

**CALENDAR ITEM
C43**

A 34
S 17

01/26/12
PRC 8079.9
D. Simpkin

AMENDMENT OF LEASE

LESSEE:

City of Los Angeles
Department of Water and Power
111 North Hope Street
Los Angeles, CA 90012

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the dry lake bed of Owens Lake, Inyo County.

AUTHORIZED USE:

Research and monitoring at the South Sand Sheet, implementation of shallow flooding and monitoring at the North Sand Sheet, and the construction and operation of the South Zone Dust Control Project. Construction, installation, operation, and monitoring of shallow flooding dust control measures (DCMs) associated with Phases IV, V, and VII of the Owens Lake Dust Control Project. Construction, installation, operation, and monitoring of 0.5 square mile of channel area improvements. Construction of sand fence and vegetation enhancement in Cell T1A-1, in support of the Phase VII Owens Lake Dust Control Project. Construction, use, and maintenance of two access roads (one access road to cell T37-1, and one access road to cell T37-2); and, implementation of soil tillage totaling 3.12 square miles on dust control cell areas T1A-3, T1A-4, T12-1, T32-1, T37-1, and T37-2. Construction, operation, and maintenance of 2.03 square miles of DCMs associated with Phase VIII of the Owens Lake Dust Control Project including placement of gravel on top of permeable geotextile fabric, placement of road material to expand an existing roadway, construction of earthen berms, and placement of gravel for maintenance purposes.

LEASE TERM:

20 years, beginning May 1, 1999.

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CONSIDERATION:

The public health and safety; 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.

PROPOSED AMENDMENT:

Section 1, Authorized Improvements, would be amended to include the placement of above-grade sprinkler systems within the Channel Area and Area T1A-1.

Section 2, Special Provisions, would be amended to include, but not be limited to, the following provisions:

1. Lessee shall not cause the above-grade sprinklers to become permanent fixtures to the land by constructing or mounting the sprinklers to fixed concrete foundations or other long-term anchoring devices.
2. Lessee shall notify Lessor at the earliest opportunity prior to the placement of above-grade sprinklers and provide Lessor with a map or diagram showing the location and configuration of the sprinklers. Upon placement, Lessee shall provide Lessor representative photos of the sprinkler piping and anchoring devices.
3. Upon reasonable notice and with reasonable cause, Lessor reserves the right to require Lessee to move or remove all or part of the sprinkler system.
4. All permits, authorizations, and plans issued or required by any and all other State, local, or federal agencies for the placement of the sprinklers shall be submitted to Commission staff.
5. Lessee shall implement and adhere to the environmental impact minimization measures described in the Mitigation Monitoring and Reporting Programs (MMRPs), adopted by Lessor on August 22, 2008 (Calendar Item C05) and on December 17, 2009 (Calendar Item C41) except as modified by specific provision of this Lease Amendment. In the event of any conflict between the provisions of the MMRPs and the Lease Amendment, the provisions of the Lease Amendment shall prevail.
6. Archaeological surveys, cultural, and paleontological resources: Lessee shall re-survey the entire Channel Area and any area in T1A-1 where sprinklers will be deployed. Any new or previously recorded significant sites shall be mitigated as specified in the MMRPs. For the areas

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included in this Lease Amendment only, no separate permit(s) from the Commission will be required. With the written approval of the Commission's Executive Officer, Native American artifacts from significant sites will be transferred to a recognized museum repository. Native American artifacts from sites that are not considered significant will be offered to culturally affiliated tribes, and historic period artifacts will be offered to local or regional museums.

All other terms and conditions of the Lease, as amended, shall remain in effect without amendment.

OTHER PERTINENT INFORMATION:

1. On June 14, 1999, the Commission authorized the issuance of Lease No. PRC 8079.9, a General Lease – Public Agency Use, to the City of Los Angeles Department of Water and Power (City) for a period of 20 years, for the Owens Lake South Sand Sheet Air Quality and Sand Fence Effectiveness Monitoring System. Since that time, the Commission authorized ten amendments to the Lease for the construction, operation, and maintenance of additional components of dust control.
2. The City submitted an application for sprinklers and temporary sand fences in September 2011. To facilitate consideration of just the sprinklers at the January 26, 2012, Commission meeting, the City withdrew its request for consideration of the temporary sand fences on January 19, 2012.
3. If approved, the sprinklers will be placed in areas that are already under lease to the City. The Commission authorized dust control projects within these areas on June 1, 2009 (Channel Area, Calendar Item C23) and December 17, 2009 (Sand Fence Area T1A-1, Calendar item C41). These dust control projects are included in the Sixth and Eighth Amendments to the Lease, respectively, and comprise approximately 0.9 square miles.
4. Water application via pulse flows and berms authorized under these previous Lease amendments has resulted in inadequate dust control and the areas are in need of immediate dust mitigation. On March 31, 2011, The Great Basin Unified Air Pollution Control District (District) issued the City a Notice of Violation (Number 473) for dust control in the Channel Area. The District approved the use of sprinklers in the Channel Area in its letter to the City dated June 17, 2011, and stated that it would rescind Notice of Violation Number 473 for the Channel Area if the sprinklers began operation before December 1, 2011. Commission staff understands that this date has been extended until this Commission meeting, January 26, 2012.

