generation; • The disturbed area shall be minimized, and onsite vehicle speeds should not exceed 15 mph; • Ground areas that are expected to be exposed for more than one month after initial grading should be sown with a fast-germinating native grass seed and watered until vegetation is established; • All areas of disturbed soil shall be treated immediately by watering or revegetation or spreading soil binders to minimize dust generation until the area is paved or otherwise compacted so that dust generation is minimized; • Grading and scraping operations shall be suspended when the one-hour wind speed average exceeds 20 mph; and, • All roadways associated with construction activities should be paved as soon as possible. 	To minimize fugitive dust from construction activities.	The City of Morro Bay (The City) Building Division	Construction Contractor
Construction Exhaust Emissions Reduction Measures.			
<ul style="list-style-type: none"> • Maintain all construction equipment in proper tune according to manufacturer's specifications; 	To minimize exhaust emissions from	The City Building Division	Construction Contractor



Mitigation Measure	Purpose	Monitoring Requirements/Reporting	Responsible Party
<ul style="list-style-type: none"> Fuel all off-road and portable diesel-powered equipment with ARB-certified motor vehicle diesel fuel (non-taxed version suitable for use off-road); Maximize to the extent feasible, the use of on-road heavy equipment and trucks meeting the ARB's 1998 or newer certification standard for on-road heavy-duty diesel engines; All on-road and off-road diesel equipment shall not be allowed to idle for more than 5 minutes. Signs shall be posted in designated queuing areas to remind drivers and operators of the 5 minute limit. 	<p>construction activities.</p>		
<p>Low-Emissions Generator Engine. The generator to be used must meet EPA Tier 3 emissions standards (CAT C15 ATAAC, 3.36 g NOx/BHP-hr or equivalent).</p>	<p>To minimize generator emissions from construction activities.</p>	<p>The City Building Division and Air Resource Control Board (APCD)</p>	<p>Construction Contractor</p>
<p>Emission Offsets. Project emissions remaining following implementation of the above mitigation measures shall be offset through contribution to an off-site mitigation fund through applicant-funded off-site projects that would result in emissions reductions. Based on past experience the APCD has determined that \$8,500 is required per ton NOx reduced. The dollar amount shall be based on offsetting excess emissions (greater than 2.5 tons NOx per quarter) and \$8,500 per ton or as otherwise specified by the APCD.</p>	<p>To minimize emission impacts from construction activities.</p>	<p>The City Finance Department and APCD</p>	<p>The City of Morro Bay (The City) Harbor Department</p>
General Biological Resources and Habitats			
<p>Prior to project commencement, the City is required to obtain all necessary permits, approvals, and authorizations from applicable regulatory agencies with jurisdiction over the project site including the Corps, NOAA Fisheries, USFWS, RWQCB, and CDFG.</p>	<p>To avoid or minimize the potential disturbance to biological resources.</p>	<p>ACOE, NOAA Fisheries, USFWS, RWQCB, and CDFG</p>	<p>The City Harbor Department</p>



Morro Bay State Park Marina Renovation and Enhancement Project
Final Environmental Impact Report

Mitigation Measure	Purpose	Monitoring Requirements/Reporting	Responsible Party
<p>Prior to project implementation, the applicant should retain an agency-approved biological monitor to ensure compliance with all biological conditions of approval and mitigation measures. Monitoring would be conducted at a frequency and duration determined by the City in consultation with the affected regulatory agencies (e.g., NOAA Fisheries, USFWS, and CDFG). This consultation should include appropriate project authorization from the USFWS (i.e., based on a Biological Opinion) relative to impacts to the federally-listed California seabite and Morro shoulderband snail and from NOAA Fisheries and CDFG for marine species.</p>	<p>To document mitigation compliance and avoid or minimize the potential disturbance or incidental "take" of special status species.</p>	<p>NOAA Fisheries, USFWS, and CDFG</p>	<p>The City Harbor Department</p>
<p>A City- and agency-approved biological monitor should conduct a worker orientation program which includes information on and emphasizes the presence of all special-status species within the project site, identification, their habitat requirements, and applicable regulatory policies and provisions regarding their protection, and measures being implemented to avoid and/or minimize impacts for all construction contractors (site supervisors, equipment operators and laborers).</p>	<p>To avoid or minimize the potential disturbance or incidental "take" of special status species.</p>	<p>The City Planning Division</p>	<p>The City Harbor Department</p>
Marine Biological Resources			
<p>Silt screens should be used around all in-water, bottom-disturbing activities when and where they will be effective.</p>	<p>To avoid or minimize the potential disturbance to marine biological resources.</p>	<p>The City Engineering Division</p>	<p>Construction Contractor</p>
<p>Wherever possible, a suction-type dredge should be used to minimize the re-suspension of sediments.</p>	<p>To avoid or minimize the potential disturbance to marine biological resources.</p>	<p>The City Harbor Department</p>	<p>Construction Contractor</p>
<p>All in-water, bottom-disturbing activities, including but not limited to vessel anchoring and dredging should occur within the pre-determined dredging footprint.</p>	<p>To avoid or minimize the potential disturbance to marine biological resources.</p>	<p>The City Harbor Department</p>	<p>Construction Contractor</p>



Morro Bay State Park Marina Renovation and Enhancement Project
Final Environmental Impact Report

Mitigation Measure	Purpose	Monitoring Requirements/Reporting	Responsible Party
<p>An eelgrass restoration plan will be created in accordance with Southern California Eelgrass Mitigation Policy (revision 10, adopted January 18, 2005). A pre- and post-construction survey will be completed to determine final areas of impact.</p>	<p>resources. To restore eelgrass losses due to project activities and to assure compliance with the mitigation policy.</p>	<p>The City Planning Division, NOAA Fisheries, and ACOE</p>	<p>The City Harbor Department</p>
<p>A pre- and post-construction survey will be completed to determine mudflat and salt marsh habitat impacts and a restoration plan, that outlines the procedures for restoring coastal salt marsh habitat removed due to project implementation, should be developed in accordance to agency specifications.</p>	<p>To restore mudflat and coastal salt marsh habitat affected by project activities.</p>	<p>The City Planning Division, ACOE, NOAA Fisheries, CDFG, and USFWS</p>	<p>The City Harbor Department</p>
<p>A marine wildlife contingency plan should be developed and approved by NOAA Fisheries, CDFG, and USFWS prior to the initiation of pile driving activities. That plan should describe specific methods that will be used to reduce pile-driving noise and describe onsite marine wildlife monitoring and reporting requirements.</p>	<p>To avoid or minimize the potential disturbance or incidental "take" of special status species.</p>	<p>NOAA Fisheries, CDFG, and USFWS</p>	<p>The City Harbor Department</p>
<p>Power to the pile driver should be ramped up to allow marine wildlife to detect a lower sound level and depart the area before full-power noise levels are produced.</p>	<p>To avoid or minimize the potential disturbance to marine biological resources.</p>	<p>The City Building Division</p>	<p>Construction Contractor</p>
<p>If an impact hammer is used and as required, the use of "pad" should be investigated and if feasible, be placed between the pile and the pile driver hammer to reduce impact hammer noise.</p>	<p>To avoid or minimize the potential disturbance to marine biological resources.</p>	<p>The City Building Division</p>	<p>Construction Contractor</p>
<p>A project-specific oil spill response and recovery plan that includes specifics on</p>	<p>To avoid or minimize the</p>	<p>The City Planning Division,</p>	<p>The City Harbor</p>



