STATE OF CALIFORNIA - THE RESOURCES AGENCY GRAY DAVIS, *Governor*

CALIFORNIA COASTAL COMMISSION

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TO: COMMISSIONERS AND INTERESTED PERSONS

FROM: PETER M. DOUGLAS, Executive Director
Charles Damm, Deputy Director
Al J. Padilla, Ports Coordinator

SUBJECT: Staff Recommendation on Port of Long Beach Port Master Plan Amendment No. 16 (allow a 45.4-acre landfill in slip no. 1 of Pier E and a portion of the East Basin between Piers D, E and F, and use of 22.7 acres of available Bolsa Chica mitigation credits.). For Commission consideration at meeting of March 12, 2001.

SUMMARY OF STAFF RECOMMENDATION

Staff recommends the Commission certify the Port of Long Beach Port Master Plan Amendment No.16, which would allow a 45.4 acre landfill in the Middle Harbor Planning District (Planning District #5). The staff recommends that the Commission find that the proposed amendment conforms with and carries out the port development, water quality, and marine resource policies of Chapter 8 of the Coastal Act.

I. PORT MASTER PLAN AMENDMENT PROCEDURE

Section 30716(a) and California Code of Regulations, Title 14 Section 13636 call for port master plan amendments to be certified in the same manner as provided in Section 30714 of the Coastal Act for certification of port master plans. Section 13628 of the regulations states that upon the determination of the Executive Director that the master plan amendment and accompanying materials required by Section 13628(a) are sufficient, the master plan amendment shall be deemed submitted to the Commission for purposes of Section 30714 of the Coastal Act. The subject amendment was deemed submitted on February 9, 2001. Within 90 days of this submittal date, the Commission, after public hearing, shall certify or reject the amendment, in whole or in part. The Commission may not modify the amendment as a condition of certification. If the Commission fails to take action on the amendment submittal within the 90-day period, without a waiver of the time period by the applicant, the proposed amendment is deemed certified.

Section 30714 also states that the Commission shall certify the amendment if the Commission finds both that:

1. The certified portions of the amendment conform with and carry out the policies of Chapter 8 of the Coastal Act.

2. Where the amendment provides for development listed as appealable in Section 30715, such development is in conformity with all the policies of Chapter 3 of the Act.

The proposed amendment provides for a 45.4 acre landfill within slip #1 of Pier E and a portion of the East Basin between Piers E and F in support of redevelopment and modernization of the existing marine terminal facilities (Pier D, E and F). The amendment would also revise the plan's mitigation table to reflect the use of 22.7 acres of available Bolsa Chica mitigation credits. The proposed amendment does not include appealable development under Section 30715. Therefore, the sole standard of review would, thus, be the policies of Chapter 8.

II. STAFF RECOMMENDATION

The staff recommends the Commission adopt the following resolution:

MOTION: ***I move that the Commission certify the Port of Long Beach Master Plan Amendment No. 16.***

STAFF RECOMMENDATION OF CERTIFICATION:

Staff recommends a **YES** vote. Passage of this motion will result in certification of the Port Master Plan Amendment and adoption of the following resolution and findings. The motion to certify passes only upon an affirmative vote of a majority of the Commissioners present.

RESOLUTION TO CERTIFY PORT MASTER PLAN AMENDMENT:

The Commission hereby certifies the Port of Long Beach Port Master Plan Amendment No. 16 and adopts the findings set forth below on grounds that the amendment is consistent with Chapter 8 of the Coastal Act. Certification of the amendment complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the amendment on the environment, or 2) there are no further feasible alternatives and mitigation measures that would substantially lessen any significant adverse impacts on the environment that will result from certification of the port master plan amendment.

III. FINDINGS AND DECLARATIONS

The Commission finds and declares as follows:

A. Previous Commission Action. The Commission certified the Port of Long Beach Port Master Plan on October 17, 1978. The Commission has reviewed fifteen amendments to the master plan since that date, most recently in December 2000.

