CALIFORNIA COASTAL COMMISSION

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 Commission Action:
 10/16/98

STAFF REPORT: PERMIT AMENDMENT

APPLICATION NO.:	5-96-231-A1
APPLICANT:	Port of Long Beach
AGENTS:	Bob Kanter, Port of Long Beach Tom Johnson, Port of Long Beach
PROJECT LOCATION:	West Basin (Former Naval Station, Long Beach), Slip 2 Pier E, Port of Long Beach, and Pier S (Exhibit 1)

DESCRIPTION OF PROJECT ORIGINALLY APPROVED (5-96-231)

Construction of the in-water portion of the Pier T container terminal project, including: (1) excavation of approximately 450,000 cubic yards of earth and rock along the shoreline, and disposal of that material at an upland site on Pier S within the Port; (2) dredging of approximately 2.965 million cubic yards of clean sediment and 730,000 cubic yards of contaminated sediments from the West Basin to create a berthing area and an approach channel with depths of -56 and -51 feet Mean Lower Low Water (MLLW), respectively; (3) disposal of the dredged sediment at an upland site on Pier S, a beach nourishment site within the City of Long Beach, and in-water sites within the Port of Long Beach; (4) construction (using dredged sediments from the West Basin) of a 26-acre permanent shallow water habitat adjacent to the Navy Mole as mitigation for the elimination of existing shallow water habitat in the West Basin, and a 26-acre temporary shallow water habitat adjacent to the Pier 400 causeway; and (5) construction of a confined aquatic disposal (CAD) site within the permanent shallow water habitat for disposal and confinement of contaminated sediment dredged from the West Basin.

DESCRIPTION OF CURRENT AMENDMENT REQUEST:

Since the Commission's original project approval, two new potential scenarios for disposing of or reusing contaminated dredged material from the proposed project have arisen. Accordingly, the Port of Long Beach is requesting an amendment to the original permit from the Commission authorizing the use of those scenarios should they become available, as well as retaining the original disposal scenario. The Port is seeking advance approval because of the project's very tight schedule, which must also incorporate the constraints imposed by the California least tern nesting season: in-water construction is scheduled to begin in November 1998, and would be completed by June 2000. The Port requests approval of all three scenarios at this time because it is still uncertain whether the construction timing and complete permitting of the two new options will actually occur. Note that the Port would select one of those scenarios before the start of construction.

The three disposal scenarios are:

- A. Isolating all contaminated material in an unused slip (Pier E, Slip 2) and also placing some clean material in that slip thus creating new land, plus using some of the original proposal options for disposal of additional clean material;
- B. Placing all of the contaminated material and some clean material as structural fill at Pier S, and using some of the original disposal options for remaining clean material); and
- C. Construction of a confined aquatic disposal (CAD) facility within the proposed permanent shallow water habitat, as approved in the original-permit.

SUMMARY OF STAFF RECOMMENDATION

Staff recommends approval of the proposed amendment with additional special conditions that: 1) requires the Executive Director's approval of the Port of Long Beach's determination that both the Pier S and Pier E alternatives are not feasible before the Port can construct the proposed CAD; 2) incorporates the original permit conditions for the construction of a CAD; 3) requires a 100-foot buffer between open marine waters and the contaminated sediment; and 4) incorporates any conditions required by the Regional Board or the Corps of Engineers. The applicant agrees with the recommendation.

SUBSTANTIVE FILE DOCUMENTS:

- 1. Port of Long Beach Certified Port Master Plan (as amended).
- 2. Port Master Plan Amendment No. 12, certified on 10/13/98.

- 3. Final Environmental Impact Report and Application Summary Report, Port of Long Beach California United Terminals Expansion Project Piers D and E, June 1998.
- 4. Draft Environmental Impact Statement, Naval Station Long Beach Disposal and reuse, March 1996.
- Coastal Development Permit 5-96-182 (Port of Long Beach, Pier T Container Terminal – Upland).
- 6. Coastal Development Permit 5-96-231 (Port of Long Beach, Pier T Container Terminal In-water).

PROCEDURAL NOTE: The Commission's regulations provide for referral of permit amendment requests to the Commission if:

- 1. The Executive Director determines that the proposed amendment is a material change;
- 2. Objection is made to the Executive Director's determination of immateriality; or
- 3. The proposed amendment affects conditions required for the purpose of protecting a coastal resource or coastal access.

In this case, the Executive Director determined that the proposed amendment is a material change. If the applicant requests, the Commission shall make an independent determination as to whether the proposed amendment is material. (14 California Code of Regulations 13166.)

STAFF NOTE:

The proposed development is located within the Port of Long Beach (one of the four commercial ports designated in Chapter 8 of the Coastal Act) and, because the project is not appealable under Section 30715, it will be evaluated for conformance with the policies of Chapter 8. Typically, the Port issues coastal development permits for development within its jurisdictional boundary. However, the Commission originally reviewed this coastal development permit application from the Port of Long Beach for development within the Port due to the provisions contained in the Port's master plan amendment No. 9, certified by the Commission in July 1996. In that amendment, the Port requested and received Commission certification of allowable land and water uses in the Federal Use Planning District of the Port. The Port also requested that coastal development permitting authority for projects consistent with those land and water uses be retained by the Commission, due to the fact that the Port did not yet have the technical information necessary to document that the port-related developments proposed for that Planning

District were in conformance with the Chapter 8 policies of the Coastal Act. Once that documentation was available, the Port would then return to the Commission at a later date with a port master plan amendment (or amendments) for one or more individual projects within the Planning District.

