1.0 INTRODUCTION

1.1 PROJECT TITLE

Port Costa Wharf Deconstruction Project

1.2 CEQA LEAD AGENCY NAME AND ADDRESS

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

Contact person:
Cynthia Herzog, Senior Environmental Scientist
Division of Environmental Planning and Management
Cynthia.Herzog@slc.ca.gov
(916) 574-1890

1.3 PROJECT APPLICANT NAME AND ADDRESS

Phillips 66 Company
Sharon Evans, Program Manager
1380 San Pablo Avenue, Rodeo, CA 94572

1.4 PROJECT LOCATION AND REGULATORY GUIDANCE

Phillips 66 Company (Phillips 66 or Applicant) seeks authorization from the CSLC to remove a non-operational marine oil terminal (MOT) located near Port Costa (Port Costa Wharf), in the Carquinez Strait (see Figure 1-1) in accordance with the terms and conditions of its existing CSLC lease (PRC 2869.1), which expires in 2014. The CSLC is the lead agency under the California Environmental Quality Act (CEQA) responsible for preparing this Mitigated Negative Declaration (MND), because the CSLC has jurisdiction over sovereign lands or lands held in public trust by the State of California, which include the tide and submerged lands situated in the Carquinez Strait below the ordinary high water mark (OHWM). The MND may be used by the CSLC as supporting information in determining whether the Port Costa Wharf Deconstruction Project (Project) may have a significant effect on the environment and to exercise its jurisdictional responsibilities for the proposed Project. Other agencies with review and/or approval over the Project are noted in Section 1.7, Permits, Approvals, and Regulatory Requirements.
Figure 1-1. Project Site Location
1.5 SUMMARY OF FINDINGS

The Project is a demolition project that does not involve new permanent structures, facilities or activities; however, some impacts could result from the proposed removal and demolition of the MOT decks and piles. These impacts could be reduced to less than significant with the incorporation of mitigation measures. Based on the issues evaluated in Section 3, Environmental Checklist, the CSLC has determined that the Project would have no impact, less than significant impact, or less than significant impacts after the incorporation of mitigation measures to the following resource areas:

<table>
<thead>
<tr>
<th>No Impact</th>
<th>Less than Significant Impact</th>
<th>Less than Significant with Mitigation</th>
</tr>
</thead>
</table>
| • Aesthetics
• Agricultural Resources
• Cultural Resources
• Geology/Soils
• Mineral Resources
• Population and Housing
• Public Services
• Utilities and Service Systems | • Land Use and Planning
• Noise
• Recreation | • Air Quality/Greenhouse Gas Emissions
• Biological Resources
• Hazards and Hazardous Materials
• Hydrology and Water Quality
• Transportation and Traffic |

1.6 PUBLIC REVIEW AND COMMENT

Consistent with the direction provided in State CEQA Guidelines sections 15072 and 15073, this MND was circulated to local and State agencies and to interested individuals for review and comment during a 30-day public review period. Prior to taking action on adoption of the MND and approval of the Project, the CSLC will consider the proposed MND along with all comments received.

1.7 PERMITS, APPROVALS, AND REGULATORY REQUIREMENTS

The CSLC’s authority is set forth in Division 6 of the California Public Resources Code and it is regulated by the California Code of Regulations, Title 2, sections 1900–2970. The CSLC has authority to issue leases or permits for the use of sovereign lands held in the public trust, including all ungranted tidelands, submerged lands, and the beds of navigable lakes and waterways, as well as 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. As general background, the State of California acquired sovereign ownership of all tidelands and submerged lands and beds of navigable lakes and waterways upon its admission to the U.S. in 1850. The State holds these lands for the benefit of all people of the State for statewide Public Trust purposes, which include
but are not limited to waterborne commerce, navigation, fisheries, water-related
recreation, habitat preservation and open space. On tidal waterways, the State's
sovereign fee ownership extends landward to the mean high tide line, except for areas
of fill or artificial accretion.

For the proposed Project, the CSLC has received an application to remove a non-
operational MOT (Port Costa Wharf). The CSLC must comply with CEQA when it
undertakes an activity defined by CEQA as a "project" which may cause either a direct
physical change in the environment or a reasonably foreseeable indirect change in the
environment and that must receive discretionary approval (i.e., the CSLC has authority
to approve, approve with conditions, or deny the requested lease, permit, or other
entitlement). CEQA requires the CSLC to identify the significant environmental impacts
of its actions and to avoid or mitigate those impacts, if feasible. In addition to the CSLC,
the Project is subject to the review and approval of other federal, State and local entities
with statutory and/or regulatory jurisdiction over aspects of the Project (see Table 1-1).
Table 1-2 identifies coastal-related U.S. and State laws and programs that are relevant
to the Project; additional laws, regulations, and policies are listed in Section 3,
Environmental Analysis and Checklist, of this MND for each environmental issue area.

1.8 ORGANIZATION OF THIS MND

- **Section 1.0** - Provides an Introduction to the purpose and need for the Project as
  well as the Purpose and Scope of this MND.

- **Section 2.0** - Describes the Project, its location, layout and facilities, and
  presents an overview of its operation.

- **Section 3.0** - Presents the CEQA Initial Study, which describes existing
  environmental conditions, Project-specific impacts, mitigation measures, and
  potential mandatory findings of significance.

- **Section 4.0** - Discusses Socioeconomic Effects and Environmental Justice.

- **Section 5.0** - Presents the Mitigation Monitoring Program (MMP).