B. Contents of Port Master Plan Amendments. Section 30716(a) of the Coastal Act and California Code of Regulations Title 14, Section 13656 call for Port Master Plan Amendments to be certified in the same manner as port master plans. Section 30711 of the Coastal Act provides, in part, that a port master plan shall include all the following:

1. The proposed uses of land and water, where known.

2. The proposed design and location of port land areas, water areas, berthing, and navigation ways and systems intended to serve commercial traffic within the area of jurisdiction of the port governing body.

3. An estimate of the effect of development on habitat areas and the marine environment, a review of existing water quality, habitat areas, and quantitative and qualitative biological inventories, and proposals to minimize and mitigate any substantial adverse impacts.

4. Proposed projects listed as appealable in Section 30715 in sufficient detail to determine their consistency with the policies of Chapter 3 (commencing with Section 30200) of this division.

5. Provisions for adequate public hearings and public participation in port planning and development decisions.

The Commission finds that the proposed Port Master Plan Amendment conforms with the provisions of Section 30711 of the Coastal Act. There are adequate details in the Port Master Plan Amendment submittal and associated materials for the Commission to make a determination of the proposed amendment's consistency with Chapter 8 policies of the Coastal Act.

The draft Port Master Plan Amendment and draft EIR were distributed by the Port of Long Beach for public review and comment on November 6, 2000. One comment letter, from the California Coastal Commission staff, was received. The comment letter was regarding compliance with storm water regulations. On December 11, 2000, the Board of Harbor Commissioners conducted a public hearing on the

proposed amendment. On February 5, 2001, the Board of Harbor Commissioners approved the amendment for submittal to the Coastal Commission.

C. **Appealable Development.** In determining the standard of review for the proposed master plan amendment, Section 30714 of the Coastal Act provides guidance and states in part that:

> *The Commission shall certify the plan, or portion of the plan, if the Commission finds both of the following:*
>
> *(a) The master plan, or certified portions thereof, conforms with and carries out the policies of this chapter.*
>
> *(b) Where a master plan, or certified portions thereof, provide for any of the developments listed as appealable in Section 30715, the development or developments are in conformity with all policies of Chapter 3 (commencing with Section 30200).*

Section 30715(a) of the Coastal Act provides, in part, that:

> *(a) ...After a port master plan or any portion thereof has been certified,... approvals of any of the following categories of development by the port governing body may be appealed to the commission:*
>
> *(1) Developments for the storage, transmission, and processing of liquefied natural gas and crude oil in such quantities as would have a significant impact upon the oil and gas supply of the state or nation or both the state and nation. A development which has a significant impact shall be defined in the master plans.*
>
> *(2) Waste water treatment facilities, except for those facilities which process waste water discharged incidental to normal port activities or by vessels.*
>
> *(3) Roads or highways which are not principally for internal circulation within the port boundaries.*
>
> *(4) Office and residential buildings not principally devoted to the administration of activities within the port; hotels, motels, and shopping facilities not principally devoted to the sale of commercial goods utilized for water-oriented purposes; commercial fishing facilities; and recreational small craft marina related facilities.*
>
> *(5) Oil refineries.*

(6) Petrochemical production plants....

The port's plan amendment does not provide for development listed as appealable in Section 30715(a). Therefore, the standard of review for the proposed amendment is Chapter 8 of the Coastal Act.

D. Summary of Proposed Plan Amendment. The Port of Long Beach proposes to amend its port master plan by obtaining Commission certification for revisions to Table V-1, Port of Long Beach Possible "Minor" Landfill Mitigation, page V-16, to reflect the use of 22.7 acres of the available Bolsa Chica mitigation credits. The proposed amendment will also add the following text to Section *VI*, headed District 5 – Middle Harbor Planning District, under Anticipated Projects:

- Piers D/E/F Marine Terminal Redevelopment and Landfill

  The Port proposes to construct 45.4 acres of net landfill within Slip #1 of Pier E and the East Basin between Piers E and F and develop necessary berth and wharf improvements for the purposes of consolidating, redeveloping, and modernizing the existing 315-acre marine cargo terminal complex into a 360-acre marine terminal. The project will use 22.7 acres of mitigation credits from the Port's participation in wetlands restoration at the Bolsa Chica Lowlands to offset any impacts associated with this "inner-harbor" landfill.