However, in an effort to maintain the Port's rigorous planning and construction schedule for one of those projects (the Pier T Container Terminal), the Port staff originally submitted a coastal development permit to the Commission, rather than a port master plan amendment, because it was more time-efficient and still subjected the project to full analysis for conformance with the Chapter 8 policies of the Coastal Act.

STAFF RECOMMENDATION.

The staff recommends that the Commission adopt the following resolution:

I. APPROVAL WITH CONDITIONS.

The staff recommends conditional approval of Coastal Development Permit Amendment Application No. 5-96-231-A1

Motion:

I move that the Commission approve Coastal Development Permit Amendment Application No. 5-96-231-A1, subject to the conditions specified in the staff recommendation dated October 16, 1998.

The staff recommends a YES vote. To pass this motion, an affirmative vote by a majority of the Commissioners present is required. Approval of the motion will result in the adoption of the following resolution and findings.

Resolution:

The Commission hereby grants, subject to the conditions below, an amendment to the coastal development permit for the proposed development on the grounds that the development and the amendment, as conditioned, is in conformance with the provisions of Chapter 8 of the Coastal Act, and will not have any significant adverse impacts on the environment within the meaning of the California Environmental Quality Act.

II. STANDARD CONDITIONS: See Attachment 1

III. SPECIAL CONDITIONS:

The following special conditions are in addition to the special conditions of coastal development permit 5-96-231 (Appendix A) approved by the Commission on January 8, 1997:

1. Least Damaging Feasible Alternative

If the Port of Long Beach chooses to construct the proposed CAD, rather than the other alternatives, then, prior to commencement of dredging and disposal operations, the Port shall submit to the Executive Director, for his review and approval, a written analysis and conclusion that demonstrates that the Pier S and Pier E alternatives are not feasible (as defined by Coastal Act Section 30108).

2. Confined Aquatic Disposal Site

If the Executive Director, pursuant to Condition 1 above, finds that neither the Pier E nor Pier S alternatives are feasible, the Port of Long Beach must comply with conditions 4, 5, and 8(b) to the original permit (5-96-231) only if it proposes to construct a CAD as part of the proposed project. Those conditions are as follows:

4. Prior to commencement of dredging and disposal operations, the Port of Long Beach shall submit to the Executive Director, for his review and approval, a water quality and sediment monitoring plan for the CAD site and permanent shallow water habitat area.

5. Prior to commencement of dredging and disposal operations, the Port of Long Beach shall submit to the Executive Director, for his review and approval, a written commitment to remediate and mitigate any significant adverse impacts identified by the water quality and sediment monitoring plan required in Special Condition No. 4.

8. Prior to commencement of dredging and disposal operations, the Port of Long Beach shall submit to the Executive Director, for his review and approval, the following:

• • •

(b) The post construction CAD site monitoring program;

3. Buffer

Prior to the issuance of the Coastal Development Permit Amendment, the Port of Long Beach shall submit revised plans to the Executive Director for his review and approval showing a minimum of a 100-foot buffer between open marine waters and any area used for the placement of contaminated dredge material on Pier E or Pier S.

4. <u>U.S. Army Corps of Engineers and Los Angeles Regional Water Quality</u> Control Board Conditions

All U.S. Army Corps of Engineers Section 404 permit conditions and California Regional Water Quality Control Board Waste Discharge Requirements associated with the Port of Long Beach's proposed Pier T project, including placement of contaminated sediment in Pier S or Pier E, are hereby incorporated into this coastal development permit amendment.

IV. Findings and Declarations

The Commission hereby finds and declares:

A. Project Description and Background

On January 8, 1997, the Commission approved coastal development permit 5-96-231 for the Port of Long Beach (Port) to construct the in-water portions of the Pier T Container Terminal Project. That project included dredging and disposal of 730,000 cubic yards of contaminated sediment. The Port originally proposed to construct a CAD to confine this contaminated material. At that time, neither the Pier E slip fill nor the Pier S remediation were ready for construction, and therefore, they were not feasible alternatives. The original project was delayed by the Navy's decision to re-visit the environmental assessment of the closure of the Long Beach Naval Complex. That process was concluded in July 1998, and confirmed the Port's original proposal as approved by the Coastal Commission. The Port is now re-activating the project to proceed with the original development. In the intervening time, the Port has proceeded with plans to improve the container terminal at Pier E and remediate hazardous waste site on Pier S. These projects are far enough along in the planning process that it may be feasible to use them for re-use of contaminated sediment from Pier T.

Since the original approval of the Pier T project, the Port has been an active member of the Los Angeles Region's Contaminated Sediment Task Force (Task Force). The Task Force consists of federal and state regulatory agencies, port and marina stakeholders, environmental groups, and other interested parties, and is developing a strategy for management of contaminated dredge material in the Los Angeles Region. Through the Task Force, the Port has participated in the evaluation of beneficial re-use alternatives for

contaminated sediment and the proposed Pier E and Pier S alternatives are a direct result of the Task Force's efforts. Additionally, these alternatives were evaluated and supported (Exhibit 4) by the Interim Advisory Committee of the Task Force, which evaluates proposed projects while the Task Force is developing the strategy.

As a result of its participation and coordination with the Task Force, the Port proposes to amend its permit, 5-96-231, for the Pier T project to include three scenarios for disposal of contaminated sediment. The scenarios are as follows:

Scenario A

In this preferred scenario, the Port would place all of the contaminated material and up to 1 million cubic yards of clean material, as fill, in Pier E Slip 2 (Exhibit 2). The slip would be closed off with a rock dike, the dredge material would be placed behind the dike, surcharge would be placed to facilitate consolidation, and the slip would be paved once surcharging was completed. The unsuitable material would be dredged by clamshell dredge, as originally proposed, and conveyed by barge to the slip, where it would be bottom-dumped, clamshelled out, or hydraulically unloaded. Some material dredged from the footprint of the dike would also be placed in the slip. A silt curtain placed to close off the slip and water quality monitoring in accordance with Regional Water Quality Control Board waste discharge requirements would ensure that there would be no adverse impacts to water quality.

