

Staff Report 44

General Lease – Public Agency Use

APPLICANT:

Monterey County Water Resources Agency

PROPOSED ACTION:

AREA, LAND TYPE, AND LOCATION

Sovereign land in the Salinas River and Old Salinas River channel, near Castroville, Monterey County.

AUTHORIZED USE:

Use and maintenance of one existing 20-inch-diameter and one 42-inch-diameter steel reclaimed water distribution pipeline, and one 30-inch-diameter HDPE reclaimed water distribution pipeline in the Salinas River; and one 14-inch-diameter PVC reclaimed water distribution pipeline, one 66-inch diameter culvert, one 60-inch diameter culvert, and a public access road in the Old Salinas River channel.

TERM:

20 years, beginning August 20, 2020.

CONSIDERATION:

The 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 interests.

SPECIFIC LEASE PROVISIONS:

- All planned repairs and structural modifications to the facilities within the lease premises require review and approval of Commission staff.
- Lessee shall perform depth of burial surveys for each of the four buried pipelines at least once every 5 years.
- Lessee shall not prohibit public access and use of the lease premises for common law Public Trust purposes such as, but not limited to boating, fishing, hunting, or swimming.

STAFF ANALYSIS AND RECOMMENDATION:

AUTHORITY:

Public Resource Code sections 6005, 6216, 6301, 6501.1, and 6503; California Code of Regulations, title 2, sections 2000 and 2003.

PUBLIC TRUST AND STATE'S BEST INTERESTS:

On March 1, 1995, the Commission authorized the issuance of Lease No. PRC 7818, a 25-year General Lease – Public Agency Use, to the Monterey County Water Resources Agency (Agency), for the construction, use, and maintenance of one 20-inch-diameter, one 27-inch-diameter, and one 42-inch-diameter steel reclaimed water distribution pipeline crossing the Salinas River, and one 12-inch-diameter PVC reclaimed water distribution pipeline crossing the Old Salinas River channel, beginning February 1, 1995 ([Item C25, March 1, 1995](#)). That lease expired on January 31, 2020. The Applicant has requested a new lease for the use and maintenance of the existing facilities previously authorized by the Commission, and the inclusion of two culverts and a public access road not previously authorized by the Commission. Staff's review of the lease file and information provided by the Applicant identified several discrepancies between the pipelines previously authorized and what was constructed. These discrepancies are corrected in the proposed lease and discussed in more detail below.

The facilities consist of four separate pipeline crossings, three in the Salinas River, and one in the Old Salinas River channel; 66-inch-diameter and 60-inch-diameter culverts which are used to maintain water flows in the Old Salinas River channel; and a public access road providing access to Salinas River State Beach.

The original lease authorized placement of one 27-inch-diameter, one 20-inch-diameter, and one 42-inch-diameter steel pipeline crossing the Salinas River; and one 12-inch-diameter PVC pipeline crossing the Old Salinas River channel. However, review of the as-built drawings shows that the 27-inch-diameter steel pipeline originally authorized by the Commission, widens to a 30-inch-diameter HDPE pipeline for the portion of the pipeline crossing the Salinas River that is subject to this lease; and the 12-inch-diameter PVC pipeline crossing the Old Salinas River channel is 14 inches in diameter, not 12 inches as previously described. Additionally, during staff's review of the file it was discovered that an existing 60-inch-diameter and a 66-inch-diameter culvert, and a public road crossing the Old Salinas River channel are located within the lease premises but were not previously authorized by the Commission. The proposed lease reflects these corrections to the identified existing improvements located within the lease premises.

The pipelines are part of a larger regional project, the Castroville Seawater Intrusion Project (CSIP), to address and mitigate coastal seawater intrusion into municipal groundwater sources. Construction of the CSIP project was completed on April 15, 1998. Since then, the CSIP system has operated as designed and has not been subject to any type of inspected or reported major pipeline failure or shutdown.