The project site is located in the Middle Harbor Planning District within slip #1 of Pier E and the East Basin between Piers D, E and F (see Exhibit No. 1 and 2). The proposed amendment would allow construction of three separate landfills totaling 45.4 net acres to create a new 360 acre container terminal with a continuous 4,100 foot-long wharf, with a north-south alignment paralleling the Main Channel. The project will also involve removing portions of Pier F, slightly widen Slip #3, and realigning the existing wharf along Berths E-24 through E-26 to accommodate larger container vessels.

Piers D, E and F are used as marine terminals for containerized cargo. The configuration of the existing Piers D/E terminal is characterized by an irregularly shaped land mass of approximately 135 acres, with a series of narrow finger piers left over from historical break-bulk operations. Pier F consists of a more modern layout with a trapezoid-shaped land area of approximately 102 acres. An additional 78 acres will be consolidated from adjacent Port property that are currently used for ancillary support services and break bulk operations. The combined acreage of the existing Piers D, E and F terminals is 315 acres. Water access for the existing terminals is provided by use of the common East Basin, which separates the two terminals. Ship berthing areas at the existing terminals are oriented east-to-west on Pier F and north-to-south on the Pier E area.

According to the Port, the current tenant at Pier F is relocating to the existing Pier A marine terminal. This relocation has afforded the Port with the opportunity to

modernize by combining the existing Piers D, E, and F marine terminals into one large, efficient marine terminal.

Continued cargo growth from trade with Asia, development of large post-panamax vessels and carrier consolidations in the maritime industry, have necessitated the development of 300+ acre marine terminals. In an effort to modernize the existing terminal facility, the proposed amendment would fill the common berthing slip and create a new 4,200-foot long wharf in the Southeast Basin, with an east-west alignment.

The filling of the slip will create a new 360 acre container terminal with a continuous 4,100 foot-long wharf. The project will also involve removing portions of Pier F, slightly widen Slip #3, and realigning the existing wharf along Berths E-24 through E-26 to accommodate larger container vessels (see Exhibit No. 3). The proposed landfill will allow cargo handling and staging operations to occur directly adjacent to the ship berthing and loading areas thereby increasing terminal efficiencies and limiting unnecessary cargo movements within the terminal. This enhancement will also allow the terminal operators to stage cargo for incoming vessels, which will decrease loading times and further improve terminal efficiencies.

As proposed, the project will be constructed in four phases over a period of eight to eleven years. This phasing, in part, is necessary to allow the current terminals to continue operating during construction activities. The first phase would involve the construction of a 22.5-acre landfill in Slip #1, landfill on Pier F for the subsequent construction of a 1,200-foot, wharf and removal 9.9 acres from Pier F. The first phase would be constructed between 2001 and 2004. The second phase of construction would involve completion of the Pier F wharf and redevelopment of existing backland terminal areas. The second phase would be constructed during 2004 and 2005. The third phase of construction will include construction of a 33.3 acre landfill in the East Basin, removal of 8.4 acres during the widening of Slip #3, and construction of a 950 foot wharf connecting Piers E and F. The third phase will be constructed between 2003 and 2007. The final phase of construction would involve replacement of the existing Pier E wharf structure and redevelopment of existing backland terminal areas between 2007 and 2009.