The suitable material would be dredged and placed hydraulically, and would form a 25- to 35-foot-thick cap over the unsuitable material and a liner approximately 100 feet thick between it and the closure dike. Asphalt/concrete paving approximately one foot thick would seal the top of the slip. Filling Slip 2 would create approximately 30 acres of new land that is expected to become part of the approved Piers D and E reconfiguration project. Mitigation credits from the Bolsa Chica Wetlands restoration agreement would be used to mitigate impacts of the fill (as approved by the Commission in its review of the Port of Long Beach's master plan amendment No. 12).

The other original options for clean material (the Main Channel, LA-2, the Pier 400 Transportation Corridor shallow-water habitat, and beach nourishment) would still be implemented, but the CAD site would not be built. The shallow-water habitat adjacent to the Pier 400 Transportation Corridor would constitute the permanent replacement shallow-water habitat for the existing least tern foraging habitat in the West Basin.

Scenario B

In Scenario B, the Port would place all of the unsuitable material on Pier S (Exhibit 3). Most of Pier S is an active oilfield, and it also contains areas of contaminated soils, called

sumps. The site is under a Voluntary Cleanup Agreement with the Department of Toxic Substances Control and is in the remedial design phase. The Port is on the verge of receiving approval for a remedy that could incorporate the unsuitable material as structural fill. Under Scenario B the Port would prepare a 60-acre portion of Pier S by excavating and relocating contaminated sump soils and placing retaining dikes made of clean excavated material from Pier T. Once that was done, the unsuitable sediments in the West Basin would be dredged by clamshell, transported by barge to the Cerritos Channel, then offloaded hydraulically onto the site. Water used in the unloading operation would be recycled, thus eliminating the need to manage and discharge large volumes of entrained water. The retaining dikes and retention basins would control water expressed from the sediment, and no water would be discharged to the channel until testing confirmed it met the waste discharge requirements established by the Regional Water Quality Control Board. Once the material was adequately dewatered, the sump material, having been stabilized with cement, would be placed on top, clean imported fill would be placed over the sump material, and the whole site would be paved.

The other original options for clean material (the Main Channel, LA-2, the Pier 400 Transportation Corridor shallow-water habitat, and beach nourishment) would still be implemented, but the CAD site would not be built. The shallow-water habitat adjacent to the Pier 400 Transportation Corridor would constitute the permanent replacement shallowwater habitat for the existing least tern foraging habitat in the West Basin.

Scenario C

Under Scenario C, the Port would implement the project as originally permitted, including constructing the CAD Site/Permanent Shallow-Water Habitat to contain all of the unsuitable material. The Port considers Scenario C less desirable than the other two because it is expensive to construct and it imposes a long-term, potentially expensive monitoring obligation on the Port. However, the Port is reserving Scenario C in case neither of the other scenarios becomes available in time to meet the Port's schedule.

B. Water Quality and Habitat Resources

The Chapter 8 policies of the Coastal Act provide the following:

Section 3070l of the Coastal Act provides that:

The Legislature finds and declares that:

(a) The ports of the State of California, including the Humboldt Bay Harbor, Recreation, and Conservation District, constitute

one of the state's primary economic and coastal resources and are an essential element of the national maritime industry.

(b) The location of the commercial port districts within the State of California, including the Humboldt Bay Harbor, Recreation, and Conservation District, are well established, and for many years such areas have been devoted to transportation and commercial, industrial, and manufacturing uses consistent with federal, state and local regulations. Coastal planning requires no change in the number or location of the established commercial port districts. Existing ports, including the Humboldt Bay Harbor, Recreation, and Conservation District, shall be encouraged to modernize and construct necessary facilities within their boundaries in order to minimize or eliminate the necessity for future dredging and filling to create new ports in new areas of the state.

Section 30706 of the Coastal Act provides, in part, that:

. In addition to the other provisions of this chapter, the policies contained in this section shall govern filling seaward of the mean high tide line within the jurisdiction of ports:

• • •

(b) The nature, location, and extent of any fill, including the disposal of dredge spoils within an area designated for fill, shall minimize harmful effects to coastal resources, such as water quality, fish or wildlife resources, recreational resources, or sand transport systems, and shall minimize reductions of the volume, surface area, or circulation of water.

•••

Section 30708 of the Coastal Act provides, in part, that:

All port-related developments shall be located, designed, and constructed so as to:

(a) Minimize substantial adverse environmental impacts.

1. <u>Introduction</u>. When evaluating the proposed port development, the Commission is guided by the provisions of Section 30701 of the Coastal Act which state that the four ports governed by Chapter 8 of the Coastal Act (referred to as Chapter 8 ports), including the Port of Long Beach, are a "primary economic and coastal resource" of the state, and that they are "encouraged to modernize and construct necessary facilities within their boundaries." The Commission has a long history of implementing those policy directives in its review and approval of numerous port projects. The proposed project will support the redevelopment of the former Naval Station for port uses. Therefore, it is clearly beneficial to a primary coastal resource -- the maritime mission of the Port of Long Beach -- and the Commission finds that the project conforms to Section 30701 of the Coastal Act.