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5. The City believes that the use of above-grade sprinkler systems will also promote and enhance vegetative growth, as well as provide dust control, in both the Channel Area and Area T1A-1 through interim soil wetting. Accordingly, the City is now requesting an amendment to the Lease that would authorize the placement and use of above-grade sprinkler systems in the Channel Area and Area T1A-1. The sprinkler systems would be placed on top of the ground and can be modified or removed if necessary.
6. An Environmental Impact Report (EIR) and Mitigation Monitoring Program that included the Channel Area and Area T1A-1 as part of the larger Phase 7 dust control project were prepared and certified by the Great Basin Unified Air Pollution Control District on or about January 28, 2008 (Subsequent EIR 2008 Owens Valley PM₁₀ Planning Area Demonstration of Attainment State Implementation Plan (SCH No. 2007021127).
7. A Supplemental EIR and Mitigation Monitoring Program that included Area T1A-1 was prepared and certified by the City of Los Angeles Department of Water and Power on September 15, 2009 (Supplemental EIR Owens Lake Moat and Row Revised Dust Control Measures (SCH No. 2008121074).
8. For the Channel Area: Findings, a Mitigation Monitoring Program, and a Statement of Overriding Considerations were adopted by the Commission on August 22, 2008, Calendar Item C05, in conformance California Code of Regulations, Title 14, section 15091, 15093 and 15096, subdivision (h). These documents are contained on file in the Sacramento office of the California State Lands Commission.
9. For the T1A-1 Area: Findings, a Mitigation Monitoring Program, and a Statement of Overriding Considerations were adopted by the Commission on December 17, 2009, Calendar Item C41, in conformance with California Code of Regulations, Title 14, section 15091, 15093 and 15096, subdivision (h). These documents are contained on file in the Sacramento office of the California State Lands Commission.
10. This activity involves lands which have NOT been identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq.; however, the Commission has declared that all lands are "significant" by nature of their public ownership (as opposed to "environmentally significant"). Since such declaration of significance is not based upon the requirements and criteria of Public Resources Code section 6370 et seq., use classifications for such lands have not been designated. Therefore, the finding of the project's consistency with the use classification

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as required by California Code of Regulations, Title 2, section 2954 is not applicable.

EXHIBITS:

- A. Location and Site Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that a *Subsequent EIR 2008 Owens Valley PM₁₀ Planning Area Demonstration of Attainment State Implementation Plan* (SCH No. 2007021127) was prepared and certified for Phase 7 by the Great Basin Unified Air Pollution Control District on or about January 28, 2008, and that the Commission has reviewed and considered the information contained therein.

Find that a *Supplemental EIR Owens Lake Moat and Row Revised Dust Control Measures* (SCH No. 2008121074) was prepared and certified by the City of Los Angeles, Department of Water and Power on September 15, 2009, and that the Commission has reviewed and considered the information contained therein.

Channel Area:

Re-adopt the Findings made in conformance with California Code of Regulations, Title 14, section 15091 and 15096, subdivision (h), as contained on file in the Sacramento office of the California State Lands Commission (initially adopted on August 22, 2008, Calendar Item C05).

Re-adopt the Mitigation Monitoring Program as contained on file in the Sacramento office of the California State Lands Commission (initially adopted on August 22, 2008, Calendar Item C05).

Re-adopt the Statement of Overriding Considerations made in conformance with California Code of Regulations, Title 14, section 15093, as contained on file in the Sacramento office of the California State Lands Commission (initially adopted on August 22, 2008, Calendar Item C05).

T1A-1 Area:

Re-adopt the Findings made in conformance with California Code of Regulations, Title 14, section 15091 and 15096, subdivision (h), as

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contained on file in the Sacramento office of the California State Lands Commission (initially adopted on December 17, 2009, Calendar Item C41).

Re-adopt the Mitigation Monitoring Program as contained on file in the Sacramento office of the California State Lands Commission (initially adopted on December 17, 2009, Calendar Item C41).

Re-adopt the Statement of Overriding Considerations made in conformance with title 14, California Code of Regulations, section 15093, as contained on file in the Sacramento office of the California State Lands Commission (initially adopted on December 17, 2009, Calendar Item C41).

