

**CALENDAR ITEM
C54**

A 7
S 2

08/14/12
PRC 8551.9
D. Oetzel

GENERAL LEASE - DREDGING

APPLICANT:

Tesoro Refining and Marketing Company
150 Solano Way
Martinez, California 94553

AREA, LAND TYPE, AND LOCATION:

Ungranted sovereign land in Carquinez Strait at the Tesoro Golden Eagle Refinery Avon wharf, Suisun Bay, near the city of Martinez, Contra Costa County

AUTHORIZED USE:

Maintenance dredge a maximum of 25,000 cubic yards of material over the term of the lease at the Tesoro Golden Eagle Refinery Avon wharf to maintain a navigable depth. Dredged material to be disposed of at Winter Island, and/or other U.S. Army Corps of Engineers' approved disposal sites.

LEASE TERM:

10 years, beginning August 14, 2012.

CONSIDERATION:

No monetary consideration is due for the lease because there is no commercial benefit from the project and the dredged material may not be sold.

OTHER PERTINENT INFORMATION:

- 1, The purpose of the project is to maintain safe, navigable berth and access channel depths for vessels using the Tesoro Golden Eagle Refinery Avon wharf.

2. Negotiations between Tesoro and the Commission are ongoing regarding Tesoro's application to lease the Avon wharf (PRC No. 3454); currently, the lease is in holdover. This dredging lease would be for the purpose of allowing safe navigation at the Avon wharf to continue, pending the completion of negotiations between Tesoro and the Commission concerning the leasing of Avon wharf.

CALENDAR ITEM NO. **C54** (CONT'D)

3. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Cal. Code Regs., tit. 14, § 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 4, Minor Alterations to Land; California Code of Regulations, Title 14, section 15304, subdivision (g).

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

4. 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:

San Francisco Bay Regional Water Quality Control Board

FURTHER APPROVALS REQUIRED:

U.S. Army Corps of Engineers

San Francisco Bay Conservation and Development Commission

EXHIBITS:

- A. Land Description
- B. 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 California Code of Regulations, Title 14, section 15061 as a categorically exempt project, Class 4, Minor Alterations to Land; California Code of Regulations, Title 14, section 15304, subdivision (g).

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.

CALENDAR ITEM NO. **C54** (CONT'D)

AUTHORIZATION:

Authorize the issuance of a General Lease – Dredging to the Tesoro Refining and Marketing Company, for a term of 10 years, beginning August 14, 2012, to maintenance dredge a maximum of 25,000 cubic yards of material during the lease term at the Avon wharf to maintain a navigable depth. Dredged material will be disposed of at the U.S. Army Corps of Engineers' designated disposal site Winter Island, and/or other U.S. Army Corps of Engineers' approved disposal sites. Such permitted activity is contingent upon the Applicant's compliance with applicable permits, recommendations, or limitations issued by federal, State, and local governments. No monetary consideration is due for the lease because there is no commercial benefit from the project and the dredged material may not be sold.

EXHIBIT A

PRC 8551

LAND DESCRIPTION

A parcel of State owned submerged lands situate in Suisun Bay, County of Contra Costa, State of California, described as follows:

COMMENCING at a brass cap stamped "California Lands Commission – LANDS END – 1947"; thence N 22°32'28" E 673.79 feet; thence S 72°06'30" W 661.27 feet; thence N 34°04'15" W 1889.52 feet; thence N 70°30'45" E 177.70 feet; thence S 19°29'15" E 65.00 feet; thence N 70°30'45" E 330.00 feet; thence N 19°29'15" W 140.00 feet to the POINT OF BEGINNING; thence along the following four (4) courses:

- 1) S 70°30'45" W 1150.00 feet;
- 2) N 88°02'23" W 300.83 feet;
- 3) N 70°30'45" E 1430.00 feet;
- 4) S 19°29'15" E 110.00 feet to the POINT OF BEGINNING.

The BASIS OF BEARINGS for the description is the California Coordinate System of 1927, Zone 3. All distances are grid distances.

