Meeting Date: 08/23/22

Lease Number: 4755

Staff: J. Toy

Staff Report 07

APPLICANT:

Mendocino City Community Services District

PROPOSED ACTION:

Issuance of a General Lease - Public Agency Use

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Pacific Ocean, adjacent to Assessor's Parcel Numbers 119-200-01, 119-200-07, and 119-200-09, near Goat Island, City of Mendocino, Mendocino County.

AUTHORIZED USE:

Use and maintenance of an existing 8-inch-diameter treated sewage wastewater outfall pipeline.

TERM:

25 years, beginning June 1, 2022.

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:

- Lessee agrees and acknowledges that the hazards associated with sea level rise may require additional maintenance or protection strategies regarding the improvements on the lease premises.
- Lessee shall perform inspections of the outfall pipeline and provide Commission staff with reports regarding its integrity and repair in accordance with the schedule detailed in the lease.
- Lessee shall execute a reimbursement agreement with Lessor to pay for any and all reasonable costs and expenditures paid or incurred by the Commission,

its staff, or both for review and approval of any plan or related materials required herein, including but not limited to any review or preparation of reports, documents, or other actions as required pursuant to the California Environmental Quality Act (CEQA), plan reviews, or amendments.

STAFF ANALYSIS AND RECOMMENDATION:

AUTHORITY:

Public Resources 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 May 31, 1973, the Commission authorized a 49-year General Lease – Public Agency Use to the Mendocino City Community Services District (MCCSD) for the installation of an 8-inch-diameter treated sewage wastewater outfall pipeline (pipeline) adjacent to Assessor's Parcel Numbers 119-200-01, 119-200-07, and 119-200-09, near Goat Island, City of Mendocino, Mendocino County (Item CO1, May 31, 1973). The lease expired on May 31, 2022. The Applicant is now applying for a General Lease – Public Agency Use for the continued use and maintenance of the existing outfall pipeline.

The pipeline was constructed in 1975 and conveys tertiary-treated, disinfected, final effluent flows from the MCCSD Wastewater Treatment Plant to the Pacific Ocean. The exposed portion of the pipeline above the mudline is approximately 815 feet in length and is gravity controlled. The MCCSD service area encompasses a population of approximately 1,000 residents and covers a 1-square-mile area, predominantly characterized by residential development. Staff reviewed the 2022 Outfall Integrity Assessment Report which reviewed previous inspections reports, marine survey reports, and repair reports. The report concluded that the facilities are acceptable for continued operation and recommends continued annual inspections. The Applicant maintains a National Pollutant Discharge Elimination System permit, No. CA0022870, Order R1-2015-0039, from the North Coast Regional Water Quality Control Board.

The outfall pipeline will not substantially interfere with the Public Trust needs and values at this location because the pipeline is located on the seafloor. The proposed lease does not alienate the State's fee simple interest or permanently impair public rights. The lease also has a limited 25-year term and does not grant the lessee exclusive rights to the lease premises, which allows the Commission

flexibility to determine if the Public Trust needs of the area have changed over time. Upon termination of the lease, the Lessee may be required to remove all improvements from State land and restore the lease premises to its natural state.

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 leased facilities are located in the Pacific Ocean, in a tidally influenced site that is vulnerable to extreme storm events and increased wave force given projected scenarios of climate change.

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 San Francisco tide gauge was used for the projected sea level rise scenario for the lease area as listed in Table 1.

Table 1. Projected Sea Level Rise for San Francisco

| Year | Projection (feet) |
|------|-------------------|
| 2030 | 0.8 |
| 2040 | 1.3 |
| 2050 | 1.9 |
| 2100 | 6.9 |

Source: Table 13, State of California Sea-Level Rise Guidance: 2018 Update Note: 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 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. Near-coastal areas will be exposed to increased wave force and run up, potentially resulting in greater bank erosion than previously experienced. Finally, in tidally influenced waterways, flooding and storm flow will likely increase scour, decreasing bank stability and structure.

The combination of these projected conditions could increase the likelihood of damage to structures within the lease premises during the term of the lease. The facilities in the leased area have already withstood storm surge events but will likely need continued maintenance in the near future to ensure the leased structures continue to withstand higher levels of storm activity. In addition, the adjacent upland may experience periodic or continuous inundation with rising water levels, creating a public safety hazard.

Regular maintenance and inspections, as referenced in the lease, may reduce the likelihood of severe structural degradation. Pursuant to the proposed lease, the Applicant acknowledges that the Lease Premises and adjacent upland are located in an area that may be subject to effects of climate change, including sea level rise.

CONCLUSION:

For all the reasons above, staff believes the issuance of this 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 proposed lease; and is in the best interests of the State.

