

**CALENDAR ITEM
C33**

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S	4	W 26434 D. Oetzel

GENERAL LEASE – EXCAVATION USE

APPLICANT:

Exxon Mobil Oil Corporation
3225 Gallows Road, Room 8B0205
Fairfax, Virginia 22037

AREA, LAND TYPE, AND LOCATION:

Legislatively granted sovereign lands, with minerals reserved to the State, located along the shoreline of San Francisco Bay, north of 440 Jefferson Street, City and County of San Francisco.

AUTHORIZED USE:

Excavate a maximum of 800 cubic yards of contaminated material along the shoreline of San Francisco Bay and place overlapping sheet piles around the proposed work area to create a barrier between excavation activities and the Bay. Excavated material to be disposed of at an upland site legally permitted to receive the material. Replace excavated material along shoreline with clean fill material and rock riprap.

LEASE TERM:

One year, beginning October 29, 2010

CONSIDERATION:

No monetary consideration will be charged as the project will result in a public benefit. The excavated material may not be sold.

OTHER PERTINENT INFORMATION:

1. The proposed project site encompasses an approximate 0.12 acre section of riprap along the San Francisco Bay shoreline approximately 45 feet north of the 440 Jefferson Street property. The project site was part of San Francisco Bay until it was filled sometime after the 1906 earthquake. The site was subsequently improved with a fish processing wharf over wood pilings. This use continued until the wharf structure, known as Wharf J-10,

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was deemed unsafe and demolished in 2007. It was then that the intermittent petroleum sheen became known.

2. The 440 Jefferson Street property is located landward and to the south across "Fish Alley" from the former wharf. It is a 0.18 acre fuel terminal used for storage and dispensing of marine diesel fuel. Underground pipelines run from the 440 Jefferson Street property to the end of the Hyde Street pier where it is dispensed to vessels. The fuel storage terminal was built sometime prior to 1935 and included both above ground and underground storage tanks. It has been operated continuously since then by a number of entities. The current operator is GP Resources, which took over from Mobil Oil in 1990. The Port of San Francisco, as a legislative grantee pursuant to Chapter 1333, Statutes of 1968, is the owner of the underlying land and leases the property to the operator.
3. The purpose of the excavation project is to eliminate the intermittent appearance of sheen on Bay surface water at the former wharf site. Past underground seepage of petroleum hydrocarbons from the 440 Jefferson Street fuel storage terminal to the soil and/or rock underlying the riprap and the sediment underlying the Bay surface water is the source of sheen. The seepage is thought to have occurred between 1935 and 1990. In February 1990, during Mobil's operation of the terminal, an estimated 336 to 692 gallons of diesel were released at the site when a 20,000 gallon above ground storage tank was overfilled. The Jefferson Street property has since been the subject of numerous remediation activities, including soil removal, groundwater monitoring wells, groundwater pump outs, a vapor extraction system, and product recovery wells with a pumping system. The site is subject to ongoing ground water monitoring.
4. The excavation project is being performed to comply with the California Regional Water Quality Control Board, San Francisco Bay Region's Cleanup Requirement Order No. R2-2006-0020 issued to ExxonMobil and the Port of San Francisco for the fuel terminal property located at 440 Jefferson Street.
5. The excavation project involves the following activities:
 - a. Excavation of a maximum of 800 cubic yards of riprap, rock, soil/sediment, and debris along a 100-foot section of riprap line shoreline. Excavation to be performed by a barge-mounted clamshell bucket. Excavated material to be placed in containers on adjoining barge.

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- b. Placement of overlapping metal sheet piles around the proposed work area to create a barrier between excavation activities and the Bay. A floating absorbent boom and silt curtain will be placed around the barges.
 - c. Disposition of excavated material at an upland site legally permitted to receive the material.
 - d. Replacing the excavated material along the shoreline with clean fill material followed by rock riprap conforming to the topography which existed prior to corrective action implementation.
 - e. Removing the overlapping sheet piles around the work area upon completion of the excavation project.
6. The purpose of the sheet piles is to create a barrier between excavation activities within a portion of the Bay from the Bay as a whole. The barrier is expected to contain turbidity caused by the excavation and to prevent marine wildlife from passing through the site.
7. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt because it involves emergency repairs to public or private service facilities necessary to maintain service essential to the public health, safety or welfare.

Authority: Public Resources Code section 21080 (b) and Title 14, California Code of Regulations, section 15269 (b).

8. 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:

San Francisco Bay Regional Water Quality Control Board
Port of San Francisco

FURTHER APPROVALS REQUIRED:

U.S. Army Corps of Engineers
San Francisco Bay Conservation and Development Commission

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EXHIBIT:

- A. Location and Site Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the activity is exempt from the requirements of CEQA pursuant to Title 14, California Code of Regulations, section 15061 as a statutorily exempt project pursuant to Public Resources Code section 21080 (b) and Title 14, California Code of Regulations, section 15269 (b), emergency repairs to public or private service facilities necessary to maintain service essential to the public health, safety or welfare.

