

California State Lands Commission

PART I – PREFACE

Final Environmental Impact Report for the Tesoro Amorcó Marine Oil
Terminal Lease Consideration, February 2014

THIS PAGE IS INTENDED TO BE LEFT BLANK

PART I. PREFACE TO THE FINAL ENVIRONMENTAL IMPACT REPORT

PURPOSE

This document is the Final Environmental Impact Report (EIR) for the Amorcó Marine Oil Terminal Lease Consideration Project (Project). The Final EIR has been prepared for consideration by the California State Lands Commission (CSLC), as the Lead Agency for this project, pursuant to the California Environmental Quality Act (CEQA) and in accordance with the State CEQA Guidelines. (Pub. Resources Code § 21000 et seq. and Cal. Code of Regs., tit. 14, § 15000 et seq.)

ORGANIZATION OF THE FINAL EIR

The Final EIR, reproduced for convenience in one document, replaces the October 2013 Draft EIR. Consistent with State CEQA Guidelines section 15132, the Final EIR consists of the following elements:

- **Part I** – Preface
- **Part II** – Comments and Responses to Comments received on the Draft EIR during the 45-day public comment period, including a list of persons, organizations, and public agencies that provided comments on the Draft EIR.
- **Part III** – Revisions to the Draft EIR and any other information added to the EIR by the CSLC as Lead Agency. Part III includes the entire text of the Draft EIR, as revised, including revisions to the text of the Draft EIR in response to comments received or for reasons that include: to update information; to refine discussions and resolve internal inconsistencies; and to make minor format changes. Some changes have resulted in a shifting of text from one page to another. Except for minor format changes, all revisions to the Draft EIR are shown as follows:
 - Additions to the text of the Draft EIR are underlined; and
 - Deletions of the text of the Draft EIR are shown as ~~strikeout~~.

The Final EIR may be viewed at the following repository locations and on the CSLC website (www.slc.ca.gov/Division_Pages/DEPM/DEPM_Home_Page.html)

Martinez Library 740 Court Street Martinez, CA 94553 (925) 646-2898	CSLC, Marine Facilities Division 750 Alfred Noble Drive, Suite 201 Hercules, CA 94547 (510) 741-4950	CSLC, Division of Environmental Planning and Management 100 Howe Avenue, Suite 100-South Sacramento, CA 95825 (916) 574-1889
--	---	--

PROJECT DESCRIPTION

The Amorco Terminal and its associated Golden Eagle Refinery (Refinery) have operated at their current locations, offshore and onshore within the city of Martinez, Contra Costa County, since 1923 and 1913, respectively (see Figure ES-1 in Part III of the Final EIR). The existing Amorco Terminal is located on an approximately 16.6-acre parcel of sovereign land in the Carquinez Strait, approximately 0.25 mile west of the Benicia-Martinez Bridge. The proposed Project is a 30-year lease for continued operation of the Amorco Terminal with a reduced parcel size, changing from approximately 16.6 acres to approximately 14.9 acres. The lease area was modified to exclude an area to the west of the Amorco Terminal that had never been used by Tesoro, and also to extend the lease area slightly waterward to account for the increase in ship size since the lease boundary was last established. The result was a net reduction in lease area. The Refinery is located approximately 2.5 miles east of the Amorco Terminal near Tesoro's Avon Marine Oil Terminal. Activities at these facilities include the transfer and processing of crude oil and various hydrocarbon fuels.

The western portion of the existing Amorco wharf, approach trestle, and five dolphins were constructed in 1925 (see Section 2.0, Project Description, in Part III of the Final EIR for component descriptions and illustrations). The Amorco Terminal was expanded in 1954 to include the eastern portion of the existing wharf, including the main transfer operations platform dolphin, seven additional dolphins, as well as a pipeway and roadway. Five dolphins were added in 1963, and three more dolphins were added in 2001. Seismic structural strengthening and comprehensive structural and non-structural improvements of the Amorco Terminal were completed between 2008 and 2013.

