

Staff Report 21

APPLICANT:

Vulcan Materials Company, a New Jersey corporation

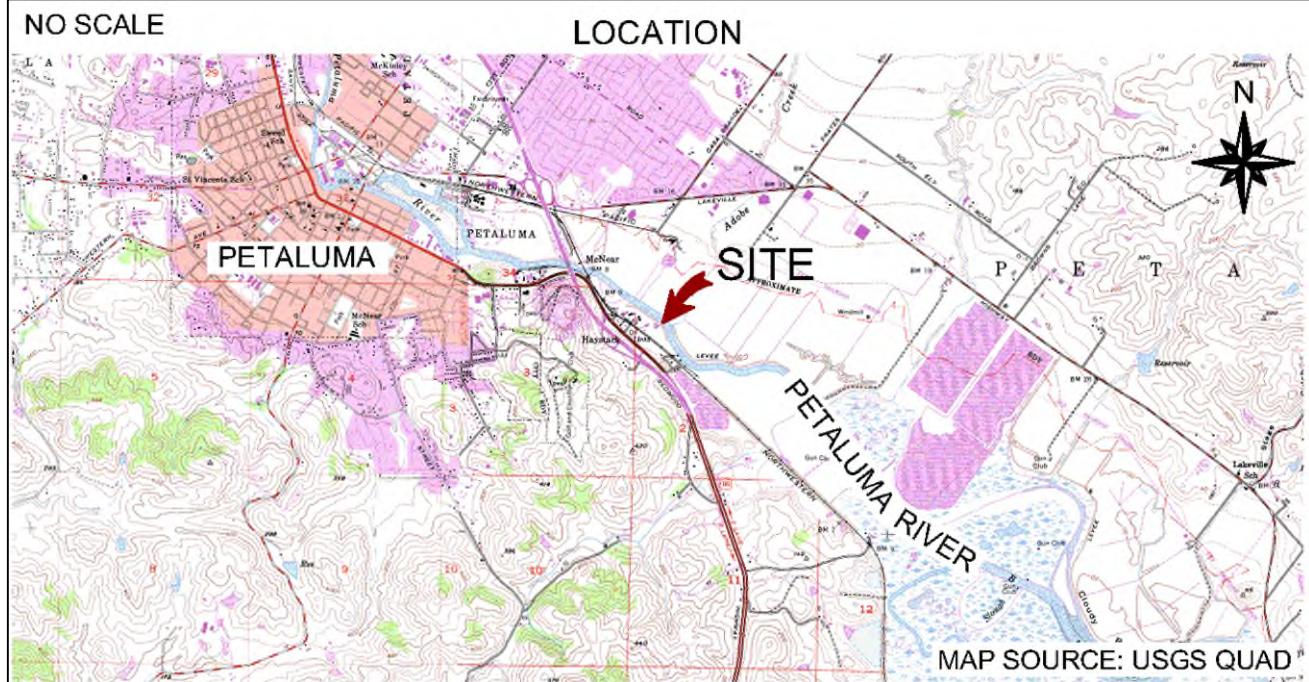
PROPOSED ACTION:

Issuance of a General Lease – Industrial Use.

AREA, LAND TYPE, AND LOCATION:

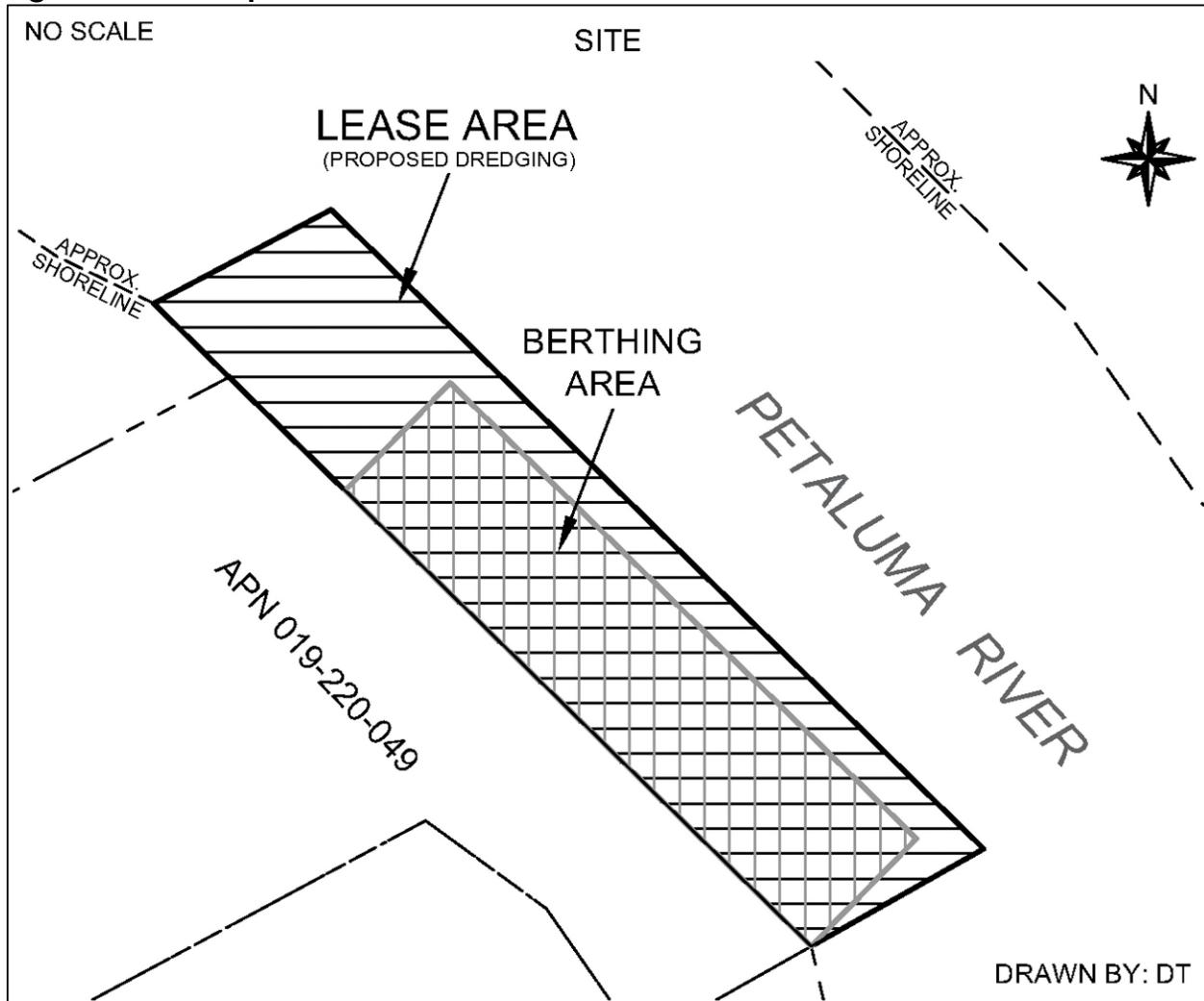
Sovereign land in the bed of the Petaluma River, adjacent to 210 Landing Way, near Petaluma, Sonoma County (as shown in Figure 1).

Figure 1. Location



AUTHORIZED USE:

Dredge a maximum of 5,100 cubic yards (cy) of sediment over the 10-year lease period from the bed of the Petaluma River, and use of an existing berthing area (as shown in Figure 2). Dredged material will be disposed of at a Dredged Material Management Office (DMMO) approved disposal site. The dredged material may not be sold.

Figure 2. Site Map

NOTE: This depiction of the lease premises is based on unverified information provided by the Applicant or other parties and is not a waiver or limitation of any State interest in the subject or any other property.

TERM:

10 years; beginning August 21, 2025.

CONSIDERATION:

\$799 per year, with an annual Consumer Price Index adjustment, and the State reserving the right to fix a different rent periodically during the lease term as provided for in the lease.