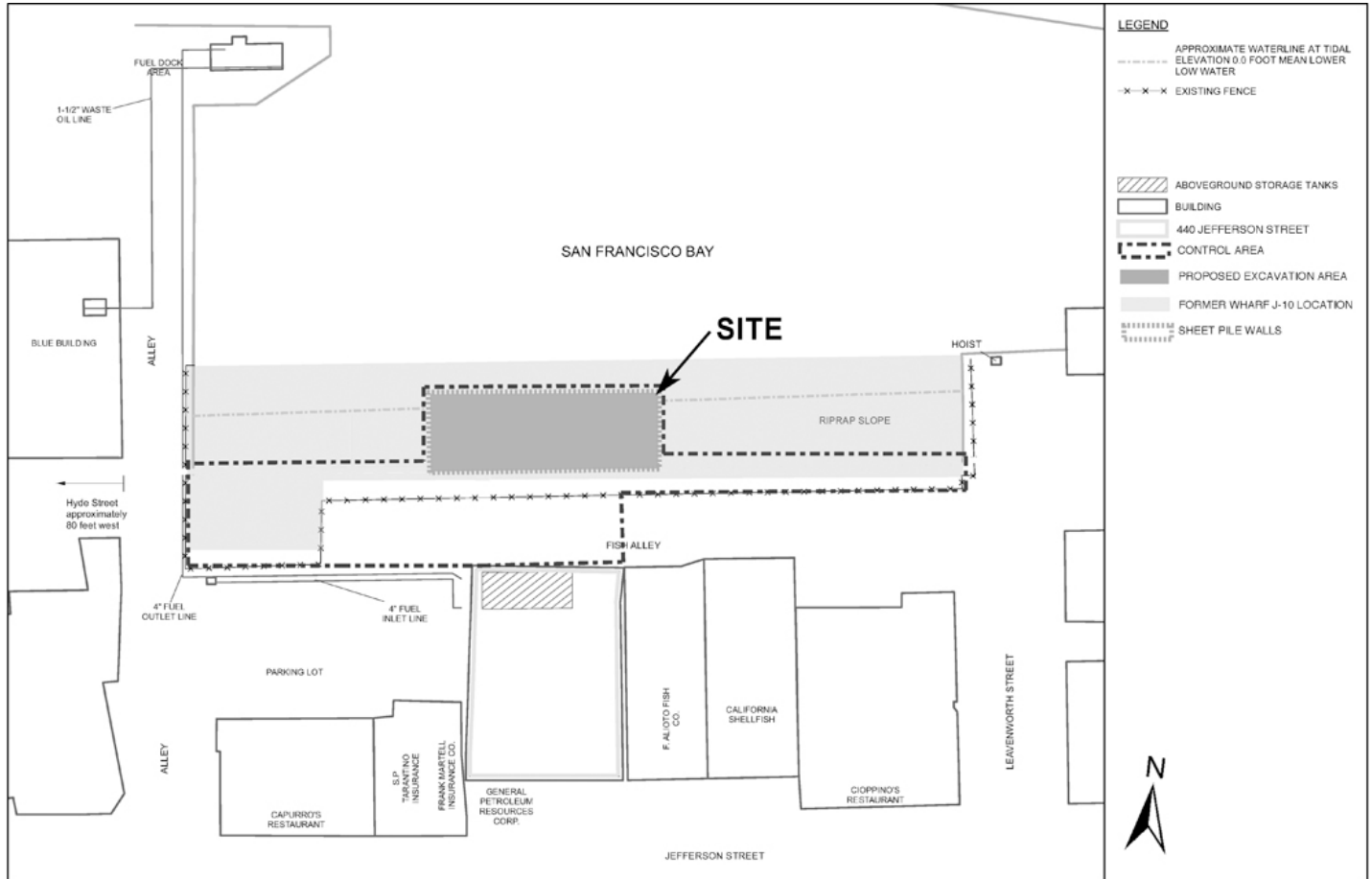
SIGNIFICANT LANDS INVENTORY FINDING:

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 issuance to Exxon Mobil Oil Corporation of a General Lease – Excavation Use, beginning October 29, 2010, for a term of one year for the excavation of 800 cubic yards of contaminated material on the land shown on Exhibit A attached and by this reference made a part hereof. Excavated material will be disposed of at an upland site legally permitted to receive the material. Such permitted activity is contingent upon applicant's compliance with applicable permits, recommendations, or limitations issued by federal, state, and local governments. No monetary consideration will be charged as the excavation project will result in a public benefit. The excavated material may not be sold.

SITE



LOCATION



Exhibit A
W 26434
EXXON MOBIL OIL CORP.
COUNTY OF SAN FRANCISCO



This exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties, 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.