Morro Bay State Park Marina Renovation and Enhancement Project
Final Environmental Impact Report

Mitigation Measure	Purpose	Monitoring Requirements/Reporting	Responsible Party
reporting and response procedures, available on-site equipment and contracted services, and responsibilities should be completed and approved prior to the initiation of demolition and/or construction activities.	effects of discharged oil on marine biological resources.	ACOE	Department
Refueling of onshore equipment should be within a designated area of the parking lot. That site should be covered with impervious material, be located away from drains, and have spill recovery material within the immediate vicinity. The area should be surrounded with a waddle of sorbent material.	To avoid or minimize the chance of spilled oil migrating into the water/soil.	The City Engineering Division	Construction Contractor
A minimal volume of petroleum product should be stored onsite and spill containment and recovery equipment should be sufficient to respond to the worse case spill volume.	To avoid or minimize the potential effects of spilled oil to marine biological resources.	The City Engineering Division	Construction Contractor
Terrestrial Biological Resources			
Potential nest-disturbing activities should occur between August and April to avoid nesting periods of the bird species within the area.	To avoid or minimize the potential disturbance or incidental "take" of special status species.	The City Planning Division	The City Harbor Department
<p>If scheduling of nest-disturbing activities between August and April is infeasible, pre-construction surveys should be conducted prior to those activities that are planned between February 15 and August 15 to identify nest sites. The following actions should be incorporated:</p> <ul style="list-style-type: none"> • If active nests of bird species protected under the Migratory Bird Treaty Act (e.g., house finch, white-crowned sparrow, etc.) are observed within a location potentially affected by project activities, the project activity should be rescheduled to avoid affecting the identified nests, eggs, and/or young; and/or, • If active nest sites of raptors and/or species of special concern (e.g., yellow 	To avoid or minimize the potential disturbance or incidental "take" of special status species.	The City Planning Division, and CDFG	The City Harbor Department



Morro Bay State Park Marina Renovation and Enhancement Project
Final Environmental Impact Report

Mitigation Measure	Purpose	Monitoring Requirements/Reporting	Responsible Party
<p>warbler, long-billed savannah sparrow, etc.) are observed within the vicinity of the project site, then CDFG should be contacted to establish the appropriate buffer area around the nest site. Upon approval, construction activities outside of the buffer zone should be allowed.</p> <p>To minimize disturbance of existing onshore habitats:</p> <ul style="list-style-type: none"> All equipment staging areas, construction-crew parking areas, and construction access routes should be established in previously-disturbed and/or developed areas; and In accordance with resource agency guidance, exclusionary fencing should be erected at the boundaries of construction areas to preclude equipment and human intrusion into adjacent habitats with emphasis on protection of areas containing special-status species (i.e., coastal dune scrub). The exact location of exclusionary fencing for each construction area should be determined by a City and agency-approved biological monitor. The fencing should remain in place throughout the construction phase of the project. 	<p>To avoid or minimize the potential disturbance to existing biological resources and habitats.</p>	<p>The City Planning Division</p>	<p>Construction Contractor</p>
<p>Any required night-time equipment lighting (i.e., Eveready Dewatering System, etc.) should be shielded away from adjacent wildlife habitat areas and pointed downward to minimize lighting/glare impacts of wildlife.</p>	<p>To avoid or minimize the potential nighttime disturbance to wildlife.</p>	<p>The City Planning Division</p>	<p>Construction Contractor</p>
<p>Prior to project implementation, the City should prepare a California Seablite Restoration Plan (CSR) for review and approval by the USFWS. The CSR should specify a 2:1 replacement ratio within suitable habitat areas preferably located on-site. Specifically, the CSR should include a seablite population summary, identification of mitigation sites, removal and transplanting procedures, propagation strategies, installation and maintenance methods, performance criteria, and monitoring protocols for the newly planted populations. At a minimum, the CSR should contain the following additional provisions:</p>	<p>To minimize the potential disturbance or incidental "take" of the special status species plant California Seablite and to assure restoration/replacement of affected plants.</p>	<p>USFWS</p>	<p>The City Harbor Department</p>



Morro Bay State Park Marina Renovation and Enhancement Project
Final Environmental Impact Report

Mitigation Measure	Purpose	Monitoring Requirements/Reporting	Responsible Party
<ul style="list-style-type: none"> • Prior to disturbing any California seablite plants, and with the appropriate authorization from the USFWS, an agency-approved botanist/horticulturalist will remove and transplant selected plants located within the work zone to suitable areas outside the work zone and/or into a greenhouse for temporary storage until out-planting can be completed; • Planting of California seablite plants will occur within pre-designated areas that will augment existing populations by concentrating the planting along the eastern and southern shorelines of the project area; • Initiation of seablite replacement planting and/or seed dispersal will be conducted within the appropriate season to maximize survivability (i.e., fall/winter). Planting during the warmest, driest months (June through September) should be avoided; • Identify procedures to be used to eradicate exotic plant species (i.e., ice plant, etc.) within the dedicated restoration sites and provisions for controlling the spread of exotic species throughout the project area; and, • An implementation schedule, which emphasizes initiation of the actions described in CSRP. The schedule should outline the sequencing of all actions and describe frequency of monitoring and maintenance until performance criteria are met. 			
<p>Utilizing the latest available data, final project plans should clearly depict the location of all existing seablite plants that are to be removed as well as those plants that are within 25 ft of any construction activity. Prior to any construction, grubbing or tree removal, each California seablite plant within 25 ft of the proposed construction activities should be clearly marked or removed in accordance with the CSRP described above.</p>	<p>To avoid or minimize the potential disturbance or incidental "take" of special status species plant California seablite.</p>	<p>The City Planning Division</p>	<p>The City Harbor Department</p>
<p>Prior to the disturbance of potentially suitable habitat areas, a USFWS-approved biologist should survey for, collect, and relocate any Morro shoulderband snails found within the project area to suitable on-site or off-site habitat areas not planned for disturbance. USFWS authorization shall be required for this activity.</p>	<p>To avoid or minimize the potential disturbance or incidental "take" of special status species</p>	<p>USFWS</p>	<p>The City Harbor Department</p>