2. Sediment Quality. The sediments in the West Basin project area were extensively tested by the Navy (as part of its site assessment and remediation investigations associated with the closure and disposal of the Naval Station) and by the Port (in support of its Pier T container terminal project). Both testing efforts established that heavy metals, PAHs, PCBs, and pesticides contaminate portions of the West Basin. The Port's 1996 testing program, designed in consultation with the U.S. Army Corps of Engineers, USEPA, and the California Regional Water Quality Control Board, and in accordance with the provisions established in the Commission's review of the designation of the LA-2 site, was conducted in order to document contamination levels and establish disposal options for the dredged sediments. The sediment testing documented that approximately 730,000 cubic yards of the material proposed for dredging are contaminated to a level that makes them unsuitable for ocean disposal.

3. <u>Dredging and Disposal Operations</u>. The Commission must examine whether the proposed dredging and disposal conforms with Sections 30706 and 30708 by minimizing disruption to marine habitat, minimizing harmful effects to water quality and fish and wildlife resources, and minimizing substantial adverse environmental impacts.

In its review of the original permit action, the Commission raised concerns about potential water quality impacts from dredging and disposal contaminated sediment. In that permit application, the Port proposed to dredge 730,000 cubic yards of contaminated sediment and dispose of that material within a CAD. Although the Commission expressed concerns about the development of a CAD within the Port of Long Beach, it approved the project with substantial monitoring and remediation conditions (the findings and conditions for that permit, 5-96-231, are incorporated into this amendment by reference). In evaluating the proposed CAD, the Commission expressed concerns about potential impacts to marine resources from a failure of the CAD to contain the contaminants. The CAD is subject to wave, tidal, biological, and other physical and chemical forces that could result in a release of contaminants. In addition, the placement of contaminants in a CAD would re-suspend contaminants into the water column and increase the biological availability of these contaminants. In approving the proposed CAD, the Commission resolved these concerns by requiring extensive monitoring and remediation of the CAD.

Because of delays in the Navy's base closure process, the Port has not implemented the proposed project. During the intervening time, the Port has proceeded with other development projects: the proposed fill and terminal construction on Slip 2 at Pier E and the remediation of hazardous waste sites at Pier S. Those projects are far enough along in their development to allow them to be considered for placement of contaminated sediment from the West Basin without additional delays to the development of the Pier T marine terminal. Therefore, the Port proposes to amend its permit to provide three different contaminated sediment disposal/management alternatives: Pier E, Pier S, and CAD.

The Port, in its coastal development permit application 5-96-231, originally proposed the CAD alternative. Although the Commission is concerned about marine resource impacts, these issues can be resolved by incorporating, into this amendment, conditions attached to the original permit. Condition number 1 attached to this permit amendment incorporates the same conditions that the Commission required for the originally proposed CAD. Although these conditions minimize the environmental effects, they do not eliminate the potential impacts from re-suspension of contaminants or CAD failure. As described below, the potential environmental impacts from the Pier E and Pier S alternatives are substantially less than the proposed CAD. Therefore, the Commission cannot find that the CAD will minimize harmful effects to environmental resources as required by Sections 30706 and 30708 of the Coastal Act. However, the Commission has previously found that the proposed CAD is consistent with the Coastal Act. In order to resolve this inconsistency, the Commission has conditioned this amendment to require that the Port document that both the Pier E and Pier S alternatives are not feasible before it can develop the proposed CAD.

In addition to the proposed CAD, the Port proposes two other disposal alternatives. The Pier E alternative would use the material in a proposed fill of Slip 2. The Commission reviewed and approved Port Master Plan Amendment (PMPA) 12, which included the Pier E slip fill, on October 13, 1998. That PMPA provided mitigation for the loss of marine habitat and designated the area as a disposal site for contaminated sediment from Pier T. Since the Commission approved the PMPA, the issues of habitat impacts and port development are not the subject of this permit amendment. The only issue under consideration is whether the placement of contaminated dredge material at this site affects coastal resources.

Likewise, the Commission is limited in its review of the Pier S alternative. That project provides for the placement of contaminated dredge material in upland areas where the Port proposes to remediate a hazardous waste site. The Pier S remediation and reconstruction is consistent with the existing master plan and does not require an amendment of that plan. Additionally, it is a development that is not appealable to the Commission or would otherwise require a coastal development permit from the Commission. Therefore, the question of impacts from remediation or other issues from the proposed clean up are not relevant to this amendment. Rather the only issue under consideration is whether the placement of contaminants at this site has an effect on coastal resources.

These disposal alternatives would allow contaminated dredge material to be beneficially re-used. Both of these projects will occur regardless of whether the contaminated sediment is placed in them. In addition, they will require the placement of fill material as part of the project. The contaminated dredge material will replace fill that the Port would have had to excavate or dredge from alternative sources. Thus, these alternatives represent a beneficial re-use of the contaminated sediments.

Additionally, the use of contaminants in either of these alternatives does not have significant environmental effects. The placement of contaminants will be significantly isolated from the marine environment and the risk of the site failure to contain the contaminants is not significant. The slip fill alternative would place the material in an area that would eventually be converted to upland, and thus, they are not subject to the same physical, aquatic, chemical, and biological forces as a CAD. These upland areas will be a more protective way to contain the contaminants. Any risks of release of contaminants is further reduced by condition number 3 attached to this permit amendment, which requires a 100-foot buffer between the dikes and the contaminants.

