

MINUTE ITEM

This Calendar Item No. 32  
was approved as Minute Item  
No. 32 by the State Lands  
Commission by a vote of 3  
to 0 at its 08/30/89  
meeting.

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CALENDAR ITEM

A	15, 19	<b>32</b>	08/30/89
S	6, 8		PRC 5534 Martinez

RENEWAL OF STATE MINERAL EXTRACTION LEASE

APPLICANT: Morris Tug and Barge, Inc.  
Attn: Jerry Morris  
100 East "D" Street  
Petaluma, California 94952

AREA, TYPE LAND AND LOCATION:  
Sovereign lands in South San Francisco Bay,  
Alameda and San Mateo Counties.

LAND USE: Extraction of oyster shell deposits for  
commercial sale. The annual minimum volume to  
be extracted is 24,000 cubic yards. The  
material is extracted using a small hydraulic  
dredge. The shell will be washed with sea  
water prior to being loaded on the barge.  
Waste water from washing is returned to the bay  
through discharge lines extending four (4) feet  
to eight (8) feet below the surface.

TERMS OF ORIGINAL LEASE:  
Initial period: Ten (10) years beginning  
January 1, 1979 and the right  
to renew for two (2)  
successive periods of five  
(5) years each.

CONSIDERATION: Royalty: Royalty for the mineral  
resource produced or  
extracted is calculated in  
accordance with the following  
formula:

MINUTE ITEM  
The Calendar Item No. 32  
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to 0 at the meeting

CALENDAR ITEM NO. 32 (CONT'D)

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$R = 1.81 + [0.10C(+)]$  where

R = royalty in dollars and cents paid to the State

C = weighted average lease quarter sales price, f.o.b. the dock, per ton.

T = total lease quarter tonnage sold.

The annual minimum royalty shall be \$12,000 per year. The minimum royalty per ton shall not be less than \$0.50.

Rental: \$2 per acre per year.

TERMS OF PROPOSED RENEWAL:

Renewal Period: January 1, 1989 through December 31, 1993.

All other terms and conditions of Mineral Extraction Lease PRC 5534 and subsequent renewals shall remain in effect.

STATUTORY AND OTHER REFERENCES:

- A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.
- B. 14 Cal. Code Regs.: Title 2, Div. 3; Title 14, Div. 6.

AB 884: 01/07/90.

OTHER PERTINENT INFORMATION:

1. This activity involves lands identified as possessing significant environmental values pursuant to P.R.C. 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.
2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 15025), the staff has prepared a Proposed Negative Declaration

CALENDAR ITEM NO. 32 (CONT'D)

identified as EIR ND 478, State Clearinghouse No. 89060613. Such Proposed Negative Declaration was prepared and circulated for public review pursuant to the provisions of CEQA.

Based upon the Initial Study, the Proposed Negative Declaration, and the comments received in response thereto, there is no substantial evidence that the project will have a significant effect on the environment. (14 Cal. Code Regs. 15074(b))

APPROVALS OBTAINED:

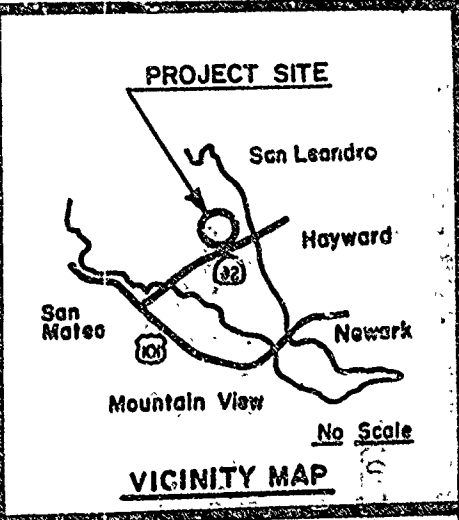
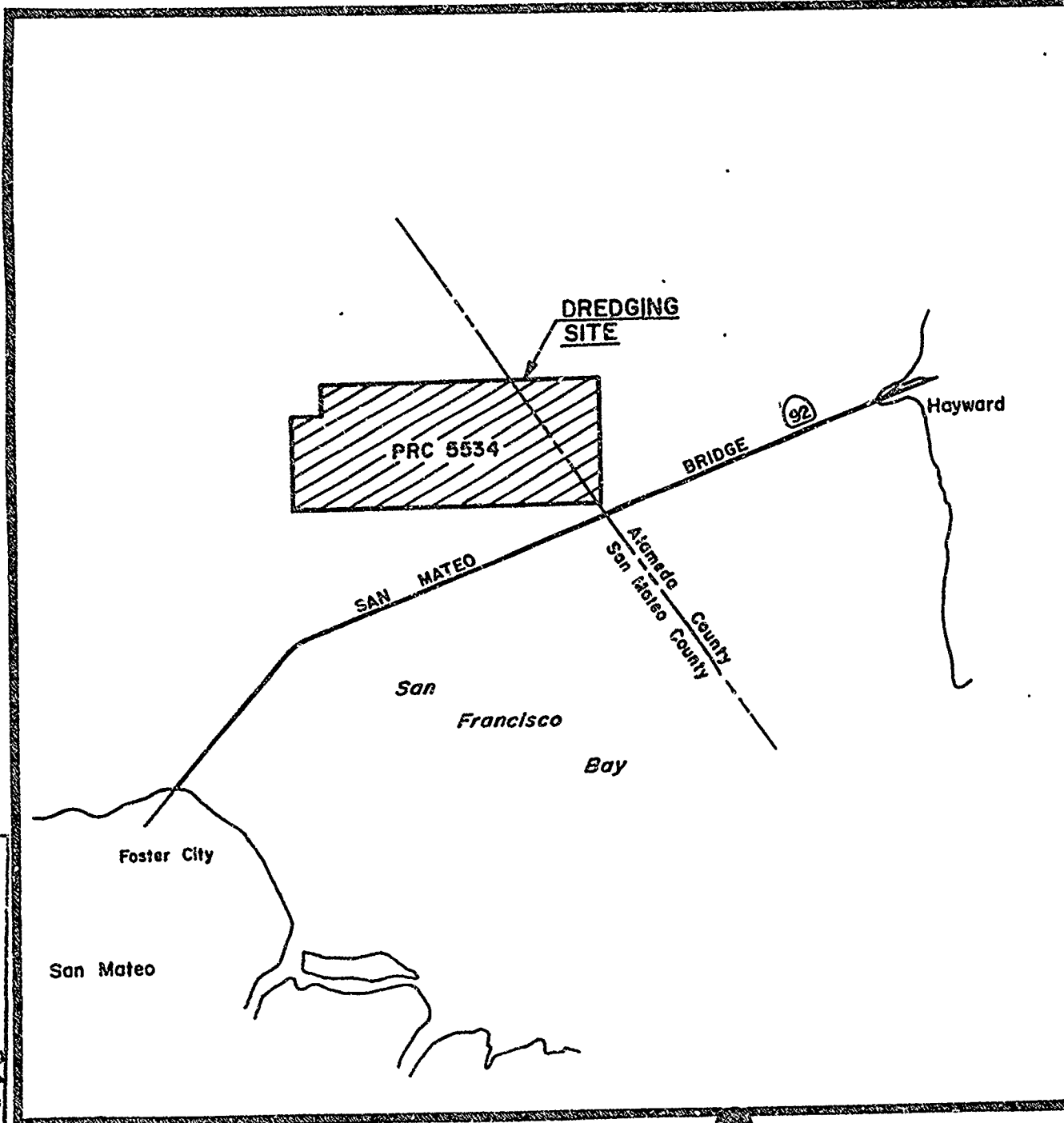
San Francisco Bay Conservation and Development Commission and Regional Water Quality Control Board.