Morro Bay State Park Marina Renovation and Enhancement Project
 Final Environmental Impact Report

Mitigation Measure	Purpose	Monitoring Requirements/Reporting	Responsible Party
<p>An agency-approved biologist should conduct pre-construction surveys to determine presence/absence of California horned lizard within and in areas adjacent to the proposed parking lot that support chaparral and/or scrub habitats. Surveys should only be required during the active period of California horned lizards (generally April through September). If California horned lizards are identified adjacent to and/or within work areas, then hand rakes or an equivalent should be utilized by biological monitors to scarify the ground surface and encourage the horned lizards (and other wildlife) to vacate the immediate area prior to construction. As necessary, the agency-approved biological monitor should physically relocate California horned lizard to suitable habitat located outside the construction zone. Exact procedures and protocols for relocation should be agreed to during pre-project consultation with CDFG.</p>	<p>animal Morro shoulderband snail. To avoid or minimize the potential disturbance or incidental "take" of special status species animal California horned lizard.</p>	<p>CDFG</p>	<p>The City Harbor Department</p>
<p>An agency-approved biological monitor should be on-site during all vegetation clearing and should periodically monitor the project site during construction activities to inspect protective fencing, equipment staging areas, and physically relocate or remove any special-status wildlife species entering the construction zone (i.e., Morro shoulderband snail, California horned lizard, Morro Bay blue butterfly, etc.). All special-status species should be relocated to suitable habitat located outside the construction zone by a qualified biologist. Exact procedures and protocols for relocation shall be agreed to during pre-project consultation with USFWS and CDFG.</p>	<p>To avoid or minimize the potential disturbance or incidental "take" of special status species.</p>	<p>USFWS, CDFG</p>	<p>The City Harbor Department</p>
<p>During construction activities, all trash should be placed into covered receptacles to discourage wildlife, including brown pelicans, from foraging.</p>	<p>To avoid or minimize the potential disturbance to terrestrial biological resources.</p>	<p>The City Building Division</p>	<p>Construction Contractor</p>



Morro Bay State Park Marina Renovation and Enhancement Project
Final Environmental Impact Report

Mitigation Measure	Purpose	Monitoring Requirements/Reporting	Responsible Party
During all construction activities, domestic pets should not be allowed within the construction area to minimize the potential for wildlife harassment.	To avoid or minimize the potential for wildlife harassment.	The City Building Division	Construction Contractor
Tree removal activities should be avoided during the primary migratory period of the monarch butterfly (November through February) to avoid direct impacts to roosting and/or migrating butterflies within the project area.	To avoid or minimize the potential disturbance or incidental "take" of special status species.	The City Building and Planning Division	The City Harbor Department
Water trucks should be used to reduce dust and prevent airborne particles from leaving the project site in addition to impacting monarch butterfly over-wintering habitat.	To avoid or minimize the potential disturbance or incidental "take" of special status species.	The City Building Division	Construction Contractor
All dredging and grading operations along the eastern and southern boundaries of the Marina should be conducted from the barge. At no time should heavy equipment, work crews, and temporary stockpiles or staging areas be allowed along the eastern and/or southern boundaries of the project site.	To avoid or minimize the potential disturbance to terrestrial biological resources and habitats.	The City Building Division	Construction Contractor
To further minimize impacts to the existing sensitive habitats located along the southern boundary of the project site, the upper limits of the isolated grading areas should be clearly delineated with high visibility fencing and/or flagging prior to initiation of grading. The existing State Park trail should be utilized as the only ingress/egress route and only personnel, no vehicles, should be allowed access to the southern project boundary to facilitate installation of the temporary fencing and/or flagging prior to operations.	To avoid or minimize the potential disturbance or incidental "take" of special status species and effects on sensitive habitats.	The City Building Division	Construction Contractor

Cultural Resources

Prior to issuance of permits for construction, a research design for cultural resource	To specify methods of	The City Planning Division	The City
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Morro Bay State Park Marina Renovation and Enhancement Project
Final Environmental Impact Report

Mitigation Measure	Purpose	Monitoring/Reporting Requirements/Reporting Party	Responsible Party
data recovery which makes provisions for: adequately recovering samples; laboratory processing and analysis; technical reporting; and curation of collections, should be prepared.	recovering or preserving sensitive cultural resources.	and State Parks	
Data recovery fieldwork should be completed prior to removal of eucalyptus trees, to ensure that significant deposits in those areas are treated appropriately prior to disturbance.	To avoid or minimize the potential disturbance to sensitive cultural resources.	The City Planning Division and State Parks	The City
All archaeological studies should be supervised directly by an individual who meets the Secretary of Interior's Professional Qualifications Standards and who is approved by the State Parks archaeologist.	To avoid or minimize the potential disturbance to sensitive cultural resources.	The City Planning Division and State Parks	The City
Prior to construction, duff and overburden shall be removed from all direct impact areas likely to contain stone features.	To facilitate the identification and preservation of sensitive cultural resources.	The City Planning Division	The City
All backhoe excavation should be monitored by a qualified professional archaeologist approved by the State Parks archaeologist.	To avoid or minimize the potential disturbance to sensitive cultural resources.	The City Planning Division and State Parks	The City
If avoidance is not feasible and any such features must be damaged or destroyed, they should be either removed from the impact area or reconstructed in another area where they will not suffer further damage; or fully documented through archival quality photographs, measured drawings, and narrative descriptions.	To facilitate recovery or recordation of sensitive cultural resources.	The City Planning Division and State Parks	The City



Morro Bay State Park Marina Renovation and Enhancement Project
Final Environmental Impact Report