The proposed landfill would require approximately 1.58 million tons of rock for construction of the new wharf, and approximately 6.15 million cubic yards of fill material. Fill material would be obtained from other Port projects such as the Naval Complex Reuse, Queensgate Main Channel Deepening, and/or various dredging activities throughout the Harbor District. Additionally, fill material would be obtained from the dredging projects related to this Amendment, including removal of Pier F, widening Slip #3, and deepening the area adjacent to the new wharf. All listed potential sources of fill material have received regulatory approvals, including the necessary approvals from the Coastal Commission.

The filling of the common berthing slip would also result in the loss of deep-water marine habitat in the Port's inner harbor area. The loss of marine habitat would be unavoidable since the project is infeasible without the landfill. To compensate for the loss of marine resources, the Port intends to apply mitigation credits from the Harbor Landfill Mitigation Credit Account approved by the Coastal Commission through certification of Port Master Plan Amendments No. 8 and 10.

In 1998 (PMPA # 12), the Commission approved a 30 acre landfill in Slip #2 on Pier E (see Exhibit No. 4). The approved landfill is currently under construction. The landfill will be incorporated into the proposed marine terminal expansion as proposed under this amendment request.

E. Conformance with the Coastal Act. In order for the Commission to certify the proposed amendment, the Commission must determine that the amendment conforms to Chapter 8 policies of the Coastal Act. The following sections discuss the proposed development and its conformance with the applicable Chapter 8 policies.

1. Allowable Development

Section 30705 of the Coastal Act states:

(a) Water areas may be diked, filled, or dredged when consistent with a certified port master plan only for the following:

(1) Such construction, deepening, widening, lengthening, or maintenance of ship channel approaches, ship channels, turning basins, berthing areas, and facilities as are required for the safety and the accommodation of commerce and vessels to be served by port facilities.

(2) New or expanded facilities or waterfront land for port-related facilities.

(3) New or expanded commercial fishing facilities or recreational boating facilities.

(4) Incidental public service purposes, including, but not limited to, burying cables or pipes or inspection of piers and maintenance of existing intake and outfall lines.

(5) Mineral extraction, including sand for restoring beaches, except in biologically sensitive areas.

(6) Restoration purposes or creation of new habitat areas.

(7) Nature study, mariculture, or similar resource-dependent activities.

(8) Minor fill for improving shoreline appearance or public access to the water.

Goal 5 of the Port Master Plan recommends that land be developed for primary port facilities and port-related uses through intensification of uses, redevelopment of existing land, minor landfills, and enhancing port services located outside of the Harbor District. The proposed Piers D, E, and F marine cargo terminal is consistent with Goal 5 of the Port Master Plan through incorporation of the existing land area of the site and minor landfill. The filling of the berthing slip and construction of a new wharf reduces the immediate need for major landfill projects to meet current terminal expansion demands.

Piers D, E and F terminals currently provide 10,258 linear feet of berthing space (4,650 feet of container berthing length and 5,608 feet of break-bulk berthing space). The proposed landfills will result in a reduction of berthing space to 5,027 linear feet, or 4,100 feet of container berthing length and 927 feet of break-bulk berthing space. According to the Port, the loss of break-bulk berthing space is reflective of the redevelopment of break-bulk terminal area for containerized cargoes. Although the proposed 4,100 foot wharf is less than the existing container berth length, a continuous 4,100-foot wharf allows up to four vessels to berth at one time, and allows greater utilization of ship loading equipment and labor than two separated wharves. According to the Port the reduced wharf length is adequate for a marine terminal of this size.

The Commission, therefore, finds that the proposed landfill, for the creation of a marine cargo terminal, is for port-related facilities and is allowable under Section 30705(a).

2. **Project Need.**

Section 30701 of the Coastal Act states:

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 states:

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:

(a) The water area to be filled shall be the minimum necessary to achieve the purpose of the fill.

The Coastal Act policies require that any approved landfill be the minimum necessary in order to achieve the purpose of the project. In this regard, the Commission has required that the port demonstrate the need for any proposed landfill through the use of a well-documented and conservative approach to justify the requested landfill acreage.