As a result of the heavy agricultural activity in the Salinas Valley, there is a significant need for additional reclaimed and recycled water sources to irrigate crops without depleting the municipal water supply or overdrafting the groundwater basin, which the existing infrastructure helps to support. The Castroville area is located in Monterey County at the northern end of the Salinas Valley and is a rich and productive agricultural area. Before CSIP, the area depended primarily on groundwater for its irrigation water supply. Consequently, CSIP has been an important part of mitigating the effects of seawater intrusion in the area.

The Agency prioritizes corrosion maintenance and inspection and continues to regularly conduct all necessary maintenance and inspections on the CSIP pipeline system, which includes the four pipelines subject to the proposed lease. Overall, the CSIP system is maintained and inspected by analysis of the system's pressure and flow rate, visual field inspection, and reporting for leaks and pump issues, which are all checked daily. The CSIP system is also equipped with an extensive pipeline cathodic protection and corrosion monitoring system. Corrosion of buried segments of pipelines is the primary potential degradation concern and a leading cause of leakage or line failure.

Pipeline inspections are currently conducted every 3 to 5 years. The most recent inspection survey report prepared for the system was completed in September 2016. The four pipeline crossings receive ongoing maintenance and inspection performed by Agency staff, the staff at Monterey One Water (which operates the water recycling processing and distribution plant that provides the reclaimed water), and subject matter consultants, as necessary. Staff from both agencies and consultants continuously maintain, inspect, and operate the system. This comprehensive and ongoing maintenance and monitoring of the pipelines has helped reduce the degradation of the buried pipelines within the lease premises. The proposed lease will require corrosion inspections every 3 years, with the next inspection to be conducted no later than January 2021.

The facilities do not impede access to or use of the Salinas River and Old Salinas River channel, or otherwise interfere with Public Trust needs and values at this location, at this time, and for the foreseeable term of the lease. The proposed lease does not alienate the State's fee simple interest or permanently impair public rights. The proposed lease is limited to a 20-year term, does not grant the lessee exclusive rights

to the leased premises, and requires the lessee to indemnify the State for any liability incurred as a result of the lessee's activities thereon.

CLIMATE CHANGE:

Climate change impacts, including sea-level rise, more frequent and intense storm events, and increased flooding and erosion, affect both open coastal areas and inland waterways in California. The subject facilities are located in the Salinas River and the Old Salinas River channel, in a tidally influenced site vulnerable to flooding at current sea levels that will be at a higher risk of flood exposure given projected scenarios of sea-level rise.

The California Ocean Protection Council updated the State of California Sea-Level Rise Guidance in 2018 to provide a synthesis of the best available science on sea-level rise projections and rates. Commission staff evaluated the “high emissions,” “medium-high risk aversion” scenario to apply a conservative approach based on both current emission trajectories and the lease location and structures. The Monterey tide gauge was used for the projected sea-level rise scenario for the region as listed in Table 1.

Table 1. Projected Sea-Level Rise for Monterey¹

Year	Projection (feet)
2030	0.8
2040	1.2
2050	1.9
2100	6.9

Source: Table 28, State of California Sea-Level Rise Guidance: 2018 Update

Note: ¹ Projections are with respect to a 1991 to 2009 baseline.

Rising sea levels can lead to more frequent flood inundation in low-lying areas and larger tidal events. In addition, as stated in *Safeguarding California Plan: 2018 Update* (California Natural Resources Agency 2018), climate change is projected to increase the frequency and severity of natural disasters related to flooding, fire, drought, extreme heat, and storms (especially when coupled with sea-level rise). In rivers and tidally influenced waterways, more frequent and powerful storms can result in increased flooding conditions and damage from storm-created debris. Climate change and sea-level rise will further influence coastal and riverine areas by changing erosion and sedimentation rates. In rivers and tidally influenced waterways, flooding and storm flow will likely increase scour, decreasing bank stability and structure; however, the water pipelines are buried more than 30 feet below the rivers and would not be affected by these conditions. The two culverts in the Old Salinas River channel may need reinforcement to withstand higher levels of flood exposure and more

frequent storm events. Regular maintenance, as required by the terms of the lease, will reduce the likelihood of severe structural degradation.

