

**CALENDAR ITEM
C37**

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09/01/11
WP 1951.9
D. Simpkin

GENERAL LEASE – PUBLIC AGENCY USE

APPLICANT:

City of Santa Cruz
809 Center Street, Room 201
Santa Cruz, CA 95060

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Pacific Ocean, near the city of Santa Cruz, Santa Cruz County

AUTHORIZED USE:

The continued use, maintenance, and operation of an existing 72-inch sewer outfall with diffusers and a 36-inch diameter open-ended pipeline.

LEASE TERM:

25 years, beginning September 1, 2011.

CONSIDERATION:

Public use and benefit; with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the State's best interest.

SPECIFIC LEASE PROVISIONS:

The city of Santa Cruz must maintain a current National Pollutant Discharge Elimination System (NPDES) permit during the term of the lease.

OTHER PERTINENT INFORMATION:

1. Applicant owns the uplands adjoining the lease premises.
2. On September 26, 1986, the Commission approved the issuance of a 25-year lease to the city of Santa Cruz for the construction and maintenance of a 72-inch diameter sewage outfall line and maintenance of an existing 36-inch diameter sewage outfall line. The lease expired on August 31, 2011. Staff is recommending issuance of a new General Lease – Public Agency Use to the city of Santa Cruz for a 25-year term, for the continued use, maintenance, and operation of the existing 72-inch diameter sewer outfall with diffusers and a 36-inch diameter open-ended pipeline.

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3. Since the construction of the 72-inch diameter sewer outfall and diffusers replaced the 36-inch diameter outfall, the existing 36-inch diameter outfall has only been used during emergency back-up conditions and does not function as the primary discharge outfall.
4. On December 9, 2009, a dye test was conducted on the existing 72-inch diameter outfall and diffusers. The dye test did not detect any leaks. On December 11, 2010, the diffuser section of the pipeline was inspected by use of a Remotely Operated Vehicle (ROV). All open diffusers appeared to be functioning properly. Each flapper was intact and allowing effluent to flow unobstructed. All closed diffusers were intact and properly sealing the flow of any effluent.
5. The city of Santa Cruz has been issued a National Pollutant Discharge Elimination System (NPDES) Permit by the Regional Water Quality Control Board. The existing NPDES Permit expires on December 9, 2015.
6. 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 under Class 1, Existing Facilities; Title 2, California Code of Regulations, section 2905 (a)(2).

Authority: Public Resources Code section 21084 and Title 14, California Code of Regulations, section 15300 and Title 2, California Code of Regulations, section 2905.

7. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370, et seq., but such activity will not affect those significant lands. 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:

California Regional Water Quality Control Board

EXHIBITS:

- A. Location and Site Map
- B. Land Description

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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 categorically exempt project, Class 1, Existing Facilities; Title 2, California Code of Regulations, section 2905 (a)(2).

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 section 6370, et seq.

AUTHORIZATION:

Authorize issuance of a General Lease – Public Agency Use to the city of Santa Cruz, beginning September 1, 2011, for a term of 25 years, for the continued use, maintenance, and operation of an existing 72-inch diameter sewer outfall with diffusers and a 36-inch diameter open-ended pipeline as shown on Exhibit A attached (for reference purposes only) and described on Exhibit B attached and by this reference made a part hereof; consideration is the public benefit, with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the best interest of the State.