The proposed project involves filling approximately a net of 45.4-acres of water surface between Piers E and F. The landfill will allow the two separate terminals to be combined and used as a more efficient single terminal. The Port states that:

> Without the fill project, the combined terminal areas would be split by the East Basin which is not conducive to the efficient movement of cargo. If the basin was maintained, cargo would need to be shuttled and repositioned between the opposing berths in a combined terminal configuration. The proposed landfill will allow cargo handling and staging operations to occur directly adjacent to the ship berthing and loading areas, thereby increasing terminal efficiencies by limiting unnecessary cargo movements within the terminal. This enhancement will also allow the terminal operators to stage cargo for incoming vessels, which will decrease loading times and improve terminal efficiencies.

The Port has indicated that forecasts for the amount of containerized cargo expected to move through the port is estimated at an average increase of between 3.8 percent and 5.6 percent per year through the year 2020 (Wharton Econometric Forecasting Associates, 1993). Port statistics show that the actual growth in containerized cargo volume has exceeded the forecasts. According to the Port, actual growth between 1980 and 1997 was 11.7 percent. By the year 2020, cargo throughput at the San Pedro Bay ports is estimated to exceed 12 million TU (Twenty-foot equivalent Units), more than tripling current cargo flows (Mercer/DRI 1998).
The Port states that:

> For the Port to accommodate this increasing flow of international cargo, additional cargo handling facilities are necessary. Additional cargo handling capacity is typically created through expansion of existing facilities, or construction of new facilities on available land or new landfill sites. Where possible, the Port has acquired private land areas within the Harbor District and surrounding area to accommodate the construction of new facilities on existing land area. As available land areas within the Long Beach Harbor District are developed for marine cargo terminal purposes, minor landfill projects such as the proposed project, will postpone the need for future major landfill expansion projects within the Port or other areas of the State.

Based on the Port's analysis, growth in containerized cargo volume has exceeded Port forecasts and, in order to accommodate this growth, additional and more efficient cargo handling facilities are necessary. The Port of Long Beach has been acquiring and developing existing land areas for development of port uses. Without a major landfill, the Port is attempting to increase the operating efficiencies within the Port by reuse of existing parcels of land and minor landfills. In addition, the Port has administered a policy of consolidating ancillary uses and oil operations located throughout the Harbor District to allow expansion of existing marine terminals. The Port has also been constructing on-dock and near-dock rail yards and other rail related infrastructure improvements to limit congestion and improve the movement of cargo through the terminals and the Port.

An alternative to the proposed landfill discussed in the EIR, is the construction of a new landfill site. Under this alternative the new site would include berthing, rail, and terminal facilities similar to that found on Piers D, E and F. In order to provide an area comparable to the proposed project and to provide similar facilities, the alternative would require filling 360 acres of open water with an estimated 29 million cubic yards of material, 17,000 feet of enclosed dike, and 4,250 feet of concrete pile supported wharf. The impacts associated with filling 360 acres would be substantially greater than filling the 45.4 acres under the proposed project, in terms of water quality, bioligical resources, vessel transportation, and possibly with risk management, depending on the location of the fill site.

Therefore, by consolidating and expanding existing terminals, the amount of additional landfills and associated impacts are significantly reduced. The proposed landfill is the minimum necessary to expand the existing terminal and is consistent with Section 30706(a). The Commission, therefore, finds, that the proposed landfill will be the minimum necessary in order to achieve the purpose of the project, will provide additional area for a high priority port use and will be consistent with Section 30706(a) and 30708(c) of the Coastal Act. The Commission notes that the Commission and other state and federal regulatory agencies that review port development and expansion in southern California consistently urge the Port of Long Beach (and other ports and agencies that dredge in coastal waters) to pursue

alternatives to ocean dumping of dredge material. The anticipated project will provide an alternative to ocean dumping.