EXHIBITS:

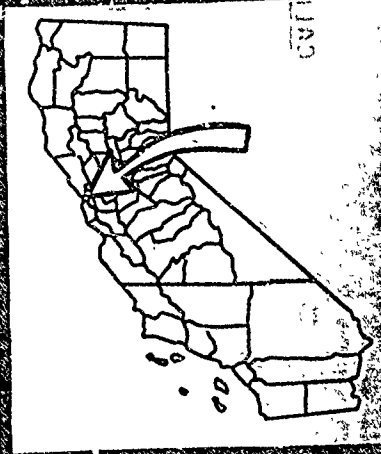
- A. Vicinity and Site Map.
- B. Lease Renewal.
- C. Negative Declaration.

IT IS RECOMMENDED THAT THE COMMISSION:

1. CERTIFY THAT A NEGATIVE DECLARATION, ND 478, STATE CLEARINGHOUSE NO. 89060613, WAS PREPARED FOR THIS PROJECT PURSUANT TO THE PROVISIONS OF THE CEQA AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.
2. DETERMINE THAT THE PROJECT, AS APPROVED, WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
3. FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED FOR THE LAND PURSUANT TO P.R.C. 6370, ET SEQ.
4. AUTHORIZE ISSUANCE TO MORRIS TUG AND BARGE, INC. THE LEASE RENEWAL ATTACHED AS EXHIBIT "B". SAID RENEWAL SHALL ALLOW DREDGING IN SOUTH SAN FRANCISCO BAY, ALAMEDA AND SAN MATEO COUNTIES FOR FIVE YEARS EFFECTIVE JANUARY 1, 1989. ALL OTHER TERMS AND CONDITIONS OF MINERAL EXTRACTION LEASE PRC 5534 AND SUBSEQUENT RENEWALS OF SUCH LEASE SHALL REMAIN IN EFFECT. SUCH PERMITTED ACTIVITY IS CONTINGENT UPON APPLICANT'S COMPLIANCE WITH APPLICABLE PERMITS, RECOMMENDATIONS OR LIMITATIONS ISSUED BY FEDERAL, STATE AND LOCAL GOVERNMENT AGENCIES.



**EXHIBIT "A"**  
**RENEWAL OF MINERAL**  
**EXTRACTION LEASE**  
**MORRIS TUG & BARGE INC.**  
**PRC 5534**  
**SOUTH SAN FRANCISCO**  
**BAY**  
**ALAMEDA & SAN**  
**MATEO COUNTIES**



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"B"

STATE OF CALIFORNIA - STATE LANDS COMMISSION

STATE OF CALIFORNIA  
STATE LANDS COMMISSION  
LEASE RENEWAL - PRC No. 5534

STATE OF CALIFORNIA - STATE LANDS COMMISSION  
STATE LANDS COMMISSION  
1801 STREET  
SACRAMENTO, CALIFORNIA 95831



This agreement made and entered into by and between the State of California through the State Lands Commission of the State of California, party of the first part and Morris Tug and Barge, Inc., party of the second part, witnesseth:

WHEREAS, by Lease dated the 12th day of December 1978 the State granted to Morris Tug and Barge, Inc. PRC 5534 for a term of 10 years covering certain described sovereign lands situated in the Counties of Alameda and San Mateo, State of California; and

WHEREAS, by terms of said Lease PRC 5534 the right of renewal for two successive periods of five years each was granted upon such reasonable terms and conditions as the State, or any successor in interest thereto, might impose; and

WHEREAS, the parties hereto desire to extend said Lease PRC 5534 as hereinafter provided.

NOW THEREFORE, the parties hereto agree as follows:

Pursuant to Paragraph 1 of Section 1 of State Mineral Extraction Lease PRC 5534 Lessor and Lessee hereby agree to renew this lease as amended for a period of five years beginning January 1, 1989 under the same terms and conditions as previously agreed upon in this lease.

