

MINUTE ITEM

This Calendar Item No. C21  
was approved as Minute Item  
No. 21 by the State Lands  
Commission by a vote of 3  
to 0 at its 2-25-93  
meeting.

CALENDAR ITEM

C21

A 16

S 9

02/25/93

W 24908

J. Smith

PRC 7677

MAINTENANCE DREDGING LEASE

APPLICANT:

Schnitzer Steel Products Company  
P.O. Box 747  
Oakland, California 94604

AREA, TYPE LAND AND LOCATION:

Granted mineral reservation lands in Oakland Inner Harbor Channel, at the applicant's recycling wharf, Alameda County

LAND USE:

Dredge a maximum 45,000 cubic yards of sediment from the recycling wharf to maintain a navigable depth. The Applicant has proposed disposal of the dredged material at the United States Army Corps of Engineers/Environmental Protection Agency approved aquatic Alcatraz Disposal Site No. SF-11.

PROPOSED LEASE TERMS:

Lease period:

30 months beginning May 1, 1993 through October 1, 1995.

Royalty:

No charge for aquatic disposal; \$0.25 per cubic yard for any material sold or used for commercial purposes.

In-bay Disposal Fee:

\$0.25 per cubic yard, subject to the following. Newly adopted San Francisco Bay Conservation and Development Commission's (BCDC) dredging fee regulations require a \$0.10 per cubic yard fee for any dredged material disposed of at any site in San Francisco Bay, including, but not limited to, SF-11. Once effective, BCDC's fee is to replace the \$0.25 per cubic yard fee assessed by the State Lands Commission to offset costs of studies necessary to develop non-bay disposal sites

CALENDAR ITEM NO. C21 (CONT'D)

for future use. Therefore, the State Lands Commission will no longer be assessing the \$0.25 per cubic yard fee for any in-bay dredging and disposal activities conducted subsequent to the effective date of BCDC's regulations.

**PREREQUISITE CONDITIONS, FEES AND EXPENSES:**

Filing and processing fees have been received.

**STATUTORY AND OTHER REFERENCES:**

A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.

B. Cal. Code Regs.: Title 3, Div. 3; Title 14, Div. 6.

**AB 884:**

8/4/93

**OTHER PERTINENT INFORMATION:**

1. Based on the review of water quality testing, the United States Army Corps of Engineers and California Regional Water Quality Control Board (RWQCB) have authorized disposal of materials from the first dredging episode of 15,000 cubic yards at Alcatraz Site SF-11.

Prior to future dredging, the applicant is required to provide water quality testing data and pre/post dredging surveys to the SFBCDC. The applicant will provide the State Lands Commission with copies of this data.

2. Questions have been raised about continuing to dispose of dredged material in San Francisco Bay. However, the current lack of an EPA/Corps-approved offshore disposal site severely limits the options available for disposal.

Through participation in the Federal/State Joint Long-Term Management Strategy being conducted to identify and evaluate site options for the disposal of material dredged from San Francisco Bay, the State Lands Commission has emphasized the need to focus on the selection of ocean disposal or non-aquatic site(s). This need has also been expressed by the San Francisco Bay Conservation and Development Commission (SFBCDC).

CALENDAR ITEM NO. C21 (CONT'D)

Identification and evaluation of alternate disposal sites will require numerous studies which have been estimated to cost several million dollars. As ongoing in-bay disposal contributes to the eventual obsolescence of in-bay sites and exacerbates the need to develop other alternatives, a \$0.10 fee will be charged by the SFBCDC as a condition to the proposed permit to be deposited in a fund to offset the cost of needed studies.

3. The San Francisco Bay Conservation and Development Commission (SFBCDC), a "functional equivalent agency" under Section 21080.5 of the CEQA has:

Served as the lead agency under CEQA;

Considered the project described herein, issued permit M84-35, Amendment Two; and

Found that the project, as proposed, will not have a significant effect on the environment.

Under Section 15252 of the CEQA Guidelines, the State Lands Commission may use the environmental analysis made by the SFBCDC in its consideration of this project.

Authority: Sections 21083 and 21087 of the CEQA.

4. 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.

**APPROVALS OBTAINED:**

San Francisco Bay Conservation and Development Commission,  
California Regional Water Quality Control Board, United  
States Army Corps of Engineers.

**FURTHER APPROVALS REQUIRED:**

State Lands Commission.