Mitigation Measure	Purpose	Monitoring Requirements/Reporting	Responsible Party
During onshore trenching and other excavation for underground utilities, landscaping and irrigation, drainage, and other onshore amenities or facilities construction, a qualified professional archaeologist and a Native American representative will be on-site to monitor.	To avoid or minimize the potential disturbance to sensitive cultural resources.	The City Planning Division, State Parks, and Native American Heritage Commission	The City
If intact archaeological or architectural remains are encountered by the monitor, work shall be temporarily redirected to another area until the State Parks archaeologist can inspect the find.	To avoid or minimize the potential disturbance to sensitive cultural resources.	The City	The City
Geology and Soils			
Prior to issuance of a building permit, the applicant should retain a qualified geotechnical engineer to perform a detailed site-specific subsurface geotechnical study consistent with the California Building Code. The subsurface geotechnical study will determine the extent and thickness of alluvial soils, groundwater depth, the potential for seismically induced liquefaction, and site drainage.	To ensure structural integrity of new buildings.	The City Engineering and Building Divisions	Construction Contractor
A geotechnical engineering report, which includes a pile design analysis to further identify pile design types and the effects of pile driving, should be prepared. The analysis would be performed to determine the most suitable pile installation method to minimize vibration and/or liquefaction hazards.	To minimize vibration and/or liquefaction hazards.	The City Engineering and Building Divisions	The City Harbor Department
Hazards and Hazardous Materials			
Asbestos and lead-based paint surveys should be conducted prior to initiation of demolition activities. If asbestos-containing materials are encountered, the materials will be abated by a certified asbestos abatement contractor in accordance with the regulations. If lead-based paint is identified, federal and State construction worker health and safety regulations should be followed during demolition activities.	To avoid or minimize potential impact to workers and the environment from construction activities.	The City Building Division	Construction Contractor



Morro Bay State Park Marina Renovation and Enhancement Project
Final Environmental Impact Report

Mitigation Measure	Purpose	Monitoring Requirements/Reporting	Responsible Party
If any lead-based paint is encountered on the structures, near-surface soil samples should be collected around the structures to determine the potential for residual soil lead contamination and appropriate remediation should be completed before new construction is implemented.	To avoid or minimize potential impact to workers and the environment from construction activities.	The City Building Division	Construction Contractor
A No-Discharge policy will be incorporated into the construction contract. Prior to initiating dredging and within one-week of the completion of all in-water construction, complete a side scan sonar and bathymetric survey and recover all project-related debris from the bay bottom.	To reduce the possible damage to vessels and/or equipment from collision with debris.	California Coastal Commission (CCC)	The City Harbor Department, Construction Contractor
A dredged materials management plan that describes methods for handling, testing, transporting, and disposal of dredged materials, should be prepared. Testing criteria should be consistent with the requirements of the RWQCB as well as those of the disposal facility.	To avoid or minimize potential impact from hazardous material.	The City Engineering Division, RWQCB	The City Harbor Department
A project-specific Site Health and Safety Plan that identifies any potential chemicals present, potential health and safety hazards, monitoring to be performed during site activities, appropriate personal protective equipment for various scenarios, and emergency response procedures, should be prepared and approved prior to initiating project activities.	To avoid or minimize potential worker injuries and health hazards.	The City Fire Department	Construction Contractor
Hydrology and Water Quality			
<p>Consistent with marine biological resources mitigations:</p> <ul style="list-style-type: none"> Silt screens should be used around all in-water, bottom-disturbing activities when and where they will be effective; Where feasible, a suction-type dredge should be used to minimize the re-suspension of sediments; 	To reduce the area of increased turbidity and to minimize the potential for and the effects of an accidental release of oil or fuel.	The City Harbor Department and Engineering Division	Construction Contractor



Morro Bay State Park Marina Renovation and Enhancement Project
Final Environmental Impact Report

Mitigation Measure	Purpose	Monitoring Requirements/Reporting	Responsible Party
<ul style="list-style-type: none"> All in-water, bottom-disturbing activities, including but not limited to vessel anchoring and dredging should occur within the pre-determined dredging footprint; A project-specific oil spill response and recovery plan that includes methods and procedures for reporting and responding to spills, available on-site equipment and contracted services, and personnel responsibilities should be completed and approved prior to the initiation of demolition and/or construction activities; Refueling of onshore equipment should be within a designated area of the parking lot. That site should be covered with impervious material, be located away from drains, and have spill recovery material within the immediate vicinity. The area should be surrounded with a waddle of sorbent material; and A minimal volume of petroleum product should be stored onsite and spill containment and recovery equipment should be sufficient to respond to the worse case spill volume. 			
Acquire and comply with the project-specific NPDES permit for the discharge of dredge-generated and other authorized discharges.	To avoid or minimize potential impact to water quality.	The City Harbor Department and Engineering Division, RWQCB	Construction Contractor
Prior to initiating construction, a construction-related Sediment and Erosion Control Plan (SECP) and Storm Water Pollution Prevention Plan (SWPPP) should be prepared.	To avoid or minimize potential impact to hydrology and water quality.	The City Engineering Division	The City Harbor Department
Noise			
Limit construction and delivery activities to daytime hours between 7 a.m. to 6 p.m.	To minimize noise	The City Building Division	Construction



Morro Bay State Park Marina Renovation and Enhancement Project
Final Environmental Impact Report

Mitigation Measure	Purpose	Monitoring Requirements/Reporting	Responsible Party
	impacts from construction activities.		Contractor
Properly maintain all construction equipment and machinery as per manufacturer's specifications.	To minimize noise impacts from construction activities.	The City Building Division	Construction Contractor
Include quiet mode specification (i.e. disable back-up horns or bells) for all work during construction hours including the use of hand signaling for all backup operations.	To minimize noise impacts from construction activities.	The City Building Division	Construction Contractor
Minimize the use of impact hammer and maximize the use vibratory hammer for piling installation.	To minimize noise impacts from construction activities.	The City Building Division	Construction Contractor
<p>Design a plan and complete a project-specific noise data collection effort during each construction phase. Based on the results of that study:</p> <ul style="list-style-type: none"> • Identify and install sound barriers around the on-site generator and other stationary noise-producing machinery, that reduce noise levels to those at or below required levels for the nearest sensitive receptor; • As required and following the agreement between the City and the affected party(s), if project-generated noise is not in compliance with required levels, close sensitive receptor locations during appropriate project construction activities; • Consider the use of a "pad" between piles and pile driver; and, • Install or upgrade silencers placed on all applicable engines. 	To minimize noise impacts from construction activities.	The City Planning and Building Divisions	Construction Contractor