This agreement will become binding on the State only when approved by the State Lands Commission and executed on its behalf.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the date hereafter affixed.

STATE OF CALIFORNIA  
STATE LANDS COMMISSION

By \_\_\_\_\_  
W. M. THOMPSON, Chief  
Extractive Development Program

Date \_\_\_\_\_

ACCEPTED:

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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STATE LANDS COMMISSION  
1807 13TH STREET  
SACRAMENTO, CALIFORNIA 95814

STATE LANDS COMMISSION  
LEASE RENEWAL - PRC NO. 5534



PROPOSED NEGATIVE DECLARATION

EIR NO: 478

File Ref.: PRC 5534

SCH#: 8906 0613

Project Title: MINERAL EXTRACTION LEASE RENEWAL - Morris Tug & Barge, Inc.

Project Proponent: Morris Tug & Barge, Inc.

Project Location: Approximately 1,560 acres of submerged lands in South San Francisco Bay, Alameda and San Mateo Counties.

Project Description: Continued extraction of oyster shell deposits for commercial sale. The annual minimum volume extracted is 24,000 cubic yards. The material is extracted using a small hydraulic dredge. The shell will be washed with sea water prior to being loaded on the barge. Waste water from washing is returned to the bay via discharge lines extending 4 to 8 feet below the surface.

Contact Person: Linda Martinez

Telephone: (916)322-6375

This document is prepared pursuant to the requirements of the California Environmental Quality Act (Section 21000 et seq., Public Resources Code), the State CEQA Guidelines (Section 15000 et seq., Title 14, California Code Regulations), and the State Lands Commission regulations (Section 2901 et seq., Title 2, California Code Regulations).

Based upon the attached Initial Study, it has been found that:

the project will not have a significant effect on the environment.

mitigation measures included in the project will avoid potentially significant effects.