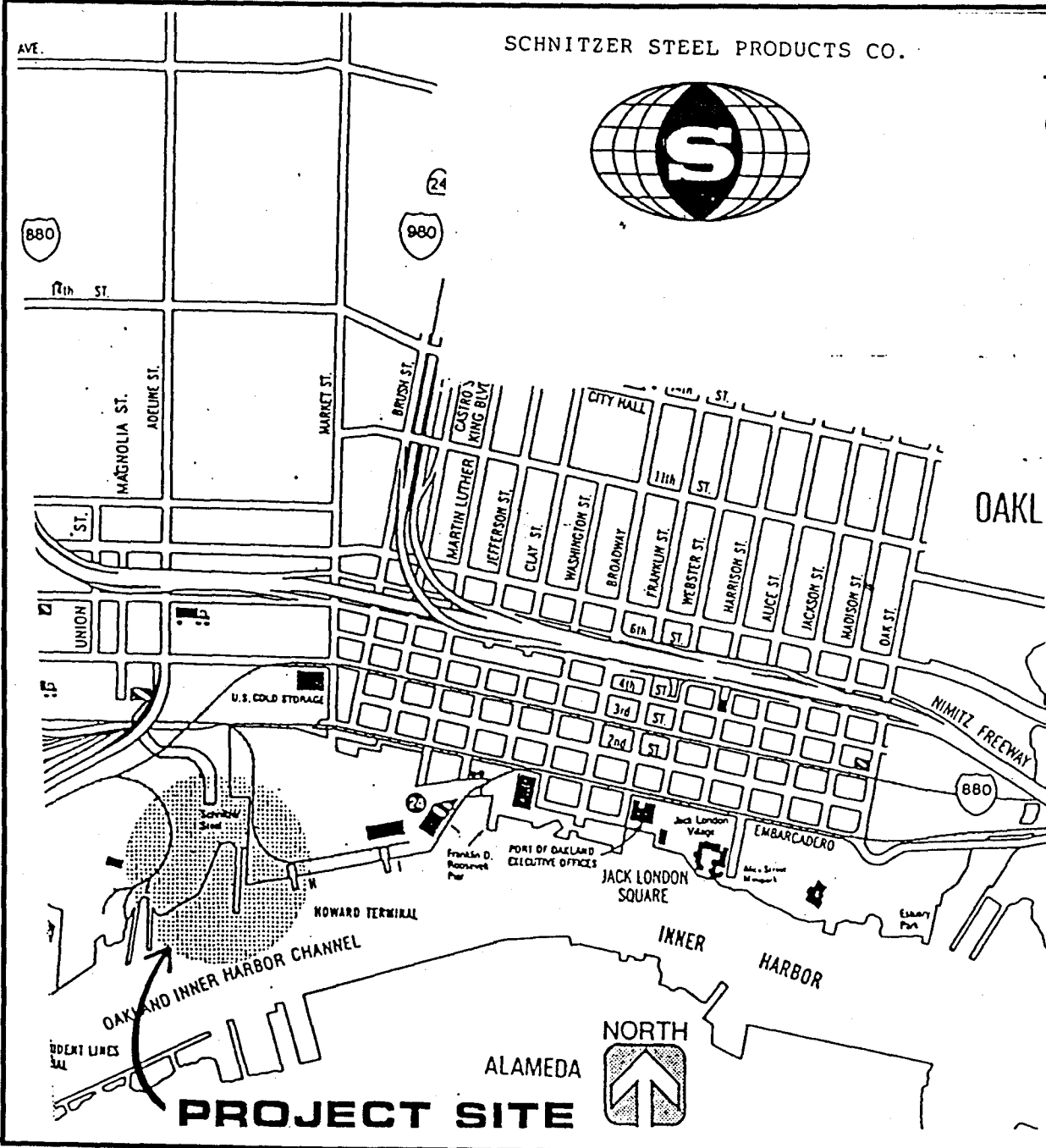
CALENDAR ITEM NO. C21 (CONT'D)

**EXHIBITS:**

- A. Site Map
- B. Location Map

**IT IS RECOMMENDED THAT THE COMMISSION:**

1. FIND THAT THE SFBCDC, A FUNCTIONAL EQUIVALENT AGENCY UNDER SECTION 21080.5 OF THE CEQA HAS CONSIDERED THE PROPOSED PROJECT AND DETERMINED THAT THE PROJECT, AS PROPOSED, WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
2. FIND THAT THE COMMISSION HAS CONSIDERED THE INFORMATION CONTAINED IN THE ENVIRONMENTAL ANALYSIS PREPARED BY THE SFBCDC AND CONCURS WITH THE CONCLUSIONS AND FINDINGS CONTAINED THEREIN, 14 CAL CODE REGS., SECTION 15253.
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 SCHNITZER STEEL PRODUCTS COMPANY OF A 30-MONTH MAINTENANCE DREDGING LEASE BEGINNING MAY 1, 1993 THROUGH OCTOBER 1, 1995. SAID LEASE SHALL ALLOW DREDGING A MAXIMUM VOLUME OF 45,000 CUBIC YARDS FROM THE APPLICANT'S RECYCLING WHARF AT OAKLAND INNER HARBOR CHANNEL, ALAMEDA COUNTY. THE DREDGED MATERIAL WILL BE DISPOSED OF AT THE ALCATRAZ DISPOSAL SITE SF-11. A FEE OF \$0.25 SHALL BE PAID TO THE COMMISSION, UNLESS AND UNTIL SFBCDC IMPLEMENTS ITS NEW REGULATIONS WHEREUNDER SFBCDC SHALL CHARGE \$0.10, FOR EACH CUBIC YARD OF DREDGED MATERIAL PLACED AT AN IN-BAY DISPOSAL SITE, TO BE PLACED IN A SEPARATE FUND TO OFFSET COSTS OF STUDIES NECESSARY TO IDENTIFY AND ANALYZE ALTERNATIVE DISPOSAL SITES. SUCH PERMITTED ACTIVITY IS CONTINGENT UPON APPLICANT'S COMPLIANCE WITH APPLICABLE PERMITS, RECOMMENDATIONS, OR LIMITATIONS ISSUED BY FEDERAL, STATE, AND LOCAL GOVERNMENT AGENCIES.