SPECIFIC LEASE PROVISIONS:

- Liability insurance in an amount no less than \$1,000,000 per occurrence.
- In performing the dredging, the Lessee will abide by contemporary Best Management Practices to control turbidity to protect marine resources and habitats from excessive siltation in the general vicinity of the project.
- Lessee shall safely conduct all dredging and disposal operations in accordance with accepted dredging and disposal methods and with due regard for the protection of life and property, and preservation of the environment.
- All dredge materials shall be handled as stated in permits from the applicable regulatory agencies and disposed of at DMMO-approved disposal sites, which include the SF-10 In-Bay Disposal Site, Cullinan Ranch Restoration Project site, and Montezuma Wetlands Restoration Project site, or as amended by the DMMO for future maintenance dredging.
- Any material dredged from the Lease Premises is the property of the State of California and shall not be sold or used for other commercial purposes. Lessee is not authorized to dredge for purposes of commercial resale, environmental mitigation credits, or other private benefit without Lessor's prior written consent.
- No dredging activities shall occur within one week (before or after) or within 0.5 mile of U.S. Army Corps of Engineers (USACE) dredging activities in the Petaluma River main channel without separate permission provided by USACE.
- Lessee agrees to limit and complete all dredging activities in the Petaluma River within the month of September.

STAFF ANALYSIS AND RECOMMENDATION:

AUTHORITY:

Public Resources Code sections 6005, 6216, 6301, 6303, 6501.1, and 6503; California Code of Regulations, title 2, sections 2000 and 2003.

PUBLIC TRUST AND STATE'S BEST INTERESTS:

The Applicant is applying for a 10-year General Lease – Industrial Use, for dredging in the bed of the Petaluma River and for use of an existing berthing area not previously authorized by the Commission, adjacent to 210 Landing Way, near Petaluma, in Sonoma County.

The Applicant operates a construction materials company adjacent to the Petaluma River, where it receives delivery of materials via barge. The barge berths near an existing bulkhead wall (not within the Commission's jurisdiction) along the upland property's river frontage. Due to historical accumulation of sediments and no prior dredging history at the berthing site, new dredging is required and necessary to provide adequate depth and safe navigation and approach for work vessels to utilize the berth area adjacent to the bulkhead wall for loading/offloading of rock materials. The upland parcel is owned by Vulcan Lands, Inc., a New Jersey corporation, a subsidiary of Vulcan Materials Company, a New Jersey corporation.

The dredging area includes a small portion of state sovereign land under the Commission's jurisdiction. The initial dredging episode would be approximately 2,519 cubic yards (CY) within approximately 0.50 acre, followed by one maintenance dredging episode within the proposed lease term. The total allowable material removal would not exceed 5,100 CY over the proposed lease's 10-year period. The Applicant proposes completing the first episode in September 2025, if all agency authorizations are obtained. The initial dredging event is estimated to be completed within 6 days. Additionally, the Applicant uses a berthing area which is approximately 15,600 square feet (0.36 acres). Because the berthing area falls completely within the footprint of the dredging area, it does not increase the total size of the lease premises.

The material would be removed by a mechanical clamshell dredge and placed on a scow for transport to a DMMO-approved disposal site. The mechanical clamshell dredge consists of a crane mounted on a barge, with a clamshell bucket on the end of the crane boom. A scow is an open barge that can carry large quantities of sediment. One of three sediment disposal sites will be selected for this project: the SF-10 In-Bay disposal site, the Cullinan Ranch Restoration Project site, or the Montezuma Wetlands Restoration Project site. Any debris encountered during dredging would be barged to Pillar Point Harbor near Half Moon Bay and then transported by vehicle to the nearby Ox Mountain Landfill. In accordance with the

lease terms, the materials will not be sold or used for other private benefit without prior Commission authorization.