3. Biological and Water Quality Impacts of Landfill and Mitigation Measures.

Section 30705 of the Coastal Act states in part:

> *(b) The design and location of new or expanded facilities shall, to the extent practicable, take advantage of existing water depths, water circulation, siltation patterns, and means available to reduce controllable sedimentation so as to diminish the need for future dredging.*
>
> *(c) Dredging shall be planned, scheduled, and carried out to minimize disruption to fish and bird breeding and migrations, marine habitats, and water circulation. Bottom sediments or sediment elutriate shall be analyzed for toxicants prior to dredging or mining, and where water quality standards are met, dredge spoils may be deposited in open coastal water sites designated to minimize potential adverse impacts on marine organisms, or in confined coastal waters designated as fill sites by the master plan where such spoil can be isolated and contained, or in fill basins on upland sites. Dredge material shall not be transported from coastal waters into estuarine or fresh water areas for disposal.*

Section 30706 of the Coastal Act states in part:

> *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 states in part:

> *All port-related developments shall be located, designed, and constructed so as to... (a) Minimize substantial adverse environmental impacts.*

The Port of Long Beach's final EIR for the proposed amendment addresses the potential for adverse effects on marine resources. The EIR states that within the project site there are three types of habitat: (1) deep- water (-35 to –55 feet), soft-bottom habitat, and fabricated subtidal and intertidal solid substrates (pilings and bulkheads). No mudflats or sandy beaches occur within the proposed site.

According to the EIR, the soft-bottom infaunal community is dominated by polychaete worms, amphipods, and bivalve mollusks, and crustaceans (amphipods, etc.) The marine ichthyfauna is dominated generally by northern anchovy and Pacific Sardine. There is also white croaker, queenfish and California halibut.

The project area is not considered significant habitat area for any sensitive fish or wildlife species. The California least tern, which is a State and Federally-listed endangered bird species, nests over three miles away, on Pier 400. No foraging is known or expected to occur in the proposed project area.

The proposed landfill would require the placement of approximately 45.4 acres of fill. Fill will consist of approximately 6.15 million cubic yards of fill material and 1.58 million tons of quarry rock for the construction of the dikes. Therefore, the 45.4 acre landfill will result in a net loss of approximately 45.5 acres of "inner-harbor" marine habitat (see Inner-Harbor Area map, Exhibit No. 5).

According to the Port, the loss of marine habitat would be unavoidable since the project is infeasible without the landfill and all other alternatives discussed in the EIR are infeasible or more environmentally damaging. To compensate for the loss of marine resources, the Port intends to apply mitigation credits from the Harbor Landfill Mitigation Credit Account approved by the Coastal Commission through certification of Port Master Plan Amendments No.8 and No.10.

The Harbor Landfill Mitigation Credit Account was created through the Port's participation in a multi-agency wetland restoration at the Bolsa Chica lowlands. The Commission approved the Port landfill mitigation credit account in Port Master Plan Amendment No. 8. Under PMPA No. 8, mitigation credits would be obtained by the Port through funding of land acquisition and wetland restoration at the Bolsa Chica lowlands. The Port's participation created a total of 267 acres of landfill mitigation credits (Port Master Plan amendments No.8 and No.10) to be used for future landfill projects. The Commission found that the proposed wetland restoration project at Bolsa Chica would adequately compensate for marine resource losses that would occur from landfill projects within the port.

Under PMPA No. 8, the Port can use the mitigation credits at a ratio of 1:2 for "inner-harbor" landfills and 1:1 for "outer-harbor" landfills. The proposed landfill site is located in an "inner-harbor" area. The proposed "inner-harbor" 45.4 acre landfill will require 22.7 acres of the available Bolsa Chica mitigation credits based on the "inner-harbor" mitigation ratio of 1:2. This will reduce the remaining available mitigation credits (approximately 208.25 acres) in the account to a total of approximately 185.55 acres, once the landfill project is constructed.