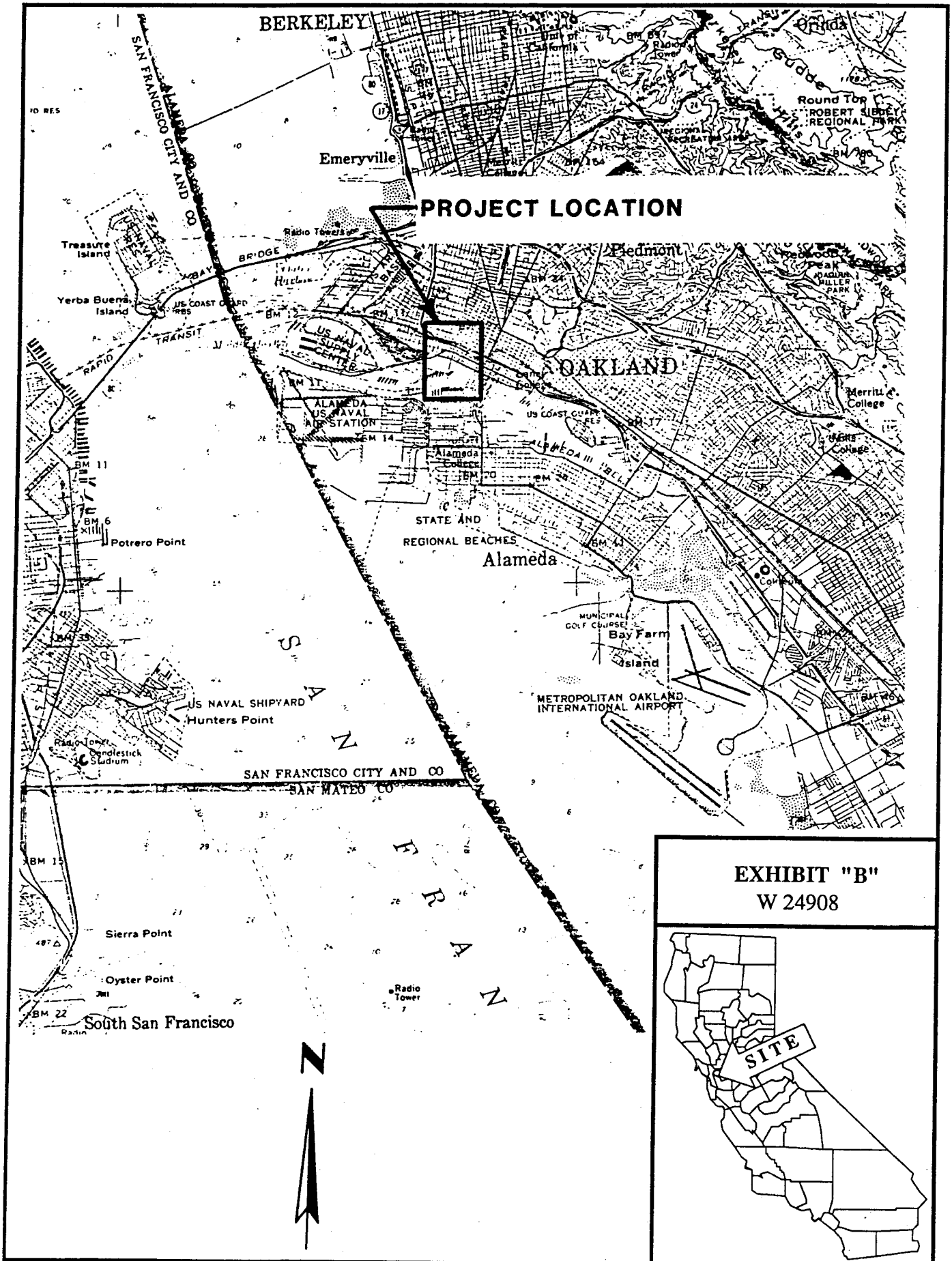


This Exhibit is solely for purposes of generally defining the lease premises, and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

**EXHIBIT "A"**  
 Application for Dredging Lease  
 W 24908  
 Schnitzer Steel Products Co.  
 OAKLAND ESTUARY  
 ALAMEDA COUNTY



CG 1/93



**NO CALENDAR PAGE 139**  
**NO MINUTE PAGE 169**

**NO CALENDAR PAGE 140  
NO MINUTE PAGE 170**