Although the USACE performs dredging in the main channel of the river, the scope of its work does not include the berthing area adjacent to the Applicant's upland parcel. Therefore, the Applicant's dredging project would improve navigational depths for year-round access and offloading ability. Navigation is a recognized Public Trust use. The proposed lease does not alienate the State's fee simple interest or permanently impair public rights. The proposed lease is limited to a 10-year term, does not grant the Lessee exclusive rights to the lease premises, and requires the Lessee to insure the lease premises and indemnify the State for any liability incurred as a result of the Lessee's activities thereon.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

The Commission is the lead agency for the project pursuant to the California Environmental Quality Act (CEQA) (Pub. Resources Code, § 21000 et seq.) and conducted an Initial Study (IS) to determine if the project may have a significant effect on the environment (State CEQA Guidelines, § 15063). The Initial Study concluded that "there is no substantial evidence, in light of the whole record before the agency, that the project may have a significant effect on the environment" (State CEQA Guidelines, § 15070, subd. (a)), and a Negative Declaration (ND) was prepared.

Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Cal. Code Regs., tit. 14, § 15025), staff prepared an ND identified as CSLC ND No. 817, State Clearinghouse No. 2025060498. The proposed ND and Initial Study were circulated for at least a 30-day public review period, from June 11, 2025, to July 14, 2025, and staff did not receive any comment letters. One voice message was received from an anonymous individual that opposed the project, but they did not provide any specific concerns with the project or the ND. Therefore, staff did not make any revisions to the ND.

Based upon the Initial Study and the ND, and the one voice message comment received in response thereto, there is no substantial evidence that the project will have a significant effect on the environment. (Cal. Code Regs. tit. 14, § 15074(b)).

CLIMATE CHANGE:

INTRODUCTION:

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 proposed project would dredge sediment that has naturally accumulated in the Petaluma River adjacent to the existing bulkhead wall on the riverfront of the Vulcan Materials property. The Petaluma River, at this location, is a tidally influenced site vulnerable to flooding at current sea levels and at a higher risk of flood exposure given projected scenarios of sea level rise.

DATA & PROJECTIONS:

The California Ocean Protection Council updated the [State of California Sea Level Rise Guidance](#) in 2024 to provide a synthesis of the best available science on sea level rise projections and rates for multiple emissions scenarios. Commission staff evaluated the “intermediate-high” and “high” scenarios due to the vulnerability and exposure of the project site and the continued global reliance on fossil fuels. The San Francisco 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 San Francisco

Year	Intermediate-High (feet)	High (feet)
2040	0.7	0.8
2050	1.0	1.3
2070	2.2	2.9
2100	4.8	6.5

Source: Table 12, State of California Sea Level Rise Guidance: 2024 Update

Note: Projections are with respect to a 2000 baseline.

In addition to rising seas, warmer temperatures have led California to experience a megadrought from 2000 to 2022, measured as the driest 22 years in the past 1200 years, and more megadroughts are projected through the end of the century ([U.S. Global Change Research Program 2023](#)). Despite the region's increasing aridity, flooding from extreme precipitation events is projected to increase, attributed to earlier snowmelt, sea level rise, and more intense and frequent atmospheric rivers. Minor and moderate flooding (flooding events defined as disruptive to damaging), attributed to higher water levels, is expected to increase five to ten orders of magnitude by 2100, according to [NOAA's 2022 Sea Level Rise Technical Report](#) (NOAA 2022).

ANALYSIS:

The combination of these projected conditions could increase the likelihood of damage to in-river structures (i.e., bulkhead wall) and affect access to the lease area (dredged berth area) during the term of the lease. For example, the potential for more frequent and stronger storm events may expose the bulkhead wall to higher flood risks and cause it to be damaged or dislodged, presenting hazards to public safety as well as dangers for navigation within the channel. Conversely, prolonged drought conditions could lower water levels, exposing the previously submerged portion of the bulkhead to the elements and potentially leading to increased wear and tear on the bulkhead wall for the berth area that also protects the upland property from erosion.