Additionally, the placement of the material in the Pier E or Pier S alternative will reduce the potential of re-suspension of contaminants into the water column. The contaminated sediments placed at Pier E will be contained behind dikes and further controlled through the use of silt curtains. Thus they will be isolated from the water column. Since the Pier S site is already an upland site, there is no potential to increase water column turbidity from the disposal. However, there is a potential water quality effect from discharge of return water (water removed from the dredge material). This discharge is controlled and managed by the Regional Water Quality Control Board, which establishes standards for this discharge and requires monitoring. To ensure that the water quality policies of the Coastal Act are adhered to by the Port, the Commission conditions this permit to incorporate all Corps of Engineers Section 404 permit conditions and all RWQCB Waste Discharge Requirements attached to this project.

In conclusion, the Commission finds that the proposed project is consistent with the Coastal Act. The project will minimize environmental effects by ensuring that the either the Pier E or Pier S alternative is implemented unless the Port can demonstrate that those alternatives are not feasible. Those alternatives will minimize resource impacts, as compared to the proposed CAD, by reducing risk of release of contaminants and by minimizing water column impacts. Therefore, as conditioned, the Commission finds that the project conforms to the water quality policies of Chapter 8 of the Coastal Act.

C. California Environmental Quality Act.

Section 13096 of Title 14 of the California Code of Regulations requires Commission approval of coastal development permits to be supported by a finding showing the permit, as conditioned, to be consistent with any applicable requirements of the California Environmental Quality Act

(CEQA). Section 21080.5(d)(2)(i) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available that would substantially lessen any significant adverse impact that the activity may have on the environment.

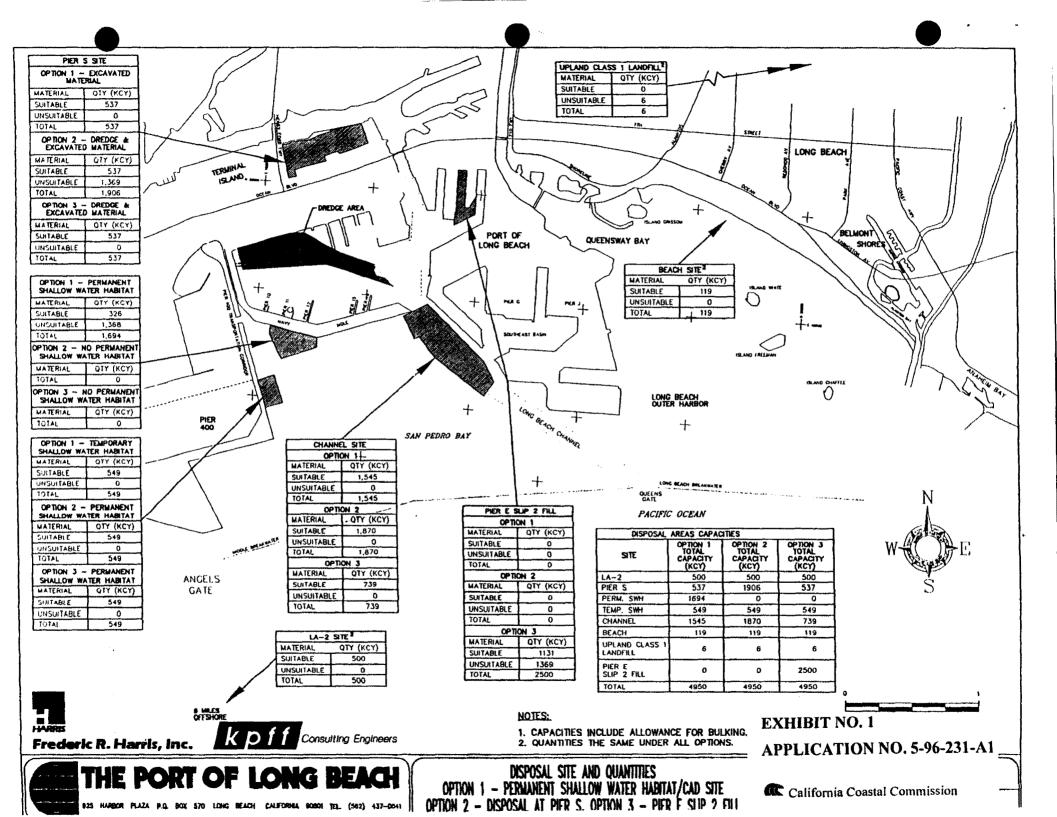
The proposed project, as conditioned, has been found to be consistent with the Chapter 8 policies of the Coastal Act. All adverse impacts have been mitigated by conditions of approval and there are no feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact that the activity may have on the environment. Therefore, the Commission finds that the proposed project is consistent with the requirements of CEQA.

