MINUTE ITEM

This Calendar Item No. $\underline{3/}$ was approved as Minute Item No. $\underline{3/}$ by the California State Lands Commission by a vote of $\underline{3}$ to $\underline{-9}$ at its $\underline{/-2.9-99}$ meeting.

CALENDAR ITEM

A 78

S 39

PRC 8019

01/29/99 WP 8019.9 J. Smith

AMENDMENT OF LEASE

LESSEE:

Southwest Marine, Inc. P.O. Box 13308 San Diego, California 92113

AREA, LAND TYPE, AND LOCATION:

Filled granted sovereign lands, minerals reserved, in San Diego Bay, city of San Diego, San Diego County.

AUTHORIZED USE:

Excavate 5,000 cubic yards of contaminated sediment in conjunction with the redevelopment of marine railways at the Southwest Marine Facility. Material will be transported to the La Paz County Landfill near Parker, Arizona.

LEASE TERM:

One year, beginning April 1, 1998.

CONSIDERATION:

No royalty as the project will result in public benefit. \$0.25 per cubic yard shall be charged for any material used for private benefit or commercial sale purposes.

PROPOSED AMENDMENT:

Increase the volume of excavated material to a maximum of 30,000 cubic yards; sediment to be transported to the Lakeside Land Company Reclamation Site in Lakeside, California; and extend the lease term one additional year, to expire March 31, 2000. All other terms and conditions of the lease shall remain in effect without amendment.

OTHER PERTINENT INFORMATION:

1. Applicant is the lessee of the legislatively granted sovereign lands.

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2. This project is Phase II of a two-phase sediment cleanup project being conducted by the Lessee. Phase I was authorized by the Commission on

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February 27, 1998, and authorized the excavation of 5,000 cubic yards of contaminated sediment. Phase II will consist of dredging a maximum of an additional 25,000 cubic yards of contaminated sediment from six areas within the Lessee's leasehold. The contaminated sediment will be transported to the Lakeside Land Company Reclamation Site in Lakeside, California.

3. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a categorically exempt project. The project is exempt under Class 4, Minor Alteration to Land; Title 14, California Code of Regulations, section 15034.

Authority: Public Resources Code section 21084 and Title 14, California Code of Regulations, section 15300.

4. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

APPROVALS OBTAINED:

San Diego Unified Port District

FURTHER APPROVAL'S REQUIRED:

United States Army Corps of Engineers; Regional Water Quality Control Board; California State Lands Commission.

EXHIBIT:

A. Location and Site Map.

PERMIT STREAMLINING ACT DEADLINE:

February 19, 1999.

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

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CEQA FINDING:

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 4, MINOR ALTERATION TO LAND; TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15304.

SIGNIFICANT LANDS INVENTORY FINDING:

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

AUTHORIZATION:

AUTHORIZE THE AMENDMENT OF LEASE NO. PRC 8019.9, A DREDGING LEASE, OF LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, EFFECTIVE JANUARY 1, 1999, TO INCREASE THE VOLUME OF EXCAVATED MATERIAL TO A MAXIMUM OF 30,000 CUBIC YARDS AND EXTEND THE LEASE TERM ONE ADDITIONAL YEAR TO EXPIRE MARCH 31, 2000; MATERIAL FROM PHASE II EXCAVATION WILL BE TRANSPORTED TO LAKESIDE LAND COMPANY RECLAMATION SITE IN LAKESIDE, CALIFORNIA; ALL OTHER TERMS AND CONDITIONS OF THE LEASE WILL REMAIN IN EFFECT WITHOUT AMENDMENT.