RECOMMENDATIONS:

The bulkhead wall (not under Commission jurisdiction) is fixed and therefore more vulnerable to sea level rise and more frequent flood events. It may need increased maintenance, due to increased flood exposure and more frequent storm events, to ensure it does not become dislodged or degraded and to reduce risks to public safety and navigation. Regular inspection and maintenance will help reduce the likelihood of severe structural degradation or dislodgement of the bulkhead wall.

TRIBAL CONSULTATION:

The Native American Heritage Commission (NAHC) maintains two databases, the Sacred Lands File and Native American Contacts, to assist cultural resources specialists in identifying cultural resources of concern to California Native Americans. Staff contacted the NAHC to obtain information about known cultural and Tribal cultural resources and request a list of Native American Tribal representatives who may have geographic or cultural affiliation in the Project Area. The NAHC responded on May 18, 2024, stating that the Sacred Lands File database did not include any previously identified sacred sites in the Project Area. The NAHC also forwarded a list of 8 tribal contacts for 4 Native American tribes. On June 19, 2024, staff sent Project notification letters and an invitation to consult to the four tribes on the NAHC contact list to ensure all known tribes would have an opportunity to provide meaningful input on the potential for Tribal cultural resources to be found in the Project Area and recommend steps to be taken to ensure adverse impacts to Tribal cultural resources are avoided.

The outreach letters were sent to chairpersons and representatives of the following Tribes:

- Federated Indians of Graton Rancheria
- Guidiville Rancheria of California
- Lytton Rancheria
- Pinoleville Pomo Nation

As of this staff report's publication, no tribes have responded to the outreach letters for the Project.

CONCLUSION:

For all the reasons above, staff believes the issuance of the proposed lease will not 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.

OTHER PERTINENT INFORMATION:

1. 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 will be unable to dredge or berth on the subject State-owned lands. The lessee has no right to a new lease or to renewal of any previous lease.
2. This action is consistent with the "Meeting Evolving Public Trust Needs" and "Leading Climate Activism" Strategic Focus Areas of the Commission's 2021 – 2025 Strategic Plan.
3. Berthing Area: 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 15061 and California Code of Regulations, title 2, section 2905.

4. The project includes submerged lands identified as possessing significant environmental values, as the entire Petaluma River is listed within the Commission's Significant Lands Inventory, pursuant to Public Resources Code Section 6370 et seq. (CSLC 1975). The Petaluma River is in the Significant Lands Inventory as Parcel Number 21-095-000, which includes the submerged land in the Petaluma River within the ordinary high-water mark. The subject lands are classified in use category Class B, which authorizes limited use. Environmental values identified for these lands include geological, biological (wildlife spawning and support), scenic, archaeological and historical, and recreational values. Based on the Commission staff's review of the Significant Lands Inventory, the CEQA analysis provided in the Initial Study and ND, and the participation from the agency nominating such lands through the CEQA review process, it is staff's opinion that the project, as proposed, is consistent with the use classification.

APPROVALS REQUIRED:

- U.S. Army Corps of Engineers
- U.S. Fish and Wildlife Service
- National Marine Fisheries Service
- California Department of Fish and Wildlife
- Regional Water Quality Control Board
- San Francisco Bay Conservation and Development Commission

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

New Dredging: Certify that the ND, CSLC ND No. 817, State Clearinghouse No. 2025060498, was prepared for this project pursuant to the provisions of CEQA, that the Commission has reviewed and considered the information contained therein and in the one voice message received in response thereto, and that the ND reflects the Commission's independent judgment and analysis.

Adopt the ND and determine that the project, as approved, will not have a significant effect on the environment.

Berthing Area: 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 the 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.

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 – Industrial Use to the Applicant beginning August 21, 2025, for a term of 10 years, to dredge a maximum of 5,100 cubic yards of sediment over the term of the lease from the bed of the Petaluma River, and use of a berthing area; annual rent in the amount of \$799, with an annual Consumer Price Index adjustment, and the State reserving the right to fix a different rent periodically during the lease term as provided for in the lease; liability insurance in an amount no less than \$1,000,000 per occurrence.