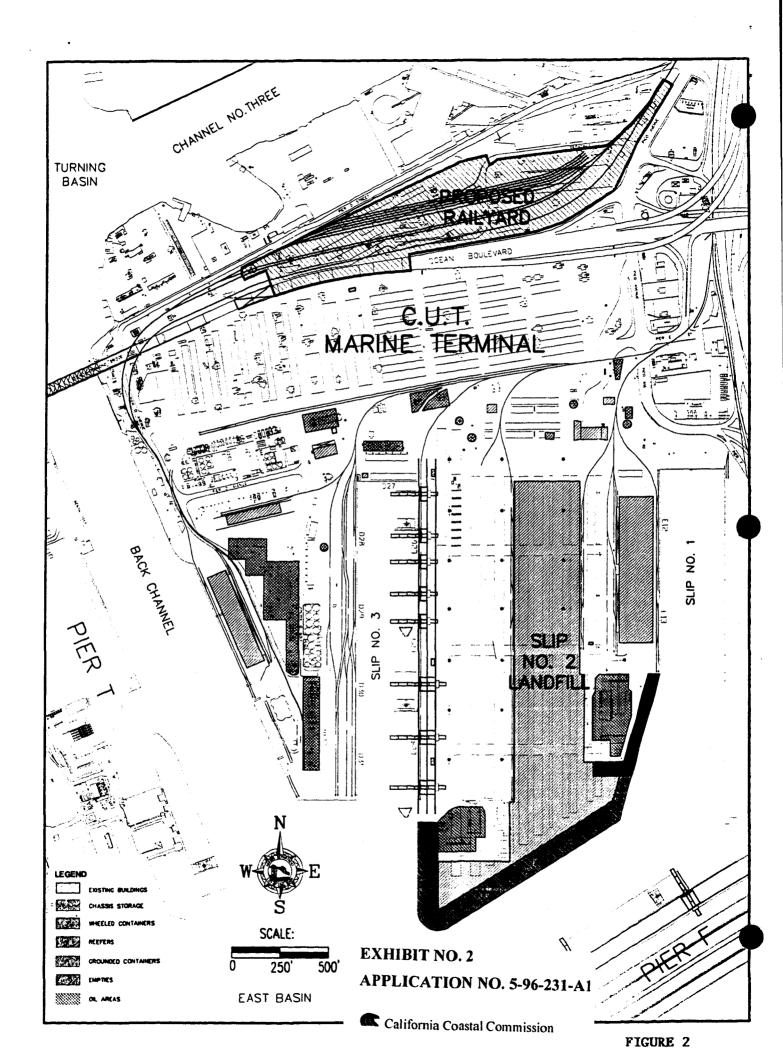
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ATTACHMENT 1

Standard Conditions

- 1. Notice of Receipt and Acknowledgment. This permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
- 2. <u>Expiration</u>. If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
- 3. <u>Compliance</u>. All development must occur in strict compliance with the proposal as set forth in the application for permit, subject to any special conditions set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval.
- 4. <u>Interpretation</u>. Any questions of intent of interpretation of any condition will be resolved by the Executive Director or the Commission.
- 5. **Inspections.** The Commission staff shall be allowed to inspect the site and the development during construction, subject to 24-hour advance notice.
- 6. <u>Assignment</u>. The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
- 7. <u>Terms and Conditions Run with the Land</u>. These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.





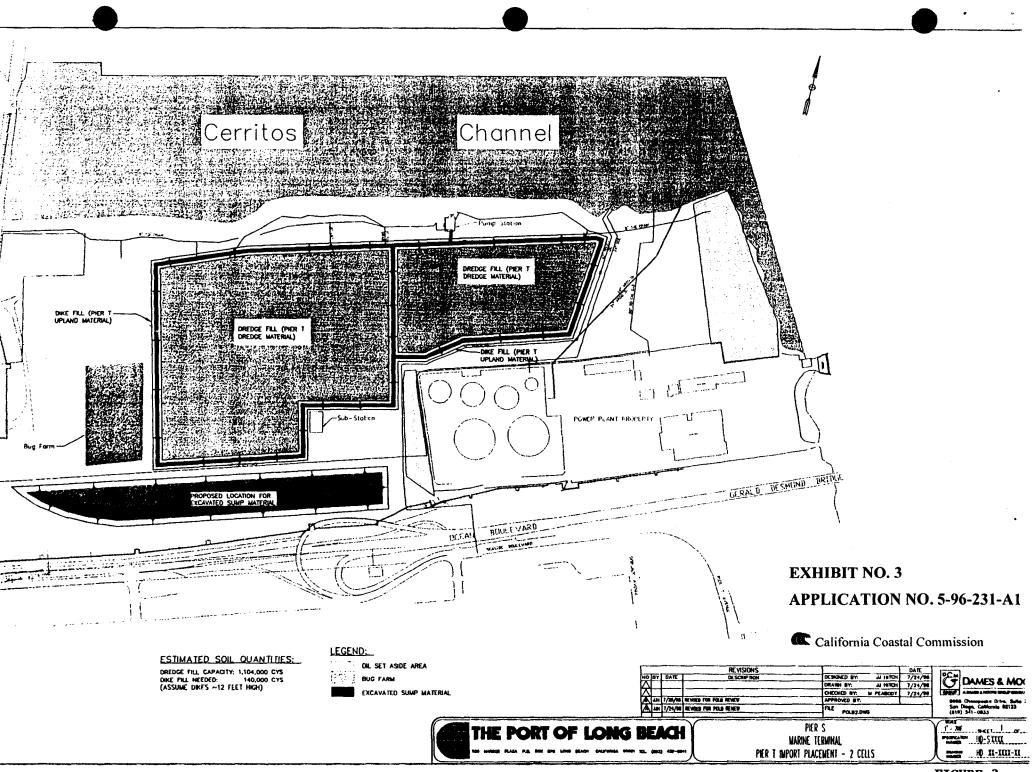


EXHIBIT NO. 4 APPLICATION NO. 5-96-231-A1

CSTF INTERIM ADVISORY COMMITTEE

Proceedings of the Meeting of August 21, 1998

The meeting was chaired by Steven John, US EPA; regular members attending were: Aaron Allen and Terri Ely, ACOE, Jim Raives, CCC (by telephone), Michael Lyons, LARWQCB, Bill Paznokas, CDFG (by telephone), and Mark Gold, Heal the Bay. Mitzy Taggart, Heal the Bay and Dean Smith, LA County Beaches and Harbors, were also present. The project proponent, the Port of Long Beach, was represented by Robert Kanter and Tom Johnson, assisted by Ruth Custance, Dames and Moore.

The Port of Long Beach discussed anticipated dredging and disposal of contaminated sediments over the next 5 years. Representatives from the Port of Los Angeles and U.S. Army Corps of Engineers were not available to discuss planning issues.