CONCLUSION:

For all the reasons above, Commission staff believes the issuance of this lease will not substantially interfere with Public Trust needs and values at this location, at this time, and for the foreseeable term of the proposed lease; and is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. Approval or denial of a lease is a discretionary action by the Commission. Each time the Commission approves or rejects a use of sovereign land, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands as authorized by law. Upon expiration or early termination of the lease, the lessee has no right to a new lease or renewal of any previous lease.
2. This action is consistent with Strategy 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation and responsible economic use of the lands and resources under the Commission's jurisdiction.
3. Applicant has modified its existing Memorandum of Understanding with the Monterey County Public Works Department to include maintenance of the road located within the lease premises.
4. Due to a sinkhole, emergency repairs to the previously unauthorized road and two culverts were conducted on June 29, 2020. Staff issued a letter of non-objection to facilitate the repairs while the lease application was processed.
5. Staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 1, Existing Facilities, California Code of Regulations, title 2, section 2905, subdivision (a)(2).

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

EXHIBITS:

- A. Land Description
- B. Site and Location 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 1, Existing Facilities, California Code of Regulations, title 2, section 2905, subdivision (a)(2).

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed lease will not substantially impair the public rights to navigation and fishing or substantially interfere with Public Trust needs and values at this location, at this time, and for the foreseeable term of the lease; and is in the best interests of the State.

AUTHORIZATION:

Authorize issuance of a General Lease – Public Agency Use to Monterey County Water Resources Agency, beginning August 20, 2020, for a term of 20 years, for the use and maintenance of one 20-inch-diameter and one 42-inch-diameter steel reclaimed water distribution pipeline, and one 30-inch-diameter HDPE reclaimed water distribution pipeline in the Salinas River, and one 14-inch-diameter PVC reclaimed water distribution pipeline in the Old Salinas River channel, previously authorized by the Commission; and one 66-inch-diameter culvert, one 60-inch-diameter culvert, and a public access road in the Old Salinas River channel not previously authorized by the Commission; as described in Exhibit A and as shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; consideration being the 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 interests.

EXHIBIT A

LEASE 7818

LAND DESCRIPTION

Four parcels of state-owned land situate in the beds and historic beds of the Salinas River and the Old Salinas River, County of Monterey, State of California, and being more particularly described as follows:

PARCEL 1 (SR1)

A 20-foot wide strip of tide and submerged land, whether filled or unfilled, the centerline being more particularly described as follows:

BEGINNING at a point on the centerline of an existing 42" Steel Pipeline as described within Exhibit "B" of that certain document recorded as Reel 3235 Page 623, Official Records of said County, said point being the northeasterly terminus of that certain course, Course 1, depicted as South 44°19'48" West 195.12 feet; thence along the centerline of said Pipeline, South 44°19'48" West 1849.61 feet; thence South 05°25'05" East 565.51 feet to the terminus of the centerline of said strip.

The sidelines of said strip shall be lengthened or shortened to terminate on the southwest at the ordinary high-water mark on the left bank of the Salinas River, and on the northeast at the ordinary high-water mark on the right bank of the Salinas River.

EXCEPTING THEREFROM any portions lying landward of the ordinary high-water marks on the banks of the Salinas River.

PARCEL 2 (SR2)

A 20-foot wide strip of land, the centerline being more particularly described as follows:

BEGINNING at a point on the centerline of an existing Pipeline as described within Exhibit "B" of that certain document recorded as Document No. 9973320, Official Records of said County, said point being the northerly terminus of that certain course, Course 7 of "Alignment E-o-b", depicted as North 23°34'36" West 387.92 feet; thence along the centerline of said Pipeline, South 62°45'36" West 1373.29 feet to the terminus of the centerline of said strip.

The sidelines of said strip shall be lengthened or shortened to terminate on the southwest at the westerly boundary of Parcel 3 of the Public Trust Fee Parcel as described in Exhibit D of that certain document recorded as Document No. 2015-029849, Official Records of said County, and on the northeast at the ordinary high-water mark on the right bank of the Salinas River.

EXCEPTING THEREFROM any portions lying landward of the westerly boundary of said Parcel 3 and any portions lying landward of the ordinary high-water mark on the right bank of the Salinas River.