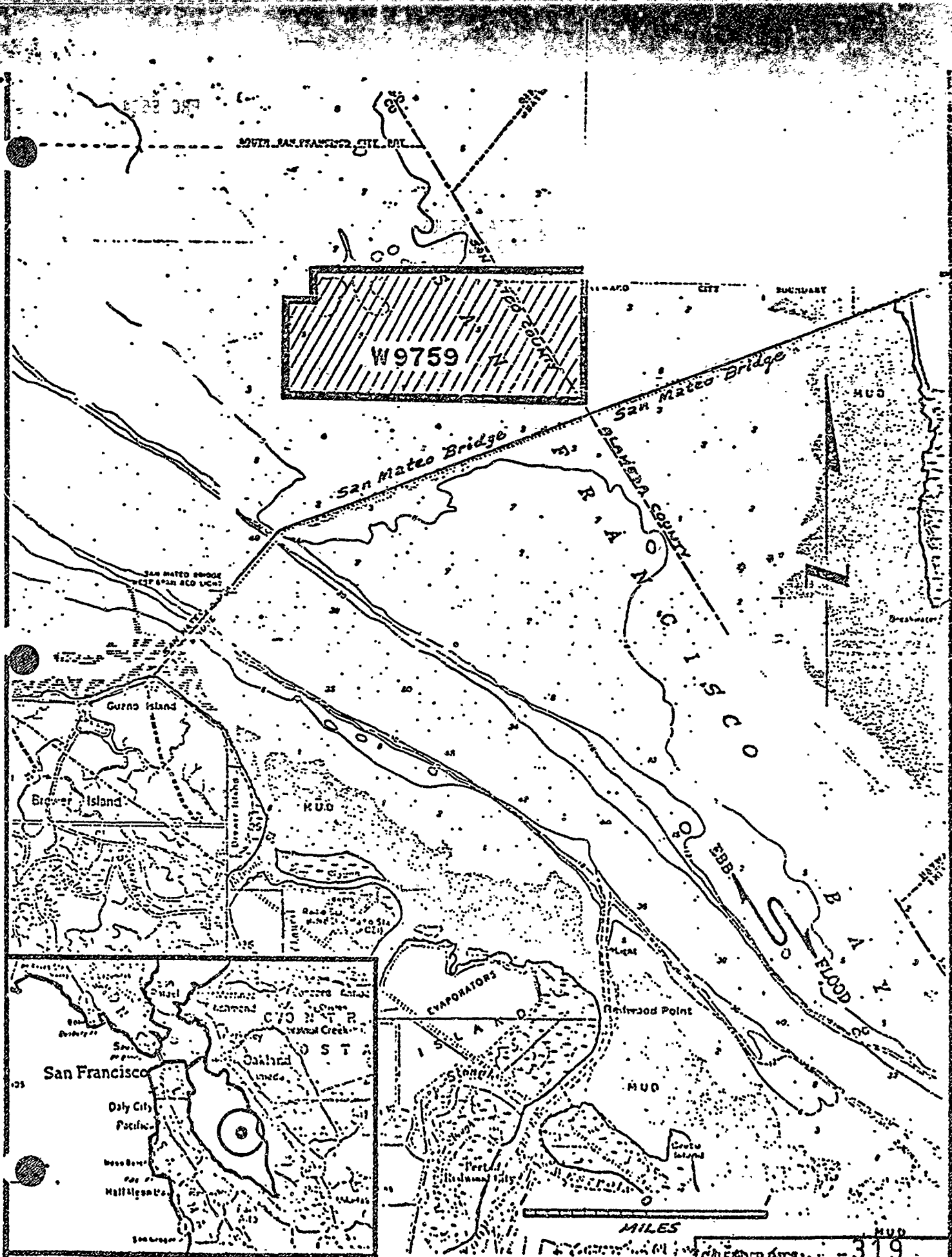
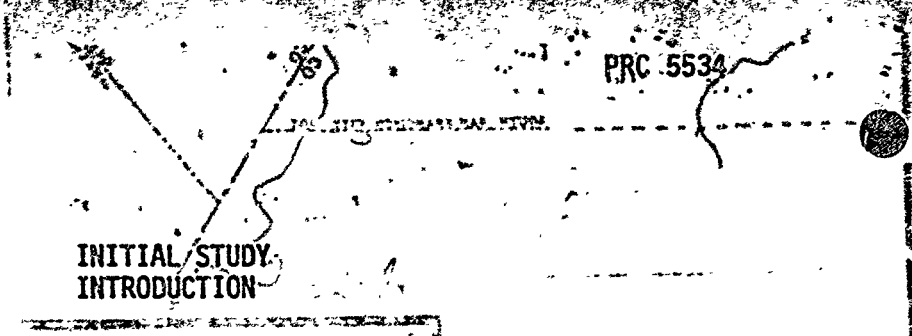


EXHIBIT "B"

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Morris Tug & Barge, Inc. has requested a five year renewal of the lease in effect from January 1, 1979 through December 31, 1988 which authorizes extraction of oyster shell deposits from State-owned submerged lands in South San Francisco Bay, Alameda and San Mateo Counties. The original ten year lease contains provisions for renewal for two successive periods of five years each. The lessee is requesting to exercise the first five year renewal option.

A minimum volume of 24,000 cubic yards per year of oyster shell is extracted using a small hydraulic dredge. The shell is washed with sea water prior to being loaded on the barge. Waste water from washing is returned to the bay via discharge lines extending 4 to 8 feet below the surface.