The major order of business was to review the Port of Long Beach's proposal to amend its Pier T Marine Terminal Project by adding two new disposal alternatives. The Port's original proposal was to place all dredged material that was unsuitable for unconfined aquatic disposal (NUAD) in a confined aquatic disposal (CAD) site on the south side of the Navy Mole. Both the Coastal Commission and the Water Board issued permits for that project (CDP 5-96-231 and File 96-121, respectively), but the Corps permit was withdrawn before being acted upon.

The Port is seeking permit modifications that would incorporate disposal in Slip 2 of Pier E and on Pier S, as well as the original proposal. The Port would implement one of the three options. The Pier E option would consist of building a closure dike across the mouth of Slip 2, placing all of the NUAD material in the bottom of the slip by bottom-dump barge, clamshell, and hydraulic unloading, placing clean material on top of the NUAD material and between it and the dike, then paving the slip. The NUAD material would be covered by 25 to 40 feet of clean material, base course, and paving.

The Pier S option would incorporate the disposal of Pier T material into the overall upland site fill and remediation of a portion of the site. The site would ultimately be developed into a Port terminal. The Port would hydraulically unload the NUAD material onto the Pier S site and place stabilized sump soils on a portion of the site (approximately 25 acres). Ultimately the entire site will receive at least 10 feet of clean fill, and paving. The lower layers of NUAD material would be in contact with the shallow ground water at Pier S.

The Port's schedule requires that the two new options be approved in November, in order to be able to start dredging in December/January.

The Committee members unanimously agreed that both options are environmentally superior to the original proposal, but expressed a strong preference for the Pier E slipfill option. That option is also the Port's preferred option on financial and engineering grounds.

The Committee discussed the permitting issues associated with the two options. The Port would need to have the two options permitted solely as disposal scenarios for the Pier T project, even

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though each site would be part of a larger terminal development project, because obtaining permits for the other two projects is not feasible in the time frame required. The CEQA/NEPA issues of project purpose need to be addressed in the permitting.

The consensus of the group was that the Pier E option could probably be permitted solely as a disposal site for the Pier T project as long as the permit did not allow the site to be used for other purposes without another permit. Allen and Ely engaged to seek an opinion on the subject from Corps' legal counsel.

The group agreed that the Pier S option, being wholly upland, would not need a Corps permit. However, with respect to the Water Board permit amendment, Lyons and Paznokas stated that the ground water issues were unclear and could delay a decision. The Port stated that it needed the option in case Pier E proved impossible. Kanter, Lyons, and Paznokas agreed to meet with other Water Board staff to clarify the issues.

Gold suggested that the Committee's recommendation to the regulatory agencies be to expedite the Port's applications in recognition of the beneficial nature of the proposal. Raives and Lyons agreed that such a recommendation would be appropriate as long as it were worded so as not to imply pre-approval of the project. Both Raives and Lyons indicated that the projects could be brought before their respective governing bodies for a decision in early November, which would be just in time for the Port to issue its bid specifications on schedule.

Raives asked that whatever option is implemented, the Port provide a "lessons learned" summary at the end of the project for the benefit of the Task Force, which Johnson engaged to do.

The Committee discussed that the fact that the capacity of the Pier E disposal option appeared to be large enough to accommodate contaminated dredged materials from Marina Del Rey. Kanter and Johnson indicated that incorporation of Marina Del Rey dredged material may be feasible as it could displace clean capping or buffer material. The Committee charged Dean Smith and the Port of Long Beach with initiating discussions, as soon as possible, regarding coordination, and receipt of Marina Del Rey dredged material. Implementing these coordinated, regional dredging and disposal operations would require resolution of several issues, including timing of the projects, funding of the Marina Del Rey dredging, and the execution of an indemnification agreement.

ACTION ITEMS:

- Allen and Ely to obtain legal opinion on permitting Slip 2 as a disposal site for Pier T marine Terminal Project
- Port to submit requests for permit amendments to RWQCB and CCC week of August 24
- Lyons to identify RWQCB staff who would assist in evaluating Pier S proposal
- Smith and Johnson to initiate discussions on Marina Del Rey sediment disposal in Pier E.

CALIFORNIA COASTAL COMMISSION 45 FREMONT, SUITE 2000 SAN FRANCISCO, CA 94105-2219 VOICE AND TDD (415) 904-5200



Page 1 of <u>4</u> Date: <u>January 21, 1997</u> Permit Application No. <u>5-96-231</u>

NOTICE OF INTENT TO ISSUE PERMIT

On <u>January 8, 1997</u>, the California Coastal Commission granted to <u>Port of Long Beach</u> Permit <u>5-96-231</u>, subject to the attached conditions, for development consisting of:

Construction of the in-water portion of the Pier T container terminal project, including: (1) excavation of approximately 450,000 cubic yards of earth and rock along the shoreline, and disposal of that material at an upland site on Pier S within the Port; (2) dredging of approximately 2.965 million cubic yards of clean sediment and 730,000 cubic yards of contaminated sediments from the West Basin to create a berthing area and an approach channel with depths of -56 and -51 feet Mean Lower Low Water (MLLW), respectively; (3) disposal of the dredged sediment at an upland site on Pier S, a beach nourishment site within the City of Long Beach, and in-water sites within the Port; (4) construction (using dredged sediments from the West Basin) of a 26-acre permanent shallow water habitat adjacent to the Navy Mole as mitigation for the elimination of existing shallow water habitat in the West Basin, and a 26-acre temporary shallow water habitat adjacent to the Pier 400 causeway; and (5) construction of a confined aquatic disposal (CAD) site within the permanent shallow water habitat for disposal and confinement of contaminated sediments dredged from the West Basin.

more specifically described in the application file in the Commission offices.