Morro Bay State Park Marina Renovation and Enhancement Project
Final Environmental Impact Report

Mitigation Measure	Purpose	Monitoring Requirements/Reporting	Responsible Party
<p>Traffic</p> <p>Prior to project construction, and following the completion of the project, analyze the condition of State Park Road to determine what repairs might be necessary.</p>	<p>To minimize traffic impacts from construction activities.</p>	<p>The City Engineering Division, State Parks Department, CalTrans</p>	<p>Construction Contractor</p>
<p>Prepare a project-specific Traffic Plan that identifies methods of reducing traffic impacts and roadway repairs. As required and specified in the Traffic Plan, complete those repairs identified during the pre-construction survey prior to commencement of construction and complete those identified during the post-construction survey after the project is completed.</p>	<p>To minimize traffic impacts from construction activities.</p>	<p>The City Engineering Division, State Parks Department, CalTrans</p>	<p>Construction Contractor</p>
<p>Make onshore facilities and trailers available for those vessels that are trailerable and identify and make available in-Bay mooring facilities for those vessels that remain.</p>	<p>To facilitate vessel use and minimize marine traffic impacts from construction activities.</p>	<p>The City Harbor Department</p>	<p>The City Harbor Department</p>
<p>Assist with the transfer of vessels to other non-Morro Bay marinas during construction period. Normal charges and fees will apply.</p>	<p>To minimize recreational vessel impacts from construction activities.</p>	<p>The City Harbor Department</p>	<p>The City Harbor Department</p>



EXHIBIT D – MORRO BAY STATE PARK MARINA RENOVATION AND ENHANCEMENT PROJECT

STATEMENT OF FINDINGS

INTRODUCTION

The California State Lands Commission (CSLC), acting as a responsible agency under the California Environmental Quality Act (CEQA), makes these findings to comply with CEQA as part of its discretionary approval to authorize issuance of a dredging lease to the city of Morro Bay (City or Applicant) for use of sovereign lands associated with the proposed Morro Bay State Park Marina Renovation and Enhancement Project (Project). (See generally Pub. Resources Code, § 21069; State CEQA Guidelines, § 15381.)¹ The CSLC has jurisdiction and management authority over all ungranted tidelands, submerged lands, and the beds of navigable lakes and waterways. The CSLC also has certain residual and review authority for tidelands and submerged lands legislatively granted in trust to local jurisdictions (Pub. Resources Code, §§ 6301, 6306). All tidelands and submerged lands, granted or ungranted, as well as navigable lakes and waterways, are subject to the protections of the Common Law Public Trust.

The CSLC is a responsible agency under CEQA for the Project because the City, as the CEQA lead agency, has the principal responsibility for approving the Project and has completed its environmental review under CEQA. The City analyzed the environmental impacts associated with implementation of the Project in an Environmental Impact Report (EIR) (State Clearinghouse [SCH] No. 2005021104), and certified the EIR in July 2008 (“2008 EIR”). In addition to maintenance dredging, major elements of the 2008 renovation and enhancement project included demolition and replacement of all in-water marina infrastructure, removal and replacement of upland marina elements such as the parking lot, and construction of sheetpile walls to stabilize existing slopes. The Mitigation Monitoring and Reporting Program (MMRP) was not adopted at the time the EIR was certified and the 2008 Project was not approved due to the lack of funding.

In 2010, the City proposed to undertake a subset of activities, described in the 2008 EIR, which focused on maintenance dredging (100,000 cubic yards [cu. yds.]) and maintaining the existing rock slope protection, as well as other minor elements. The 2008 EIR analyzed all impacts associated with this reduced Project. Because several years have passed since the 2008 EIR was certified, the City prepared an Addendum to document minor changes to the Project description and to confirm that the Project will not result in new or increased impacts to the environment, and adopted the Addendum and approved the Project on August 16, 2010. The Project will result in fewer impacts than the Project analyzed in the 2008 EIR since it is a reduced project; therefore, no

¹ CEQA is codified in Public Resources Code section 21000 et seq. The State CEQA Guidelines are found in Title 14 of the California Code of Regulations section 15000 et seq.

new mitigation measures have been identified for the Project. The City's evaluation of the potential impacts of the Project after the application of the mitigation measures in the MMRP was that the residual impacts would be less than significant. Therefore no Statement of Overriding Considerations was required. The Addendum and the 2008 EIR constitute the City's compliance with CEQA for the proposed Project.

The City has applied for a dredging lease from CSLC for a maximum of 19,000 cu. yds. to be dredged at the marina entrance channel to maintain a navigable depth. Dredging of the other 81,000 cu. yds. will occur outside the State's ownership.

The City determined that the Project could have significant environmental effects on the following environmental resources:

- Air Quality;
- Marine Biological Resources;
- Terrestrial Biological Resources;
- Hazards and Hazardous Materials
- Hydrology and Water Quality;
- Noise; and
- Traffic.

In adopting the Addendum to the Final EIR and approving the Project, the City also adopted a revised MMRP for Project-related significant effects on the environment related to the subset of activities from the original larger Project and concluded that Project-related impacts would be substantially lessened with implementation of mitigation measures such that the impacts would be less than significant. The City also determined that the Project would not have significant environmental effects on the following environmental resources, and did not impose mitigation measures as CEQA does not require mitigation for impacts that are less than significant:

- Aesthetics; and
- Recreation.

As a responsible agency, the CSLC complies with CEQA by considering the lead agency's EIR and reaching its own conclusions on whether and how to approve a project. In so doing, the CSLC may require changes in a project to lessen or avoid the effects, either direct or indirect, of that part of the project which the CSLC will be called on to carry out or approve. In order to ensure the identified mitigation measures and/or project revisions are implemented, the CSLC adopts the MMRP as set forth in Exhibit C as part of its Project approval.