OTHER PERTINENT INFORMATION:

- Approval or denial of the application 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. If the Commission denies the application, the Applicant, as the prior lessee, may be required to remove the outfall pipeline and restore the premises to their original condition. The lessee has no right to a new lease or to renewal of any previous lease.
- 2. This action is consistent with the "Leading Climate Activism" and "Meeting Evolving Public Trust Needs" Strategic Focus Areas of the Commission's 2021-2025 Strategic Plan.
- 3. Staff recommends that the Commission find that this activity is exempt from the requirements of 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 or substantially interfere with the 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

AUTHORIZATION:

Authorize issuance of a General Lease – Public Agency Use to the Applicant beginning June 1, 2022, for a term of 25 years, for the use and maintenance of an existing 8-inch-diameter sewage wastewater outfall pipeline, as described in Exhibit A and 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 interest.

LAND DESCRIPTION

A strip of tide and submerged land, 20 feet wide, situated in the bed of the Pacific Ocean, lying adjacent to Fractional Section 25, Township 17 North, Range 18 West, Mount Diablo Meridian as shown on the Official U.S. Government Township Plat, approved December 28, 1866, Mendocino County, State of California and lying 10 feet on each side of the following described centerline:

COMMENCING at a point on the southerly boundary line of Sea Arch Subdivision, as said subdivision is shown and delineated upon that certain map filed for record in Map Case 2, Drawer 11, Page 16, Mendocino County Records, that bears S 78° 37' 26" W (Record S 77° 30' W) 370.00 feet from the southeast corner of said subdivision, said boundary line also being shown and delineated upon thar Record of Survey map filed for record June 25, 1968, in Map Case 2, Drawer 11, Page 49, Mendocino County Records (sheet 1 of 6 sheets), said point of commencement also being the northwest corner of the sewer treatment plant site; thence from said point S 40° 10' 48" E along the westerly boundary line of said treatment plant site 45.62 feet; thence S 78° 37' 26" W 323.08 feet; thence N 07° 06' 30" E 165.92 feet; thence N 34° 45' 40" E 182.12 feet; thence N 43° 46' 00" W 234.24 feet to the POINT OF BEGINNING; thence S 52° 00' W 1100 feet to the TERMINUS of the herein described centerline.

The sidelines of said strip to be lengthened or shortened as to begin on the ordinary high water mark of said Pacific Ocean and to terminate at a line perpendicular to the terminus of said centerline.

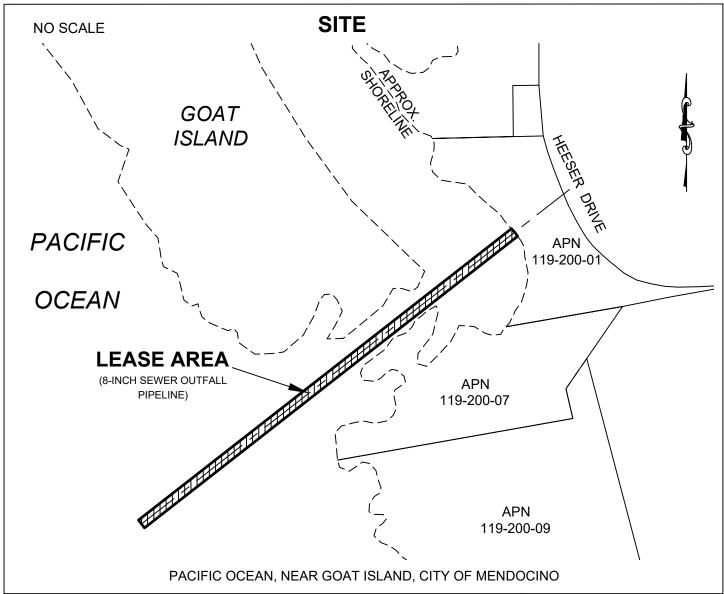
EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark of the Pacific Ocean.

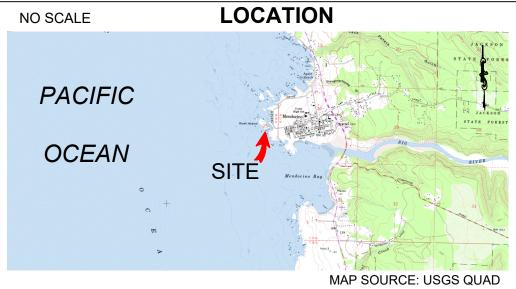
END OF DESCRIPTION

The above description is based on that original description prepared by CSLC on June 1, 1973 as found in PRC 4755 (W 20529) file, Calendar Item 1.

Revised 07/19/2021 by the California State Lands Commission Boundary Unit.







INTEREST IN THE SUBJECT OR ANY OTHER PROPERTY.

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

Exhibit B

LEASE 4755
MENDOCINO CITY COMMUNITY
SERVICES DISTRICT
APNs 119-200-01, -07 & -09
GENERAL LEASE PUBLIC AGENCY USE
MENDOCINO COUNTY