The development is within the coastal zone in <u>Los Angeles</u> County at <u>West Basin, former Long Beach Naval Station, Terminal Island, POLB</u>.

The actual development permit is being held in the Commission office until fulfillment of the Special Conditions imposed by the Commission. Once these conditions have been fulfilled, the permit will be issued. For your information, all the imposed conditions are attached.

Issued on behalf of the California Coastal Commission on <u>Jan. 21, 1997</u>.

PETER M. DOUGLAS Executive Director

Я By: Larry Simon

Title: <u>Ports Coordinator</u>

APPENDIX A

NOTICE OF INTENT TO ISSUE PERMIT

Permit Application No. <u>5-96-231</u>

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ACKNOWLEDGEMENT:

The undersigned permittee acknowledges receipt of this notice of the California Coastal Commission determination on Permit No. <u>5-96-231</u> and fully understands its contents, including all conditions imposed.

Date .

Permittee

Please sign and return one copy of this form to <u>Larry Simon</u> at the Commission's San Francisco office.

STANDARD CONDITIONS:

- 1. <u>Notice of Receipt and Acknowledgement</u>. The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
- 2. <u>Expiration</u>. If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
- 3. <u>Compliance</u>. All development must occur in strict compliance with the proposal as set forth in the application for permit, subject to any special conditions set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval.
- 4. <u>Interpretation</u>. Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
- 5. <u>Inspections</u>. The Commission staff shall be allowed to inspect the site and the project during its development, subject to 24-hour advance notice.
- 6. <u>Assignment</u>. The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
- 7. <u>Terms and Conditions Run with the Land</u>. These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

NOTICE OF INTENT TO ISSUE PERMIT

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SPECIAL CONDITIONS:

- All U.S. Army Corps of Engineers Section 404 permit conditions associated with the Port of Long Beach's proposed Pier T project, including all monitoring and remediation requirements, are hereby incorporated into this coastal development permit.
- 2. All California Regional Water Quality Control Board Waste Discharge Requirements associated with the Port of Long Beach's proposed Pier T project, including all monitoring and remediation requirements, are hereby incorporated into this coastal development permit.
- 3. Any amendment to or modification of the Port of Long Beach's Corps of Engineers Section 404 permit, or California Regional Water Quality Control Board Waste Discharge Requirements, for the Pier T project will require the Port to submit an application to the Commission for a corresponding coastal development permit amendment.
- 4. Prior to commencement of dredging and disposal operations, the Port of Long Beach shall submit to the Executive Director, for his review and approval, a water quality and sediment monitoring plan for the CAD site and permanent shallow water habitat area.
- 5. Prior to commencement of dredging and disposal operations, the Port of Long Beach shall submit to the Executive Director, for his review and approval, a written commitment to remediate and mitigate any significant adverse impacts identified by the water quality and sediment monitoring plan required in Special Condition No. 4.
- 6. The Port of Long Beach shall submit to the Executive Director all monitoring reports associated with the Pier T project, the Corps of Engineers Section 404 permit, and the California Regional Water Quality Control Board Waste Discharge Requirements.
- 7. Prior to commencement of dredged material disposal on or offshore of the City of Long Beach, the Port of Long Beach will submit to the Executive Director, for his review and approval, a beach nourishment plan which includes sediment disposal location(s), disposal date and time schedules (including a restriction that disposal for beach replenishment shall not occur from April through October during periods of grunion spawning), and any required approvals from the state and federal resource and regulatory agencies.
- 8. Prior to commencement of dredging activity, the Port of Long Beach shall submit to the Executive Director, for his review and approval, the following:
 - (a) The dredging plan and specifications;

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(b) The post construction CAD site monitoring program;

AND

Prior to completion of the temporary California least tern foraging habitat, the Port of Long Beach shall submit to the Executive Director, for his review and approval, the following:

(c) The monitoring program for the temporary and permanent replacement shallow water least tern foraging area.

The Executive Director shall review these submittals in consultation with the U.S. Army Corps of Engineers (COE) and the U.S. Environmental Protection Agency (EPA). Within two weeks from the date of each submittal, the Executive Director shall seek to resolve any perceived deficiencies in said documents with Port and agency staffs and render his written decision as to the adequacy of the plans or programs. The focus of the Executive Director's review shall be to determine: (a) that the dredging plan protects marine resources during the construction period and includes a requirement that any sediments found to contain hazardous levels of contaminants shall not be placed into a CAD site but shall be disposed of in accordance with all applicable laws and regulations, and contains provisions similar to those contained within Special Conditions 17 through 21, inclusive, of the Port of Los Angeles' Pier 400 Waste Discharge Requirements, as approved by the Los Angeles Regional Water Quality Control Board, except as said provisions may be modified by the Section 404 Permit to require silt curtains or other appropriate control technology for those sediments determined to be unsuitable for unconfined aquatic disposal; (b) that provisions are made for long-term monitoring and remediation, if necessary, of the physical/ chemical integrity of the CAD site, and for periodic review of the monitoring plan; and (c) that monitoring of foraging activity of least terns at the temporary and permanent replacement foraging areas shall be conducted for a minimum of five years with the data to be submitted to the agency conducting the monitoring program for the Terminal Island nesting colony as well as to the Executive Director. The monitoring programs may include a provision to reduce the length of the monitoring period(s) once success has been assured.

It is acknowledged that the COE and EPA and the federal agencies with which they consult in the Section 404 permit process possess the technical expertise to evaluate the subject plans/program.

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