FINDINGS

The CSLC's role as a responsible agency affects the scope of, but not the obligation to adopt, findings required by CEQA. Findings are required under CEQA by each public agency that approves a project for which an EIR has been certified that identifies one or more significant impacts on the environment (Pub. Resources Code, § 21081, subd. (a); State CEQA Guidelines, § 15091, subd. (a)). Because the EIR certified by the City for the Project identifies potentially significant impacts that fall within the scope of the CSLC's approval, the CSLC makes the Findings set forth below as a responsible agency under CEQA. (CEQA Guidelines, § 15096, subd. (h); *Resource Defense Fund. v. Local Agency Formation Comm. of Santa Cruz County* (1987) 191 Cal.App.3d 886, 896-898.)

While the CSLC must consider the environmental impacts of the Project as set forth in the City's 2008 EIR and Addendum, the CSLC's obligation to mitigate or avoid the direct or indirect environmental impacts of the Project is limited to those parts which it decides to carry out, finance, or approve (Pub. Resources Code, § 21002.1, subd. (d); CEQA Guidelines, §§ 15041, subd. (b), 15096, subds. (f)-(g)). Accordingly, because the CSLC's exercise of discretion involves only the issuance of a dredging lease for the Project, the CSLC is responsible for considering only the environmental impacts related to lands or resources subject to the CSLC's jurisdiction. With respect to all other impacts associated with implementation of the Project, the CSLC is bound by the legal presumption that the EIR fully complies with CEQA. (Pub. Resources Code, § 21167.2.)

The CSLC has reviewed and considered the information contained in the City's EIR and Addendum. All significant adverse impacts of the Project identified in the EIR relating to the CSLC's approval of the dredging lease are included herein and organized according to the resource affected. These Findings, which reflect the independent judgment of the CSLC, are intended to comply with CEQA's mandate that no public agency shall approve or carry out a project for which an EIR has been certified that identifies one or more significant environmental effects unless the agency makes written findings for each of those significant effects. The possible findings are:

- (1) Changes or alterations have been required in, or incorporated into, the project which mitigate or avoid the significant effects on the environment;
- (2) Those changes or alterations are within the responsibility and jurisdiction of another public agency and have been, or can and should be, adopted by that other agency;
- (3) Specific economic, legal, social, technological, or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or alternatives identified in the EIR.²

² See Public Resources Code section 21081, subdivision (a) and State CEQA Guidelines sections 15091, subdivision (a).

These Findings are based on the information contained in the EIR, as well as information provided by the Applicant and gathered through the public involvement process, all of which is contained in the administrative record. The mitigation measures are briefly described in these Findings; more detail on the mitigation measures is included in the City's 2008 EIR and Addendum.

The CSLC is the custodian of the record of proceedings upon which its decision is based. The location of the CSLC's record of proceedings is in the Sacramento office of the CSLC, 100 Howe Avenue, Suite 100-South, Sacramento, CA 95825.

I. IMPACTS REDUCED TO LESS THAN SIGNIFICANT LEVELS WITH MITIGATION

The following impacts were determined in the EIR to be potentially significant absent mitigation: AQ-1, MBIO-1, MBIO-2, MBIO-3, TBIO-3, HAZ-2, HYD-1, HYD-2, NOI-1, and TRA-4. After application of mitigation, however, the impacts were determined to be less than significant.

A. AIR QUALITY

CEQA FINDING NO. AQ-1

Impact: **AQ-1. Construction emissions associated with dredging would exceed the APCD's daily significance threshold for NO_x. Peak quarter emissions would be 9.8 tons NO_x (during dredging), which would also exceed the 2.5 tons per quarter significance threshold.**

Finding(s): (1) Changes or alterations have been required in, or incorporated into, the project that mitigate or avoid the significant environmental effect as identified in the EIR.

FACTS SUPPORTING THE FINDING(S)

The emissions of construction equipment and vehicles would be short term and consist of exhaust emissions, primarily due to the dredging equipment. Construction emissions associated with dredging would exceed the daily significance threshold for nitrogen oxides (NO_x) established by the San Luis Obispo County APCD, which has jurisdiction over air quality issues in the Project area. Peak quarter emissions would be 9.8 tons NO_x (during dredging), which would also exceed the 2.5 tons per quarter significance threshold. Therefore, construction emissions are considered a significant impact to regional air quality. The following mitigation measures will be implemented to reduce the impacts to less than significant.

- **Mitigation Measure AQ-1.** Construction Exhaust Emissions Reduction Measures.
 - Maintain all construction equipment in proper tune according to manufacturer's specifications;

- Fuel all off-road and portable diesel-powered equipment with California Air Resources Board (CARB)-certified motor vehicle diesel fuel (non-taxed version suitable for use off-road);
- Maximize to the extent feasible, the use of on-road heavy equipment and trucks meeting the CARB's 1998 or newer certification standard for on-road heavy-duty diesel engines;
- All on-road and off-road diesel equipment shall not be allowed to idle for more than 5 minutes. Signs shall be posted in designated queuing areas to remind drivers and operators of the 5-minute limit.
- **Mitigation Measure AQ-2.** Low-Emissions Engine. The generator to be used must meet U.S. Environmental Protection Agency (EPA) Tier 3 emissions standards (CAT C15 ATAAC, 3.36 g NOx/BHP-hr or equivalent).
- **Mitigation Measure AQ-3.** Emission Offsets. Project emissions remaining following implementation of the above mitigation measures shall be offset through contribution to an off-site mitigation fund through applicant-funded projects that would result in emissions reductions. Based on past experience the APCD has determined that \$8,500 is required per ton NOx reduced. The dollar amount shall be based on offsetting excess emissions (greater than 2.5 tons NOx per quarter) and \$8,500 per ton.

LEVEL OF SIGNIFICANCE AFTER MITIGATION

With the mitigation described above, this impact is reduced to a less than significant level.

B. MARINE BIOLOGICAL RESOURCES

CEQA FINDING NO. MBIO-1

Impact: **MBIO-1. Sediment resuspension during dock/piling removal and installation, and dredging activities.**

Finding(s): (1) Changes or alterations have been required in, or incorporated into, the project that mitigate or avoid the significant environmental effect as identified in the EIR.

FACTS SUPPORTING THE FINDING(S)

Dredging activities could result in an increase in water column turbidity and an associated decrease in dissolved oxygen concentration from re-suspended sediments. Disturbed water column conditions may contribute to: 1) a decrease in light penetration and cause a general decline in aquatic primary productivity; 2) clogging the respiratory and feeding apparatuses of fish and filter-feeding invertebrates; 3) altering fish distribution and behavior; and/or 4) the deposition of sediment and burial of infauna or immobile epibiota. Fish may depart and/or avoid the turbid water areas, reducing

foraging opportunities for special status bird species including pelicans and terns. Although some fish may avoid the immediate area due to an increase in suspended sediments, other fish and avian species could be attracted to the area to feed on floating organisms that are removed during these operations. Dredging activities would most likely contribute only a relatively minor increase to the naturally turbid conditions of the Bay. Mitigation will reduce the regional impacts by confining the turbidity to the immediate vicinity of dredging activities.