END OF DESCRIPTION

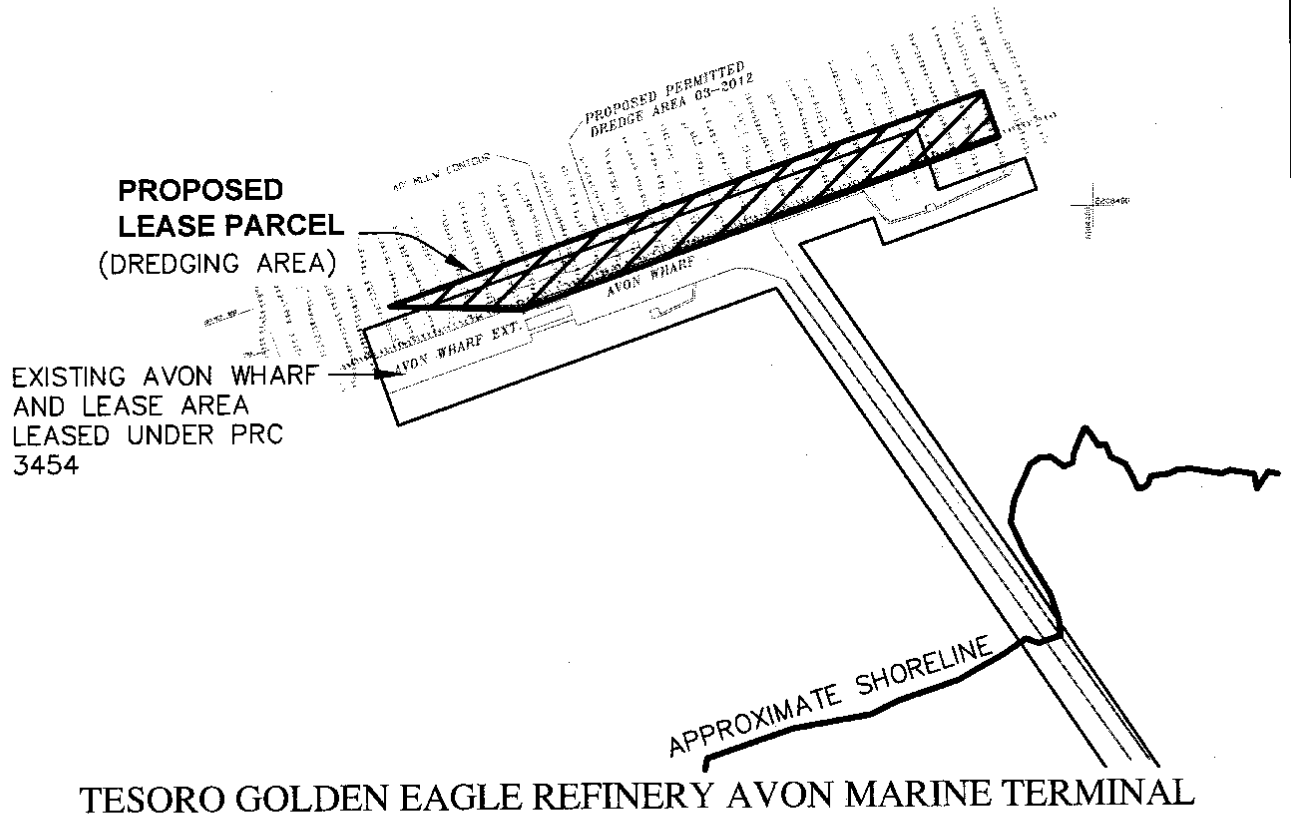
Prepared 5/7/2012 by the California State Lands Commission Boundary Unit.



NO SCALE

SITE

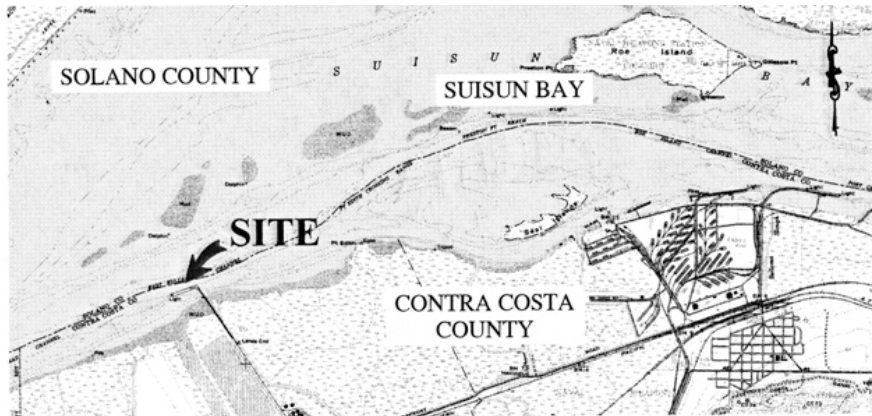
SUISUN BAY



TESORO GOLDEN EAGLE REFINERY AVON MARINE TERMINAL

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

PRC 8551.9
TESORO REFINING &
MARKETING CO.
GENERAL LEASE-
DREDGING
CONTRA COSTA COUNTY



DJF 05/07/2012

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.