On March 1, 1966, the CSLC authorized the issuance of Lease No. PRC 3453.1, a General Lease-Industrial Use, to the Tidewater Oil Company for what is currently known as the Amorco Terminal. Subsequently, several amendments and lease assignments have been authorized to various operators. The CSLC issued the current lease in 1984 for a term of 25 years. In 2002, the CSLC authorized the assignment of this lease to Ultamar, Inc., which shortly thereafter sold the Amorco Terminal to Tesoro. In 2003, the CSLC authorized the assignment of the lease to Tesoro. The existing lease expired on December 31, 2008 and Tesoro is presently in a "holdover" month-to-month tenancy.¹

In its lease application, Tesoro has requested a new 30-year lease from the CSLC to allow the Amorco Terminal to continue operations, which would enable the associated Refinery to continue to receive petroleum products from tankers that dock at the Amorco Terminal. With the exception of a reduced lease parcel size, no changes to the wharf or Amorco Terminal operations are proposed.

¹ Holdover status means that the Terminal is continuing to operate under the terms of its existing lease while a decision on a new lease is pending.

DECISION-MAKING PROCESS

The State CEQA Guidelines stipulate that an EIR must be prepared for any project carried out or approved by a state or local public agency that may have a significant impact on the environment. CSLC has determined that:

- 1) the Amorco Marine Oil Terminal Lease Consideration Project is a “project” as defined by the State CEQA Guidelines;
- 2) the Project may have a significant impact on the environment; and
- 3) an EIR is required.

The CSLC will use this Final EIR as part of its review process, including determining whether or not to approve the lease renewal. If the EIR is certified and the Project approved, mitigation measures will be adopted as part of the approval and incorporated as conditions of the lease for Project implementation. The CSLC must certify that:

- The Final EIR has been completed in compliance with CEQA;
- The Final EIR was presented to the CSLC in a public meeting and the CSLC reviewed and considered the information contained in the Final EIR prior to considering the proposed Project; and
- The Final EIR reflects the CSLC’s independent judgment and analysis.

(State CEQA Guidelines § 15090.)

If the CSLC decides to certify the Final EIR and approve the Project, the CSLC must make one or more written findings of fact for each significant environmental impact identified in the document. The possible findings are:

- The Project has been changed (including adoption of mitigation measures) to avoid or substantially reduce the magnitude of the impact.
- Changes to the Project are within another agency’s jurisdiction and have been or should be adopted by such other agency.
- Specific considerations make mitigation measures or alternatives infeasible.

(State CEQA Guidelines § 15091.)

If any impacts identified in the EIR cannot be reduced to a level that is less than significant, the CSLC may issue a Statement of Overriding Considerations for Project approval if specific social, economic, or other factors justify the Project’s unavoidable adverse environmental effects. If the CSLC approves a project for which a Final EIR has been prepared and certified, the CSLC will issue a Notice of Determination.

PROJECT CEQA CHRONOLOGY

The following is a brief chronology of the CEQA review process associated with the proposed Project (see also Part III, Section 1.3.2, Public Participation, of the Final EIR).

May 12, 2012. Notice of Preparation (NOP) and Notice of Public Scoping Meeting published. (The environmental setting existing at the time the NOP is published normally constitutes the baseline physical conditions by which a Lead Agency determines whether an impact is significant. State CEQA Guidelines, § 15125, subd. (a).)

May 31, 2012. Scoping meetings held at 2:00 and 6:00 p.m. in the city of Martinez. At these meetings, the public and interested agencies were informed about the proposed Project and had the opportunity to provide recommendations for the scope and content of the environmental analysis; however, no oral or written public comments were provided or received at the two meetings.

October 31, 2013 - December 20, 2013. Draft EIR released for 45-day public review with comments accepted by mail, email, facsimile transmission, and in person at two public meetings. One set of written comments was received during the public review period; one additional set of written comments was received after the close of the public review period.

December 5, 2013. Public meetings on Draft EIR held at 3:00 and 6:00 p.m. in the city of Martinez. At these meetings, attendees had the opportunity to ask questions about, and present oral and/or written testimony on, the Draft EIR and its contents; however, no oral or written public comments were provided or received at the two meetings.

December 20, 2013 – February 21, 2014. In preparing this Final EIR, CSLC staff responded to all comments received, obtained additional information as needed to respond to comments, and revised the Draft EIR (see Final EIR Parts II and III). The CSLC hearing on the Final EIR and action on the proposed Project are scheduled for February 21, 2014. (Date is subject to change; see www.slc.ca.gov for further information.)