Eelgrass, a plant species of concern is present within areas that are proposed to be dredged and in adjacent sedimentary habitats outside of the Marina. The settling of resuspended sediment onto those plants could result in a potentially significant impact to the overall population with the Bay. The following mitigation measures will be implemented to reduce the impacts to less than significant.

- **Mitigation Measure MB-1.** Silt screens should be used around all in-water, bottom disturbing activities when and where they will be effective.
- **Mitigation Measure MB-2.** Wherever possible, a suction-type dredge should be used to minimize the re-suspension of sediments.
- **Mitigation Measure MB-3.** All in-water, bottom-disturbing activities, including but not limited to vessel anchoring and dredging should occur within the pre-determined dredging footprint.

LEVEL OF SIGNIFICANCE AFTER MITIGATION

With the mitigation described above, this impact is reduced to a less than significant level.

CEQA FINDING NO. MBIO-2

Impact: **MBIO-2. Disturbance to marine habitats and biological resources as a result of in-water demolition and construction activities.**

Finding(s): (1) Changes or alterations have been required in, or incorporated into, the project that mitigate or avoid the significant environmental effect as identified in the EIR.

FACTS SUPPORTING THE FINDING(S)

Eelgrass, a plant species of concern, has been found within the area that is proposed to be dredged or otherwise disturbed during demolition or construction of the Marina. Based on the recently-completed eelgrass survey, approximately 0.453 acres (19,706 square feet [ft²]) of eelgrass and 7.4 acres (321,900 ft²) of sedimentary habitat within the water depths that support eelgrass within the project area will be impacted by dredging. Because of the special status of eelgrass and consistent with existing protocols, this is considered a potentially significant impact to the existing habitat and

the essential habitat for some managed fish species. The following mitigation measure will be implemented to reduce the impacts to less than significant.

- **Mitigation Measure MB-4.** An eelgrass restoration plan will be created in accordance with Southern California Eelgrass Mitigation Policy (revision 10, adopted January 18, 2005). A pre- and post-construction survey will be completed to determine final areas of impact.

LEVEL OF SIGNIFICANCE AFTER MITIGATION

With the mitigation described above, this impact is reduced to a less than significant level.

CEQA FINDING NO. MBIO-3

Impact: **MBIO-3. Hazardous materials could be released as a result of project activities.**

Finding(s): (1) Changes or alterations have been required in, or incorporated into, the project that mitigate or avoid the significant environmental effect as identified in the EIR.

FACTS SUPPORTING THE FINDING(S)

Petroleum-fueled construction equipment will be used to complete the proposed activities. The potential exists for leakage/spills from in-water construction equipment or from improper fueling or hazardous materials storage practices. A petroleum spill could result in potentially significantly impacts to water quality and to the marine biota within the project site and region. The following mitigation measures will be implemented to reduce the impacts to less than significant.

- **Mitigation Measure MB-6.** A project-specific oil spill response and recovery plan that includes specifics on reporting and response procedures, available on-site equipment and contracted services, and responsibilities should be completed and approved prior to the initiation of demolition and/or construction activities.
- **Mitigation Measure MB-7.** Refueling of onshore equipment should be within a designated area of the parking lot. That site should be covered with impervious material, be located away from drains, and have spill recovery material within the immediate vicinity. The area should be surrounded with a waddle of sorbent material.
- **Mitigation Measure MB-8.** A minimal volume of petroleum product should be stored on site and spill containment and recovery equipment should be sufficient to respond to worse case spill volume.

LEVEL OF SIGNIFICANCE AFTER MITIGATION

With the mitigation described above, this impact is reduced to a less than significant level.

C. TERRESTRIAL BIOLOGICAL RESOURCES

CEQA FINDING NO. TBIO-3

Impact: **TBIO-4. Permanent loss and/or long-term degradation and fragmentation of natural habitats including one sensitive plant community.**

Finding(s): (1) Changes or alterations have been required in, or incorporated into, the project that mitigate or avoid the significant environmental effect as identified in the EIR.

FACTS SUPPORTING THE FINDING(S)

Dredging activities is not expected to occur in sensitive terrestrial habitats; however, due to the proximity of sensitive habitat along the southern and eastern boundaries the following mitigation measures will be implemented to reduce the impacts to less than significant.

- **Mitigation Measure TB-8.** All dredging and grading operations along the eastern and southern boundaries of the marina should be conducted from the barge. At no time should heavy equipment, work crews, and temporary stockpiles or staging areas be allowed along the eastern and/or southern boundaries of the project site.
- **Mitigation Measure TB-9.** To further minimize impacts to the existing sensitive habitats located along the southern boundary of the project site, the upper limits of the isolated grading or dredging areas should be clearly delineated with high visibility fencing and/or flagging prior to initiation of grading or dredging. The existing State Park trail should be used as the only ingress/egress route and only personnel, no vehicles, should be allowed access to the southern project boundary to facilitate installation of the temporary fencing and/or flagging prior to operations.

LEVEL OF SIGNIFICANCE AFTER MITIGATION

With the mitigation described above, this impact is reduced to a less than significant level.

D. HAZARDS AND HAZARDOUS MATERIALS

CEQA FINDING NO. HAZ-2

Impact: **HAZ-2. If dredged materials containing unanticipated contaminants were transported across the project site to the disposal locations, the contaminants could be spread to other locations.**

Finding(s): (1) Changes or alterations have been required in, or incorporated into, the project that mitigate or avoid the significant environmental effect as identified in the EIR.

FACTS SUPPORTING THE FINDING(S)

If dredged materials containing unanticipated contaminants were transported across the project site to the disposal locations, the contaminants could be spread to other locations. In addition, project workers, as well as the general public could be exposed to contaminants. The following mitigation measures will be implemented to reduce the impacts to less than significant.