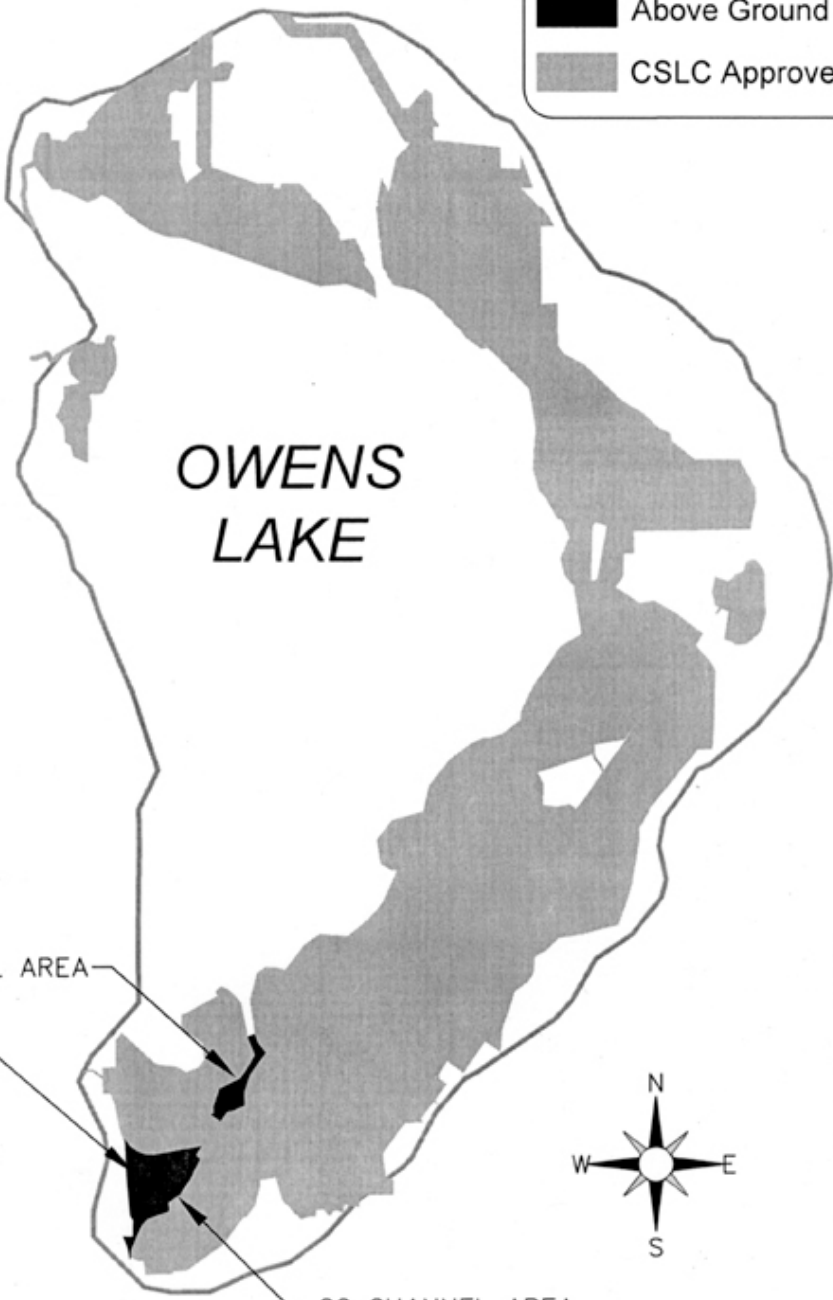
AUTHORIZATION:

Authorize the Amendment of Lease No. PRC 8079.9, a General Lease – Public Agency Use, to amend the Authorized Improvements and Special Provisions to include the placement of above-grade sprinkler systems in the Channel Area and Sand Fence Area T1A-1 as shown on Exhibit B (for reference purposes only), effective January 26, 2012; authorize the Executive Officer to approve the transfer of Native American artifacts from significant sites to a recognized museum repository, Native American artifacts from sites that are not considered significant to culturally affiliated tribes, and historic period artifacts to local or regional museums; all other terms and conditions of the lease as previously amended will remain in effect without amendment.

NO SCALE

SITE

■ Above Ground Sprinkler Systems
■ CSLC Approved Phases of Dust Control



OWENS
LAKE

C1 CHANNEL AREA

T1A-1

C2 CHANNEL AREA



Exhibit A
WP 8079.9
LADWP
OWENS LAKE
GENERAL LEASE -
PUBLIC AGENCY USE
INYO COUNTY



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.