ENVIRONMENTAL IMPACT ASSESSMENT FORM - Part I

(To be completed by applicant,  
FORM 69.3(11/82))

A. GENERAL INFORMATION

1. Name, address, and telephone number:

a. Applicant

Mr. Bill Montgomery

Morris Tug & Barge, Inc.  
100 East "D" Street

Petaluma, CA 94952

(707) 762-7251

b. Contact person if other than applicant:

M. H. Cheney

6630 Heartwood Drive

Oakland, CA 94611

(415) 339-0665

2. a. Project location: (Please reference to nearest town or community and include county)

Refer to PRC 5534.1: "A parcel of submerged land in South San Francisco Bay  
lying southerly of the southern boundary of the City of South San Francisco,  
partially in San Mateo County and Alameda County."

b. Assessor's parcel number: NA

3. Existing zoning of project site: Open water area

4. Existing land use of project site: Oyster shell harvesting

5. Proposed use of site: same, continued

6. Other permits required: BCDC, Corps of Engineers

B. PROJECT DESCRIPTION

1. For building construction projects, complete "ATTACHMENT A".

2. For non-building construction projects. Describe fully, the proposed activity, its purpose and intended use, e.g. for proposed mineral prospecting permits, include the number of test holes, size of holes, amount of material to be excavated, maximum surface area of disturbance, hole locations, depth of holes, etc. Attach plans or other drawings as necessary.

Harvesting of oyster shells from existing deposit.

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**C. ENVIRONMENTAL SETTING**

1. Describe the project site as it exists before the project, including information on topography, soil stability, plants and animals and any cultural, historical, or scenic aspects. Describe any existing structures on the site, and the use of the structures.  
**Open water area of historical oyster shell deposits.**
2. Describe the surrounding properties, including information on plants and animals and any cultural, historical, or scenic aspects. indicate the type of land use (residential, commercial, etc.), intensity of land use (one-family, apartment houses, shops, department stores, etc.), and scale of development (height, frontage, set-back, rear yard, etc.).  
**Open water area.**

**D. ENVIRONMENTAL IMPACT ASSESSMENT**

Answer the following questions by placing a check in the appropriate box. Discuss all items checked "yes" or "maybe".  
(Attach additional sheets as necessary)

Will the project involve:	YES	MAYBE	NO
1. a change in existing features of any bays, tidelands, beaches, lakes, or hills, or substantial alteration of ground contours? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. a change in scenic views or vistas from existing residential areas or public lands or roads? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. a change in pattern, scale, or character of the general area of project? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. a significant effect on plant or animal life? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. significant amounts of solid waste or litter? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. a change in dust, ash, smoke, fumes, or odors in the vicinity? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7. a change in ocean, bay, lake, stream, or ground water quality or quantity, or alteration of existing drainage patterns? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8. a change in existing noise or vibration levels in the vicinity? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9. construction on filled land or on slope of 10 percent or more? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10. use or disposal of potentially hazardous materials, such as toxic or radioactive substances, flammables, or explosives? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11. a change in demand for municipal services (police, fire, water, sewage, etc.)? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12. an increase in fossil fuel consumption (electricity, oil, natural gas, etc.)? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
13. a larger project or a series of projects? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**E. CERTIFICATION**

I hereby certify that the statements furnished above and in the attached exhibits present the data and information required for this initial evaluation to the best of my ability, and that the facts, statements, and information presented are true and correct to the best of my knowledge and belief.

Date: 16 May 89

Signed: [Signature]

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**ENVIRONMENTAL IMPACT ASSESSMENT CHECKLIST - PART II**

Form 13.28 (7/82)

File Ref: PRC 5534

**I. BACKGROUND INFORMATION**

A. Applicant: Morris Barge & Tug, Inc.  
100 East D Street  
Petaluma, CA 94952

B. Checklist Date: 3 / 23 / 89

C. Contact Person: Linda Martinez  
Telephone: ( 916 ) 322-6375

D. Purpose: Extraction of oyster shell for commercial sale.

E. Location: State-owned submerged lands in South San Francisco Bay, Alameda and San Mateo Counties.

F. Description: Extract a minimum of 24,000 cubic yards of oyster shell using a small hydraulic dredge. The shell will be washed with sea water and loaded on a barge.