- **Mitigation Measure HM-1.** A No-Discharge policy will be incorporated into the construction contract. Prior to initiating dredging and within one week of the completion of all in-water construction, complete a side scan sonar and bathymetric survey and recover all project-related debris from the bay bottom.
- **Mitigation Measure HM-2.** A dredged materials management plan that describes methods for handling, testing, transporting, and disposal of dredged materials, should be prepared. Testing criteria should be consistent with the requirements of the RWQCB as well as those of the disposal facility.
- **Mitigation Measure HM-3.** A project-specific Site Health and Safety Plan that identifies any potential chemicals present, potential health and safety hazards, monitoring to be performed during site activities, appropriate personal protective equipment for various scenarios, and emergency response procedures, should be prepared and approved prior to initiating project activities.

LEVEL OF SIGNIFICANCE AFTER MITIGATION

With the mitigation described above, this impact is reduced to a less than significant level.

E. HYDROLOGY AND WATER QUALITY

CEQA FINDING NO. HYD-1

Impact: **HYD-1. Sediment resuspension during dock/piling removal and installation, and dredging activities and hazardous materials could be released as a result of project activities.**

Finding(s): (1) Changes or alterations have been required in, or incorporated into, the project that mitigate or avoid the significant environmental effect as identified in the EIR.

FACTS SUPPORTING THE FINDING(S)

Dredging could result in an increase in water column turbidity and an anticipated decrease in dissolved oxygen (DO) concentration. However, substantial turbidity occurs naturally in the Bay, particularly following surface water runoff from Chorro Creek and Los Osos Creek during winter storms. Tidal scour also contributes to the natural turbidity and is a major contributor during the spring tide periods when the change in tidal levels, rate of tidal exchange, and current speed are highest.

Turbidity generated from dredging will likely contribute a relatively minor increase to the naturally turbid waters, however the material being resuspended may have a higher chemical or biological oxygen demand and therefore result in a short-term, potentially significant decrease in DO levels. These effects are, however, expected to be localized around the dredging activities. The following mitigation measure will be implemented to reduce the impacts to less than significant.

- **Mitigation Measure WQ-1.** Consistent with marine biological resources mitigations:
 - Silt screens should be used around all in-water, bottom-disturbing activities when and where they will be effective.
 - Where feasible, a suction-type dredge should be used to minimize the re-suspension of sediments.
 - All in-water, bottom-disturbing activities, including but not limited to vessel anchoring and dredging should occur within the pre-determined dredging footprint.
 - A project-specific oil spill response and recovery plan that includes methods and procedures for reporting and responding to spills, available on-site equipment and contracted services, and personnel responsibilities should be completed and approved prior to the initiation of demolition and/or construction activities.
 - Refueling of onshore equipment should be within a designated area of the parking lot. That site should be covered with impervious material, be located away from drains, and have spill recovery material within the immediate vicinity. The area should be surrounded with a waddle of sorbent material.
 - A minimal volume of petroleum product should be stored onsite and spill containment and recovery equipment should be sufficient to respond to the worse case spill volume.

LEVEL OF SIGNIFICANCE AFTER MITIGATION

With the mitigation described above, this impact is reduced to a less than significant level.

CEQA FINDING NO. HYD-2

Impact: **HYD-2. Water discharged from dredge material may impair water quality.**

Finding(s): (1) Changes or alterations have been required in, or incorporated into, the project that mitigate or avoid the significant environmental effect as identified in the EIR.

FACTS SUPPORTING THE FINDING(S)

Petroleum-fueled construction equipment will be used to complete the proposed activities. The potential exists for leakage/spills from in-water dredging or from improper fueling or hazardous materials storage practices. A petroleum spill could result in potentially significant impacts to water quality and to the marine biota within the project site and region. The following mitigation measure, which requires implementation of measures pursuant to a National Pollutant Discharge Elimination System (NPDES) issued by the Central Coast RWQCB, which has jurisdiction over water quality issues in the Project area, will be implemented to reduce the impacts to less than significant.

- **Mitigation Measure WQ-2.** Acquire and comply with the project-specific NPDES permit for the discharge of dredge-generated and other authorized discharges.

LEVEL OF SIGNIFICANCE AFTER MITIGATION

With the mitigation described above, this impact is reduced to a less than significant level.

F. NOISE

CEQA FINDING NO. NOI-1

Impact: **NOI-1. Project construction activities would generate noise that would result in exceeding established noise-levels thresholds for nearby existing land uses/sensitive receptors.**

Finding(s): (1) Changes or alterations have been required in, or incorporated into, the project that mitigate or avoid the significant environmental effect as identified in the EIR.

FACTS SUPPORTING THE FINDING(S)

Due to the frequency in which construction impacts ambient noise levels at nearby sensitive receptors, the industry has incorporated several mitigation measures to

reduce potential noise impacts. Based on equipment needs and specifications for the project, the following measures are recommended:

- **Mitigation Measure NO-1.** Limit construction and delivery activities to daytime hours between 7 a.m. to 6 p.m.
- **Mitigation Measure NO-2.** Properly maintain all construction equipment and machinery as per manufacturer's specifications.

LEVEL OF SIGNIFICANCE AFTER MITIGATION

With the mitigation described above, this impact is reduced to a less than significant level.

G. TRAFFIC

CEQA FINDING NO. TRA-4

Impact: **TRA-4. Insufficient temporary mooring facilities within Morro Bay to accommodate Marina vessels that cannot be trailered offsite.**

Finding(s): (1) Changes or alterations have been required in, or incorporated into, the project that mitigate or avoid the significant environmental effect as identified in the EIR.

FACTS SUPPORTING THE FINDING(S)

Since construction/dredging activities will affect the ability of boats to moor in the marina, the following mitigation measures will be implemented to reduce potential marine traffic impacts to less than significant.

- **Mitigation Measure TR-1.** Identify and make available in-bay mooring facilities for those vessels that remain during construction.
- **Mitigation Measure TR-2.** Assist with the transfer of vessels to other non-Morro Bay marinas during construction period. Normal charges and fees will apply.

LEVEL OF SIGNIFICANCE AFTER MITIGATION

With the mitigation described above, this impact is reduced to a less than significant level.

II. SIGNIFICANT AND UNAVOIDABLE IMPACTS

Both the lead agency, and the CSLC acting as a responsible agency, have determined that all potentially significant impacts will be reduced to a less than significant level after the implementation of the mitigation measures described in the MMRP. Because no impacts will remain significant after implementation of the mitigation measures in the MMRP, the CSLC is not required to make a Statement of Overriding Considerations.