

MINUTE ITEM
This Calendar Item No. 64
was approved as Minute Item
No. 64 by the State Lands
Commission by a vote of 3
to 0 at its 7/10/89
meeting.

CALENDAR ITEM
64

A 34, 66

S 25, 34

07/10/89
PRC 5464 PRC 7323
Willard

CONSIDERATION FOR PERMIT TO DEPOSIT
MATERIALS ON BED OF OWENS LAKE
BY SOUTHERN PACIFIC TRANSPORTATION COMPANY

BACKGROUND:

On May 12, 1989, a Southern Pacific Transportation Company train containing 6900 tons of trona derailed in San Bernardino, California. Several residences adjacent to the railroad right-of-way were either damaged or destroyed as a result of the accident and other residences which were not damaged remain unoccupied because of public concerns relative to potential damage to health and property which may result from: 1) the continued presence in the area of the trona and associated debris; and 2) the continued operation of a pipeline adjacent to the residential area within the railroad right-of-way which carries petroleum products. The material being transported was originally mined at Owens Lake by Lake Minerals Corporation which operates on a lease from the Commission and was being shipped to the Port of Los Angeles.

In the clean up of the train wreckage, the spilled trona was mixed with dirt and other debris and became unsalable. The total amount of material presently stockpiled at the site is estimated to be 15,000 cubic yards. Southern Pacific has proposed that the contaminated material be returned to Owens Lake and redeposited in the area from which trona has been previously extracted as part of the reclamation of the area. The proposed reposit site is in the southwesterly portion of Owens Lake in Inyo County, California. Lake Minerals Corporation leases the property from the State Lands Commission and operates its mining operations under Conditional Use Permit No. 76-16 from Inyo County.

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The Calendar Item No. 64
is a continuation of
the item listed on
page 2554 of the
minutes of the
Board of Directors
dated 7/11/89.

CURRENT SITUATION:

The redeposit area is approximately 350 feet by 350 feet (about 2.8 acres) by 3 feet deep and has been previously mined. The trona will be screened to one inch to remove any incidental debris prior to deposition. After screening, the trona and dirt mixture will be bulldozed into the mined-out area. The trona mixture will be compacted by the bulldozer as it is redeposited. The elevation will be kept below grade to allow for coverage of the material with natural brine. Particulate emissions from the screening will be minimal as water spray will be utilized to reduce any potential emissions. Coverage of the disposal area by brine will insure long-term particulate control once the trona is in place.

The screened debris will be disposed of in a Class III landfill and will consist of metal and organic debris associated with the derailment cleanup. USA Transport will haul the trona and screen it at the lake bed site.

Public Resources Code section 6303 authorizes the State Lands Commission to grant permits for the depositing of materials on sovereign lands as part of the reclamation of such areas upon such terms and conditions and for such consideration as will be for the best interests of the state.

PROPOSED PERMIT:

Staff proposes that a permit be issued to Southern Pacific Transportation Company to allow for the deposit of the trona and dirt mixture and its subsequent use for reclamation at the Lake Minerals Lease PRC 5464 at Owens Lake under the following terms and conditions:

1. That the term of this permit shall be from July 10, 1989 to September 30, 1989.
2. That no toxic or hazardous materials be deposited on or within the excavated area of the lakebed.
3. That the permittee pay \$1.00 per yard in consideration for this permit.
4. That the material deposited on the lake bed shall come only from the train derailment site in San Bernardino and that the amount deposited at the reclamation site shall not exceed 15,000 cubic yards of trona.

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5. That the State Lands Commission be given 24-hour advance notice of the actual placement of the material.
6. That all debris be deposited in approved sites off the lakebed.
7. That the permittee agree to remove all or any portion of the material if it is subsequently found to be unsuitable for reclamation purposes. That this removal covenant shall survive the term of this permit.
8. That the permittee file with the State Lands Commission copies of all chemical or other tests performed on this material which tests shall be adequate for the State Department of Health Services to verify or attest that the material is not toxic or hazardous.
9. That no later than 15 days after completion of the project, permittee shall submit a detailed report to the State Lands Commission describing the results of the project and the amount of material deposited.
10. That the permittee be held strictly liable for any contamination of the existing mineral and natural resources in the bed of Owens Lake. That this strict liability provision shall survive the term of this permit.
11. That the State Lands Commission or its agents shall have a right to inspect the work at any time during the term of this permit.
12. That the Executive Officer has the right to immediately suspend operations for the health, safety and welfare of the State.
13. That the permittee post a \$25,000 irrevocable letter of credit with the Commission to secure permittees' performance.
14. That the permittee obtain all necessary approvals and permits from state and local agencies prior to depositing material in the excavated area of the lake bed.
15. Permittee shall comply with federal, state and local laws and regulations applicable to this project.

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16. That the permittee agree to indemnify, defend and hold the State harmless against any and all claims arising out of or connected in any way with deposition of the material. That this indemnification provision shall survive the term of this permit.
17. That the State Lands Commission have the right to cancel this permit and pursue any remedies at law or in equity it may have for violation of the terms of the permit.
18. That the State Lands Commission may impose other reasonable terms and conditions deemed to be in the best interests of the State.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. The California Regional Water Quality Control Board Lahontan Region has informed the Commission that approval of that agency will be required for deposition of the material into the excavated area of the lake bed.
2. The Great Basin Unified Air Pollution Control District has informed the Commission that it will require a permit to operate the portable screen and will require proper dust control measures during transport, loading, storing and screening of the material.
3. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a statutorily exempt project because it involves a specific action to prevent or mitigate an emergency and under the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The staff believes there is no possibility that this project may have a significant effect on the environment.

Authority: P.R.C. 21080(b)(4), 14 Cal. Code Regs. 15269(c) and 14 Cal. Code Regs. 15061(b)(3).

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 AS A STATUTORILY EXEMPT PROJECT PURSUANT TO P.R.C. 21080(b)(4) AND 14 CAL. CODE REGS. 15269(c), SPECIFIC ACTIONS NECESSARY TO PREVENT OR MITIGATE AN EMERGENCY, AND BECAUSE THERE IS NO POSSIBILITY THAT THE ACTIVITY, AS DESCRIBED HEREIN, MAY HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT. (14 CAL. CODE REGS. 15061(b)(3))
2. ISSUE A PERMIT FOR THE DEPOSITION, AS SPECIFIED HEREIN, OF MATERIALS ON THE BED OF OWENS LAKE TO SOUTHERN PACIFIC TRANSPORTATION COMPANY ON THE TERMS AND CONDITIONS PREVIOUSLY DESCRIBED IN THIS CALENDAR ITEM. SAID PERMIT IS TO BE IN FULL FORCE AND EFFECT WHEN SUCH CONDITIONS HAVE BEEN FULFILLED.

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