- **Section 6.0** - Presents information on those who prepared the MND and lists
  reference materials used to prepare the MND.
### Table 1-1. Other Agencies with Review/Approval over Project Activities

<table>
<thead>
<tr>
<th>Permitting Agency</th>
<th>Anticipated Approvals/Regulatory Requirements</th>
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<tbody>
<tr>
<td><strong>Federal</strong></td>
<td></td>
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<tr>
<td>U.S. Army Corps of Engineers (USACE)</td>
<td>Section 10 of the Rivers and Harbors Act Clean Water Act (CWA) Section 404 (Letter of Permission)</td>
</tr>
<tr>
<td>U.S. Fish and Wildlife Service (USFWS) National Marine Fisheries Service (NMFS)</td>
<td>Section 7 Consultation under Federal Endangered Species Act (Biological Opinion, if necessary)</td>
</tr>
<tr>
<td>U.S. Coast Guard (USCG)</td>
<td>The Ports and Waterways Safety Act (Notification)</td>
</tr>
<tr>
<td><strong>State</strong></td>
<td></td>
</tr>
<tr>
<td>California Department of Fish and Wildlife (CDFW)</td>
<td>California Endangered Species Act Fish and Game Code sections 1600-1616 Streambed Alteration Agreement</td>
</tr>
<tr>
<td>California Department of Transportation (Caltrans)</td>
<td>California Streets and Highways Code sections 660-734 Encroachment Permit Transportation Permit (tentative)</td>
</tr>
<tr>
<td>San Francisco Bay Conservation and Development Commission (BCDC)</td>
<td>San Francisco Bay Plan (Administrative Permit)</td>
</tr>
<tr>
<td>San Francisco Bay Regional Water Quality Control Board (RWQCB)</td>
<td>CWA Section 401 Water Quality Certification</td>
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<tr>
<td><strong>Local, Regional, Other</strong></td>
<td></td>
</tr>
<tr>
<td>Bay Area Air Quality Management District (BAAQMD)</td>
<td>2010 Bay Area Clean Air Plan (Consistency Determination)</td>
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<tr>
<td>Contra Costa County</td>
<td>Contra Costa County Code (Demolition Permit and Consistency Determination)</td>
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<tr>
<td>East Bay Regional Park District (EBRPD)</td>
<td>Encroachment Permit (if necessary)</td>
</tr>
<tr>
<td>Union Pacific Railroad (UPRR)</td>
<td>Access Agreement (for work within the UPRR right-of-way)</td>
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</tbody>
</table>

### Table 1-2. Major Coastal Laws, Regulations, and Policies Potentially Applicable to the Project (Multiple Environmental Issues)

[Red section]: The CZMA recognizes a national interest in coastal zone resources and in the importance of balancing competing uses of those resources, giving full consideration to aesthetic, cultural and historic, ecological, recreational, and other values as well as the needs for compatible economic development. Pursuant to the CZMA, coastal states develop and implement comprehensive coastal management programs (CMPs) that describe uses subject to the CMP, authorities and enforceable policies, and coastal zone boundaries, among other elements. The CZMA also gives state coastal management agencies regulatory control (“federal consistency” review authority) over federal activities and federally licensed, permitted or assisted activities, if the activity affects coastal resources; such activities include military projects at coastal...
Table 1-2. Major Coastal Laws, Regulations, and Policies Potentially Applicable to the Project (Multiple Environmental Issues)

<table>
<thead>
<tr>
<th>Location</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CA</td>
<td>BCDC, which was created by the State Legislature in 1965, is charged with:</td>
</tr>
<tr>
<td></td>
<td>- Regulating filling and dredging in San Francisco Bay (including San Pablo and Suisun Bays, sloughs and certain creeks and tributaries that are part of the Bay system, salt ponds, and certain other areas diked-off from the Bay).</td>
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<tr>
<td></td>
<td>- Protecting Suisun Marsh, the largest remaining wetland in California, by administering the Suisun Marsh Preservation Act in cooperation with local governments.</td>
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<td></td>
<td>- Regulating new development within the first 100 feet inland from the Bay to ensure that maximum feasible public access to the Bay is provided.</td>
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<td>- Minimizing pressures to fill the Bay by ensuring that the limited amount of shoreline area suitable for high priority water-oriented uses is reserved for ports, water-related industries, water-oriented recreation, airports and wildlife areas.</td>
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<tr>
<td></td>
<td>- Pursuing an active planning program to study Bay issues so that BCDC plans and policies are based upon the best available current information.</td>
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<td></td>
<td>- Administering the federal CZMA within the San Francisco Bay segment of the California coastal zone to ensure that federal activities reflect BCDC policies.</td>
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<td></td>
<td>- Participating in a region wide program to prepare a Long Term Management Strategy for dredging and dredge material disposal in San Francisco Bay.</td>
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<td></td>
<td>- Participating in California’s oil spill prevention and response planning program.</td>
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<td></td>
<td>The McAteer-Petris Act authorizes BCDC to prepare an enforceable plan for the long-term use of the bay and its shoreline through the San Francisco Bay Plan (Bay Plan) and to incorporate the Plan’s policies into State law. Permits from BCDC are required for most projects proposed along the shoreline within its jurisdiction. Nearly all of the policies and the implementing authority for the Coastal Management Program for San Francisco Bay are contained in individual pieces of comprehensive coastal zone management legislation (McAteer-Petris and Suisun Marsh Preservation Acts), in separate comprehensive plans (e.g., Bay Plan and Suisun Marsh Protection Plan), and in other appendices to the Program document.</td>
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</tbody>
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