The proposed amendment would permit activities that would generate adverse effects on marine habitat and resources, primarily as a result of loss of marine habitat due to

filling. Adverse effects on existing marine life and habitat will be permanent due to filling and the loss of habitat area. However, the Port, based on the Commission approved mitigation ratios, will use 22.7 mitigation credits that have been accumulated through the Bolsa Chica Harbor Landfill Mitigation Credit Account. The use of mitigation credits for port landfill projects has been approved by the Commission as proper mitigation for loss of habitat within the Ports. The Commission has found that by purchasing mitigation credits for the restoration of Bolsa Chica wetlands, adverse landfill impacts on marine habitat would be minimized and would provide numerous beneficial uses consistent with the public trust.

Furthermore, the anticipated project, will use the existing land areas surrounding the Middle Harbor and the Navy Mole to shelter the area from future siltation and ocean currents. Although minimal dredging will be necessary for construction of the dike and wharf structures, the existing approach channel is of adequate depth to accommodate current deep-draft vessels used in international shipping. Future maintenance dredging is not anticipated due to the sheltered configuration of the Middle Harbor area.

The Commission, therefore, finds, that the proposed landfill will be consistent with Section 30705(b)(c) and 30706(b) of the Coastal Act.

a. **Water Quality**. Dredging of material in the vicinity of the closure dike, placement of fill, armor rock, and pier pilings would result in short-term impacts to existing water quality due to resuspension of sediments and, possibly, sediment-associated contaminants. Short-term, insignificant turbidity increases would be expected during construction.

All dredging and in-water disposal activities would be carried out in accordance with Federal (U.S. EPA and U.S. Army Corps of Engineers) and State (Regional Water Quality Control Board) regulations and permit conditions.

Wharf construction, including pile driving and vessel operations, would result in local, insignificant water quality impacts. The proposed amendment would permit activities that may generate long-term and short-term adverse effects on water quality, primarily as a result of construction activities. Dredging of material, placement of fill, armor rock, and pier pilings, could result in short-term impacts to existing water quality due to resuspension of sediments and, possibly, sediment-associated contaminants.

Through the Port's permitting process the Port will require control measures, such as the use of silt curtains during construction activities to reduce any potentially significant water quality degradation to a level of insignificance and other Best Management Practices (BMP's) for the operation consistent with their Master Storm Water Program. These controls will be consistent with the requirements of the Clean

Water Act's NPDES permit for construction activities. Moreover, all construction and dredging activities will be carried out in accordance with Federal and State regulations and permit conditions.

Furthermore, the Port of Long Beach has developed a comprehensive Master Storm Water Program and requires all projects to implement structural and operation BMP's as part of the Port's Harbor Development Permit (Coastal Permit) process consistent with their Master Storm Water Program.

The Port's Master Storm Water Program was developed by the Port in 1992 to comply with the requirements of the National Pollution Discharge Elimination System (NPDES) General Permit for storm water discharges associated with industrial activities and with the State of California storm water regulations. The Program provides program documentation and serves as a comprehensive reference to address water quality concerns associated with storm water within the Long Beach Harbor District. The Program was developed as a comprehensive approach to achieving compliance for tenant and private facilities located throughout the Harbor District.

The Program addresses compliance not only with the General Permit for industrial activities but also compliance with the General Permit for Storm Water Discharges associated with construction activity and the City of Long Beach NPDES Municipal Storm Water Permit. The Port continuously re-examines and refines their Master Program.

The Program is a comprehensive program with regards to requirements for BMPs, covering construction, operation, maintenance and monitoring. The Commission's water quality specialists have reviewed the Port's Program and state that the Program is a good comprehensive program which will improve the quality of runoff.

Therefore, the Commission finds that with the addition of the proposed mitigation measures, as required through the State and Federally permitting process, and compliance with those standards, the adverse effects on marine resources or water quality will not be significant and the amendment is consistent with Sections 30705(b)(c) 30706(b), and 30708(a) of the Coastal Act.