G. Persons Contacted: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**II. ENVIRONMENTAL IMPACTS. (Explain all "yes" and "maybe" answers)**

A. Earth. Will the proposal result in:	Yes	Maybe	No
1. Unstable earth conditions or changes in geologic substructures? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Disruptions, displacements, compaction, or overcovering of the soil? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. Change in topography or ground surface relief features? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. The destruction, covering, or modification of any unique geologic or physical features? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. Any increase in wind or water erosion of soils, either on or off the site? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Changes in deposition or erosion of beach sands, or changes in siltation, deposition or erosion which may modify the channel of a river or stream or the bed of the ocean or any bay, inlet, or lake? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7. Exposure of all people or property to geologic hazards such as earthquakes, landslides, mudslides, ground failure, or similar hazards? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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**B. Air.** Will the proposal result in:

- 1. Substantial air emissions or deterioration of ambient air quality?  Yes  Maybe  No
- 2. The creation of objectionable odors?  Yes  Maybe  No
- 3. Alteration of air movement, moisture or temperature, or any change in climate, either locally or regionally?  Yes  Maybe  No

**C. Water.** Will the proposal result in:

- 1. Changes in the currents, or the course or direction of water movements, in either marine or fresh waters?  Yes  Maybe  No
- 2. Changes in absorption rates, drainage patterns, or the rate and amount of surface water runoff?  Yes  Maybe  No
- 3. Alterations to the course or flow of flood waters?  Yes  Maybe  No
- 4. Change in the amount of surface water in any water body?  Yes  Maybe  No
- 5. Discharge into surface waters, or in any alteration of surface water quality, including but not limited to temperature, dissolved oxygen or turbidity?  Yes  Maybe  No
- 6. Alteration of the direction or rate of flow of ground waters?  Yes  Maybe  No
- 7. Change in the quantity of ground waters, either through direct additions or withdrawals, or through interception of an aquifer by cuts or excavations?  Yes  Maybe  No
- 8. Substantial reduction in the amount of water otherwise available for public water supplies?  Yes  Maybe  No
- 9. Exposure of people or property to water-related hazards such as flooding or tidal waves?  Yes  Maybe  No
- 10. Significant changes in the temperature, flow or chemical content of surface thermal springs?  Yes  Maybe  No

**D. Plant Life.** Will the proposal result in:

- 1. Change in the diversity of species, or number of any species of plants (including trees, shrubs, grass, crops, and aquatic plants)?  Yes  Maybe  No
- 2. Reduction of the numbers of any unique, rare or endangered species of plants?  Yes  Maybe  No
- 3. Introduction of new species of plants into an area, or in a barrier to the normal replenishment of existing species?  Yes  Maybe  No
- 4. Reduction in acreage of any agricultural crop?  Yes  Maybe  No

**E. Animal Life.** Will the proposal result in:

- 1. Change in the diversity of species, or numbers of any species of animals (birds, land animals including reptiles, fish and shellfish, benthic organisms, or insects)?  Yes  Maybe  No
- 2. Reduction of the numbers of any unique, rare or endangered species of animals?  Yes  Maybe  No
- 3. Introduction of new species of animals into an area, or result in a barrier to the migration or movement of animals?  Yes  Maybe  No
- 4. Deterioration to existing fish or wildlife habitat?  Yes  Maybe  No

**F. Noise.** Will the proposal result in:

- 1. Increase in existing noise levels?  Yes  Maybe  No
- 2. Exposure of people to severe noise levels?  Yes  Maybe  No

**G. Light and Glare.** Will the proposal result in:

- 1. The production of new light or glare?  Yes  Maybe  No

**H. Land Use.** Will the proposal result in:

- 1. A substantial alteration of the present or planned land use of an area?  Yes  Maybe  No

**I. Natural Resources.** Will the proposal result in:

- 1. Increase in the rate of use of any natural resources?  Yes  Maybe  No
- 2. Substantial depletion of any nonrenewable resources?  Yes  Maybe  No