PARCEL 3 (OSR)

An 80-foot wide strip of tide and submerged land, whether filled or unfilled, situate in the bed of the Old Salinas River, the centerline being more particularly described as follows:

BEGINNING at a point on the centerline of an existing 14" PVC Pipeline as described within Exhibit "B" of that certain document recorded as Reel 3200 Page 435, Official Records of said County, said point being the point of beginning as described within said Exhibit "B"; thence along the centerline of said Pipeline, South 85°58'38" East 144.69 feet; thence North 71°31'13" East 153.58 feet; thence South 85°58'29" East 95.45 feet; thence South 63°28'42" East 92.56 feet to the terminus of the centerline of said strip.

The sidelines of said strip shall be lengthened or shortened to terminate on the northwest at the ordinary high-water mark on the left bank of the Old Salinas River, and on the southeast at the ordinary high-water mark on the right bank of the Old Salinas River.

EXCEPTING THEREFROM any portions lying landward of the ordinary high-water marks on the banks of the Old Salinas River.

PARCEL 4 (HSR)

A 15-foot wide strip of tide and submerged land, whether filled or unfilled, the centerline being more particularly described as follows:

BEGINNING at a point on the centerline of an existing 20" Steel Pipeline as described within Exhibit "B" of that certain document recorded as Reel 3363 Page 518, Official Records of said County, said point being the southwesterly terminus of that certain course, Course 2 of "Alignment L-0-a", depicted as South 72°46'09" West 153.35 feet; thence along the centerline of said Pipeline, South 50°16'10" West 87.67 feet; thence along a 2000-foot radius curve to the left, having a central angle of 4°06'49", and an arc length of 143.59 feet; thence South 46°09'21" West 503.68 feet; thence South 34°54'21" West 1829.62 feet to the terminus of the centerline of said strip.

The sidelines of said strip shall be lengthened or shortened to terminate on the southwest at the ordinary high-water mark on the left bank of the Salinas River, and on the northeast at the ordinary high-water mark on the right bank of the Salinas River.

EXCEPTING THEREFROM any portions lying landward of the ordinary high-water marks on the banks of the Salinas River.

