MINUTE ITEM

This Calendar Item No. C75 was approved as Minute Item No. 75 by the California State Lands Commission by a vote of 3 to 0 at its 06/26/06 meeting.

CALENDAR ITEM
C75

A: Statewide

06/26/06
W9777.243
W9777.234
C2005-055
Falkner
Brown

S: Statewide

REQUEST AUTHORITY TO ENTER INTO A CONTRACT TO CONDUCT SHIPBOARD BALLAST WATER TREATMENT RESEARCH

PARTY:

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BACKGROUND:

Introductions of non-native aquatic species are increasingly common worldwide in coastal habitats (Ruiz et al. 2002a,b), and it is widely accepted that ballast water is the most important vector responsible for transporting and introducing non-native species to regions (Carlton and Geller 1993; Cohen and Carlton 1998). It has proven challenging, however, to find an environmentally friendly ballast water treatment system that is both effective at reducing the potential for introductions and acceptable to the shipping industry in terms of safety, time, cost, and space requirements. The exchange of ballast water is currently mandated under specific conditions by California to reduce such introductions. However, the exchange process is costly, is difficult or impossible to perform in bad weather, is not appropriate for some shipping routes that do not travel far enough offshore, and has limited effectiveness in some environments and for certain vessel designs (e.g., Cooper et al. 2002). Because of these issues associated with ballast water exchange, it is viewed as an interim solution while shipboard ballast water treatment technologies are being developed.

On-board demonstration projects are needed to determine the practical effectiveness of these alternative treatment methods as well as the efficacy of ballast water exchange. Information is needed not only on the engineering and practical application of the

different treatment alternatives, but also on the effectiveness in removing target organisms, environmental acceptability, safety, and practicality of monitoring.

The Marine Invasive Species Act (Act) requires the California State Lands Commission (CSLC) to,

". . . .sponsor a pilot program for the purpose of evaluating alternatives for treating and otherwise managing ballast water. The goal of this effort shall be the reduction or elimination of the discharge of nonindigenous species into the coastal waters of the state or into waters that may impact coastal waters of the state. . . Priority shall be given to projects to test and evaluate treatment technologies that can be used to prevent the introduction and spread of nonindigenous aquatic species into coastal waters of the state by ship-mediated vectors." (Public Resources Code Section 71210)

Furthermore, the Act mandates CSLC to,

" . . .. identify and conduct any other research determined necessary to carry out the requirements of this division. The research may relate to the transport and release of nonindigenous species by vessels, the methods of sampling and monitoring of the nonindigenous species transported or released by vessels, the rate or risk of release or establishment of nonindigenous species in the waters of the state and resulting impacts, and the means by which to reduce or eliminate a release or establishment . . .." (Public Resources Code Section 71213).

PROPOSED ACTIVITY:

Accordingly, the Commission's Marine Facilities Division recommends research that will evaluate the effectiveness of shipboard ballast water treatment systems on vessels operating in California waters. Since the Act became effective, Staff has worked with the maritime industry and technology vendors to help identify vessels interested in this research. It is a challenge to find companies willing to undergo retrofitting a vessel with experimental ballast water treatment technology. Identifying appropriate vessels for treatment system evaluations requires a unique combination of owner willingness, available funding, and engineering compatibilities. Based on these criteria, as well as vessel trade routes, APL Co.Pte.Ltd. (APL), *APL Japan* was selected for further consideration.

APL has invested in engineering feasibility analyses comparing the installation of different onboard treatment systems. The NEI System considered by APL has undergone limited shipboard efficacy testing but it shows promising results. After

reviewing the available test results and engineering designs, APL has elected to install NEI's Venturi Oxygen Stripping System. Based on the results of the analysis, an onboard ballast water treatment system will be installed on the *APL Japan* at an estimated total cost of $800,000.

Staff proposes to assist APL financially, i.e., underwriting this project, utilizing funds from the Marine Invasive Species Control Fund that are budgeted for conducting necessary research. Staff proposes that the Commission grant up to $100,000 to APL to partially offset the engineering, acquisition, installation, and evaluation costs of the NEI System. In exchange, a Research Team, approved by CSLC, will be allowed access to the vessel and all engineering analyses, diagrams and data regarding the biological and operational effectiveness of the vessel's treatment system. This work will provide valuable real time information during normal shipboard operations. These data are critical for the continued development of effective means to control nonindigenous aquatic species introduction through ballast water discharges. Specific funding for this purpose has been included in the Commission's 2006-07 Budget.

STATUTORY AND OTHER REFERENCES:

A. Public Resources Code section 6106 (Delegation to Execute written instruments)
B. Marine Invasive Species Act of 2003, Chapter 491, Statutes of 2003
C. State Administrative Manual section 1200
D. State Contracting Manual (rev 10/05)

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, section 15060(c)(3)], the staff has determined that this activity is not subject to the provisions of the CEQA because it is not a "project" as defined by the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, sections 15060 (c)(3) and 15378.

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

2. AUTHORIZE THE EXECUTIVE OFFICER OR HIS DESIGNEE TO AWARD AND EXECUTE A CONTRACT, IN ACCORDANCE WITH STATE POLICIES AND PROCEDURES, IN AN AMOUNT NOT TO EXCEED $100,000 WITH APL CO. PTE.LTD, TO CONDUCT SHIPBOARD BALLAST WATER TREATMENT RESEARCH.

3. AUTHORIZE AND DIRECT THE EXECUTIVE OFFICER OR HIS DESIGNEE TO TAKE WHATEVER ACTION IS NECESSARY AND APPROPRIATE TO IMPLEMENT THE PROVISIONS OF THE CONTRACT WITH APL CO.PTE.LTD.