This Calendar Item No <u>25</u> was approved as Minute Item No. <u>35</u> by the California State Lands Commission by a vote of <u>3</u> to <u>9</u> at its <u>8/24/06</u>meeting.

CALENDAR ITEM C25

A 1 08/24/06 PRC 8708 W 26152 S 2 G. Kato

DREDGING LEASE

APPLICANT:

Sierra Pacific Industries PO Box 1189 Arcata, CA 95518

AREA, LAND TYPE, AND LOCATION:

Granted sovereign lands, with minerals reserved to the State, pursuant to Chapter 225, Statutes of 1945, as amended, in the North Bay Channel of Humboldt Bay, city of Eureka, Humboldt County.

AUTHORIZED USE:

Maintenance dredge a maximum of 10,000 cubic yards of material over a ten-year period to maintain adequate berthing depth for vessels and to insure the continued safe operation of the moorage facility. Dredged material will be disposed at an upland disposal site authorized by all applicable state and federal regulatory agencies.

LEASE TERM:

Ten years, beginning August 24, 2006, to August 23, 2016.

CONSIDERATION:

No royalty will be charged for the dredged material. The dredged material may not be sold.

OTHER PERTINENT INFORMATION:

 Sierra Pacific Industries, sierra Pacific, maintains a dock that is used for offloading logs and loading wood chips and lumber onto barges. Sierra Pacific's proposed dredging project is necessary in order to maintain an adequate berthing depth for vessels to moor, as well as to insure the continued safe operation of the mooring facility.

-1-

000112

MINUTE PAGE

CALENDAR PAGE

CALENDAR ITEM NO. C25 (CONT'D)

- 2. Dredge material will be taken to an on-site retention basin at the northeast corner of the upland property where it will be deposited for temporary retention. After dewatering, disposal of dredge material will occur at an authorized upland dredge disposal location. At this time, the location has not been identified. The applicant is required to advise of the disposal site as soon as possible prior to disposal.
- 3. A Mitigated Negative Declaration (MND) was prepared and adopted for this project by the Humboldt Bay Harbor, Recreation, and Conservation District (District). The California State Lands Commission's staff has reviewed such document.
- 4. Mitigation measures are specified within the MND as adopted by the District.
- 5. The National Marine Fisheries Service (NMFS), following the conclusion of a section 7 consultation pursuant to the Federal Endangered Species Act, concurred with the determination of the U.S. Army Corps of Engineers "that the Project is not likely to adversely affect threatened SONCC Coho Salmon, CC Chinook Salmon, NC Steelhead or their critical habitats."
- 6. 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:

Humboldt Bay Harbor, Recreation, and Conservation District

FURTHER APPROVALS REQUIRED:

United States Army Corps of Engineers Regional Water Quality Control Board

EXHIBIT:

A. Site and Location Map

-2-

000113 CALENDAR PAGE

001089 Minute page

CALENDAR ITEM NO. C25 (CONT'D)

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

A MITIGATED NEGATIVE DECLARATION (MND)
INCORPORATING MITIGATION MEASURES WAS PREPARED
AND ADOPTED FOR THIS PROJECT BY THE HUMBOLDT
HARBOR, RECREATION, AND CONSERVATION DISTRICT AND
THAT THE COMMISSION HAS REVIEWED AND CONSIDERED
THE INFORMATION CONTAINED THEREIN.

ADOPT THE MITIGATION MEASURES SPECIFIED IN THE ADOPTED MND, AS CONTAINED ON FILE IN THE SACRAMENTO OFFICE OF THE CALIFORNIA STATE LANDS COMMISSION.

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 ISSUANCE OF A DREDGING LEASE TO SIERRA PACIFIC INDUSTRIES BEGINNING AUGUST 24, 2006, FOR A TERM OF TEN YEARS, FOR DREDGING A MAXIMUM OF 10,000 CUBIC YARDS OF MATERIAL WITHIN THE NORTH BAY CHANNEL OF HUMBOLDT BAY AS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; INITIATION OF SUCH PERMITTED ACTIVITY IS CONTINGENT UPON APPLICANT'S RECEIPT OF AND COMPLIANCE WITH APPLICABLE PERMITS, RECOMMENDATIONS, OR LIMITATIONS ISSUED BY FEDERAL, STATE AND LOCAL GOVERNMENTS. NO ROYALTY SHALL BE CHARGED FOR THE DREDGED MATERIAL, AS DREDGED MATERIAL MAY NOT BE SOLD. DISPOSAL OF DREDGE MATERIAL WILL BE AT AN AUTHORIZED UPLAND LOCATION.

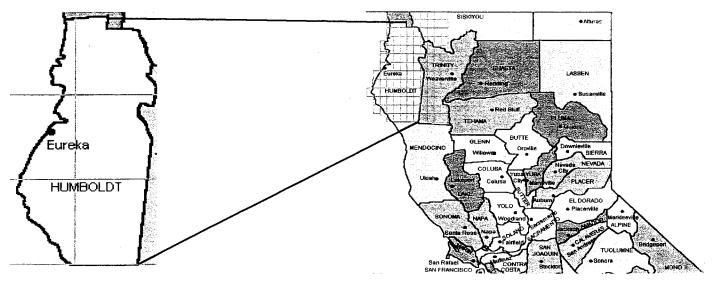
-3-



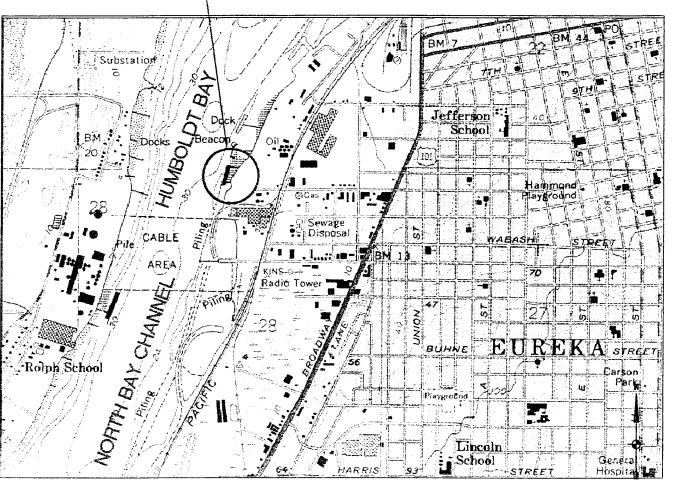


Exhibit A Location and Site Map

W26152 / Sierra Pacific Dock / 1206 West 14th Street Eureka, CA



SIERRA PACIFIC DOCK



NO SCALE

This exhibit is solely for purposes of generally defining the lease premises, and is based on unverified information provided by lessee or other parties, and is not intended to be, nor shall it be construed to as a waiver or limitation of any state interest in the subject or any other property. GK 007-03-2006