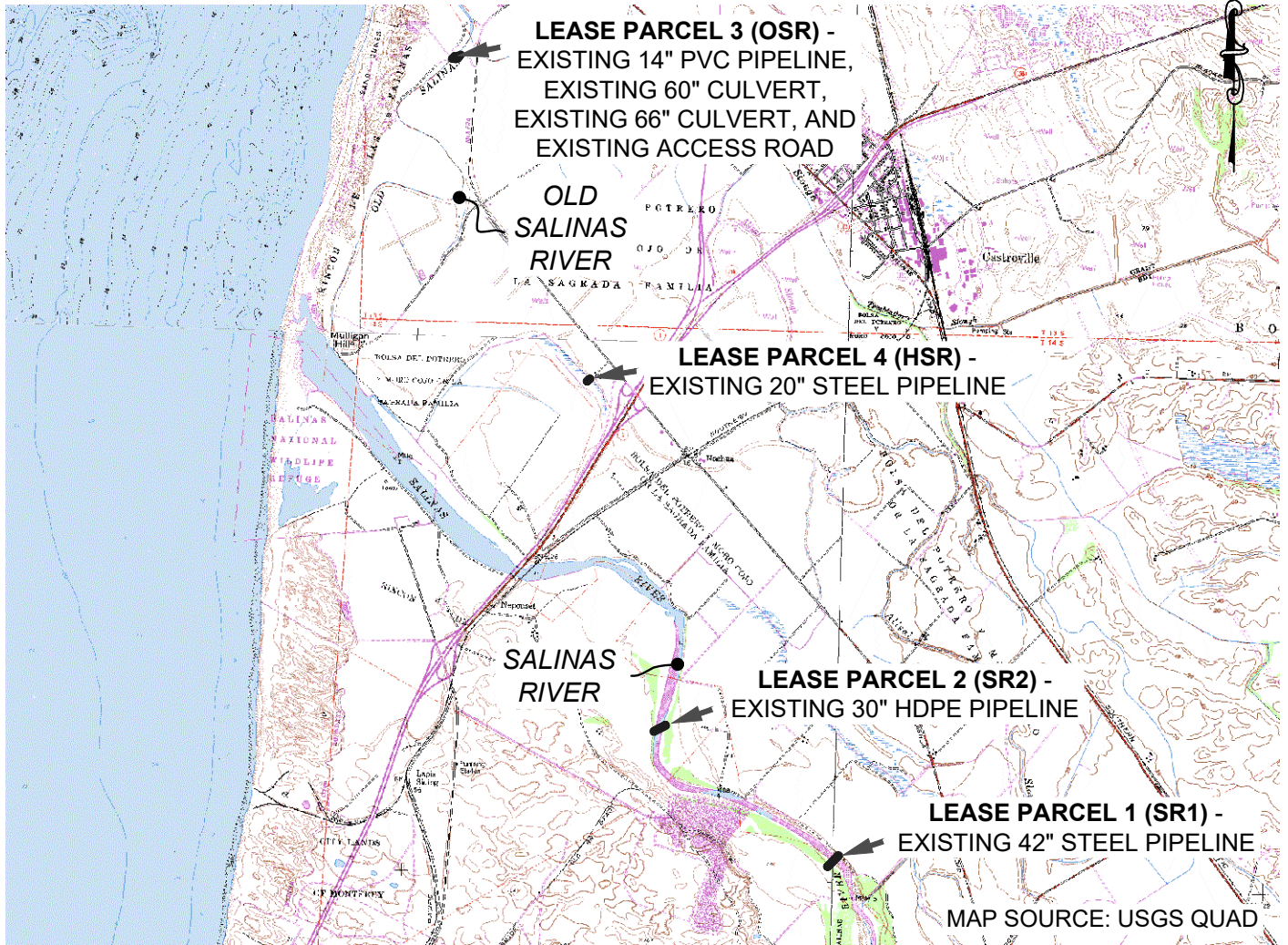
END OF DESCRIPTION

Prepared 7/29/2020 by the California State Lands Commission Boundary Unit.



NO SCALE

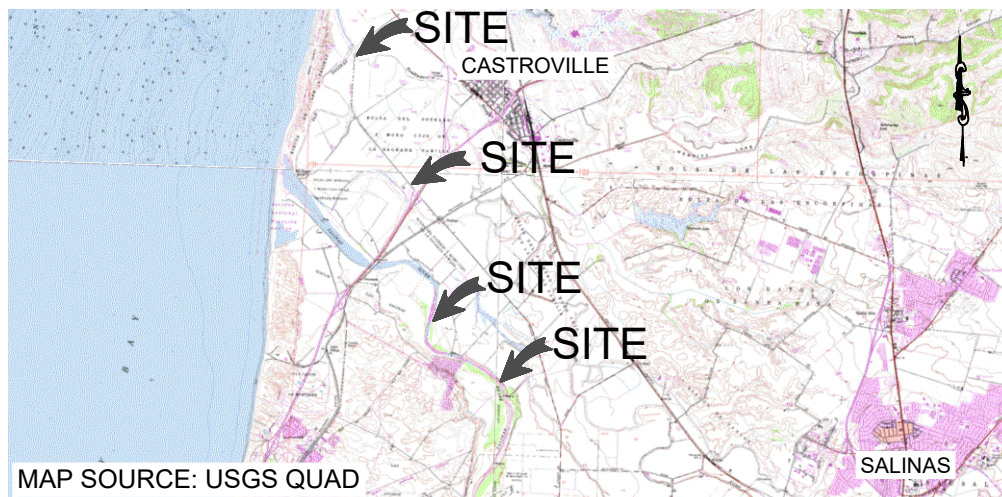
SITE



SALINAS RIVER AND OLD SALINAS RIVER NEAR CASTROVILLE

NO SCALE

LOCATION



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.

EXHIBIT B

LEASE 7818
MONTEREY COUNTY WATER
RESOURCES AGENCY
GENERAL LEASE -
PUBLIC AGENCY USE
MONTEREY COUNTY



JWP 7/29/2020