**Risk of Upset.** Does the proposal result in:

Yes No

1. A risk of an explosion or the release of hazardous substances (including, but not limited to, oil, pesticides, chemicals, or radiation) in the event of an accident or upset conditions?  Yes  No

2. Possible interference with emergency response plan or an emergency evacuation plan?  Yes  No

**K. Population.** Will the proposal result in:

1. The alteration, distribution, density, or growth rate of the human population of the area?  Yes  No

**L. Housing.** Will the proposal result in:

1. Affecting existing housing, or create a demand for additional housing?  Yes  No

**M. Transportation/Circulation.** Will the proposal result in:

1. Generation of substantial additional vehicular movement?  Yes  No

2. Affecting existing parking facilities, or create a demand for new parking?  Yes  No

3. Substantial impact upon existing transportation systems?  Yes  No

4. Alterations to present patterns of circulation or movement of people and/or goods?  Yes  No

5. Alterations to waterborne, rail, or air traffic?  Yes  No

6. Increase in traffic hazards to motor vehicles, bicyclists, or pedestrians?  Yes  No

**N. Public Services.** Will the proposal have an effect upon, or result in a need for new or altered governmental services in any of the following areas:

1. Fire protection?  Yes  No

2. Police protection?  Yes  No

3. Schools?  Yes  No

4. Parks and other recreational facilities?  Yes  No

5. Maintenance of public facilities, including roads?  Yes  No

6. Other governmental services?  Yes  No

**O. Energy.** Will the proposal result in:

1. Use of substantial amounts of fuel or energy?  Yes  No

2. Substantial increase in demand upon existing sources of energy, or require the development of new sources?  Yes  No

**P. Utilities.** Will the proposal result in a need for new systems, or substantial alterations to the following utilities:

1. Power or natural gas?  Yes  No

2. Communication systems?  Yes  No

3. Water?  Yes  No

4. Sewer or septic tanks?  Yes  No

5. Storm water drainage?  Yes  No

6. Solid waste and disposal?  Yes  No

**Q. Human Health.** Will the proposal result in:

1. Creation of any health hazard or potential health hazard (excluding mental health)?  Yes  No

2. Exposure of people to potential health hazards?  Yes  No

**R. Aesthetics.** Will the proposal result in:

1. The obstruction of any scenic vista or view open to the public, or will the proposal result in the creation of an aesthetically offensive site open to public view?  Yes  No

**S. Recreation.** Will the proposal result in:

1. An impact upon the quality or quantity of existing recreational opportunities?  Yes  No

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**Cultural Resources**

Yes Maybe No

- 1. Will the proposal result in the alteration of or the destruction of a prehistoric or historic archaeological site?
- 2. Will the proposal result in adverse physical or aesthetic effects to a prehistoric or historic building, structure, or object?
- 3. Does the proposal have the potential to cause a physical change which would affect unique ethnic cultural values?
- 4. Will the proposal restrict existing religious or sacred uses within the potential impact area?

**U. Mandatory Findings of Significance.**

- 1. Does the project have the potential to degrade the quality of the environment; reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?
- 2. Does the project have the potential to achieve short-term, to the disadvantage of long-term, environmental goals?
- 3. Does the project have impacts which are individually limited, but cumulatively considerable?
- 4. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?

**III. DISCUSSION OF ENVIRONMENTAL EVALUATION (See Comments Attached)**

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**IV. PRELIMINARY DETERMINATION**

On the basis of this initial evaluation:

- I find the proposed project **COULD NOT** have a significant effect on the environment, and a **NEGATIVE DECLARATION** will be prepared.
- I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described on an attached sheet have been added to the project. A **NEGATIVE DECLARATION** will be prepared.
- I find the proposed project **MAY** have a significant effect on the environment, and an **ENVIRONMENTAL IMPACT REPORT** is required.

Date: 3 / 23 / 89

*Linda Martinez*  
 For the State Lands Commission DAY PAGE 329  
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