4. Terminal Operation and Vessel Traffic

Section 30708 of the Coastal Act states in part:

> *All port-related developments shall be located, designed and constructed so as to...(b) Minimize potential traffic conflicts between vessels...(e) encourage rail service to the port areas and multi-company use of facilities.*

The proposed Port Master Plan Amendment will allow construction of 45.4 net acres of landfill within the East Basin between Piers E and F, and construction of a 4,100-foot wharf. The proposed project will allow the consolidation and expansion of two adjacent marine cargo terminals. The consolidation will allow the more efficient handling of cargo and allow the accommodation of larger vessels. This will help minimize the number of vessels while increasing productivity and reducing loading times. This will free up berths and minimize traffic conflicts. Furthermore, a 24-acre on-dock rail yard will be constructed to serve this terminal complex. Expansion of existing terminal areas and incorporation of on-dock rail yards will increase efficiency and modernize the existing terminal facilities. The Commission, therefore, finds that the amendment is consistent with Sections 30708(b) and (e) of the Coastal Act.

5. Risk Management Plan

Section 30708(a) of the Coastal Act requires that all port-related developments be located, designed and constructed so as to minimize substantial adverse environmental impacts. The Commission certified the Ports' Risk Management Plan (RMP) on June 16, 1981, as Port Master Plan Amendment No. 1.

The Commission certified RMP is to be used for the siting of new hazardous liquid cargo facilities and any proposed modification, expansion or relocation of existing hazardous liquid cargo facilities in a manner that minimizes or eliminates risks to life and property in and around the port through the physical separation of hazards and "vulnerable resources". Vulnerable resources are defined in the RMP as significant residential, recreational and working populations, and facilities that have high economic value or are critical to the economy or national defense.

The risk to "vulnerable resources" from hazardous materials is analyzed by determining the area in which people would be hurt and property would be damaged if a "worst case" accident occurred. The area where "vulnerable resources" could be injured or damaged by a worst case accident is called a "hazard footprint". The boundary of a hazard footprint is determined by calculating the distance at which impacts of the worst probable events will be reduced to levels that are not likely to cause injury or property damage.

The generally does not allow placement of vulnerable resources within a hazard footprint. The design criteria of the RMP recognizes that there are situations where vulnerable resources may be located within a hazard footprint area. Under these situations, application of additional protection measures such as the installation of an approved early warning system, development of a comprehensive emergency evacuation plan, or personal training, may be required.

In the Port's analysis of the project there were no hazard footprints in the vicinity of the proposed project. Furthermore, the proposed cargoes that would be handled at the proposed marine cargo terminal would not include hazardous liquid bulk facilities and the terminal will not create any new hazardous liquid cargo facilities. Therefore, the Commission finds that the proposed project will be consistent with the Ports RMP and will minimize substantial adverse environmental impacts consistent with Section 30708(a) of the Coastal Act.

5. Summary

In summary, the Commission finds that the proposed port master plan amendment will allow the Port of Long Beach to construct needed cargo and shipping facilities and other port related facilities, and all adverse impacts to the marine environment will be adequately mitigated. As proposed, the port master plan amendment is consistent with all applicable procedural provisions and policies of the California Coastal Act of 1976.

6. Consistency with the California Environmental Quality Act (CEQA).

The California Environmental Quality Act (CEQA) requires less environmentally damaging alternatives to be considered and the imposition of mitigation measures to lessen significant adverse effects that may result from the proposal. The Commission finds that for the reasons discussed in this report, all adverse effects have been mitigated to a level of insignificance thus there are no additional feasible alternatives or feasible mitigation measures available that could substantially reduce any adverse environmental impacts. The Commission further finds that the proposed Port Master Plan amendment will not result in significant environmental effects within the meaning of the California Environmental Quality Act.

Exhibit 1.1-1. Project Regional Setting

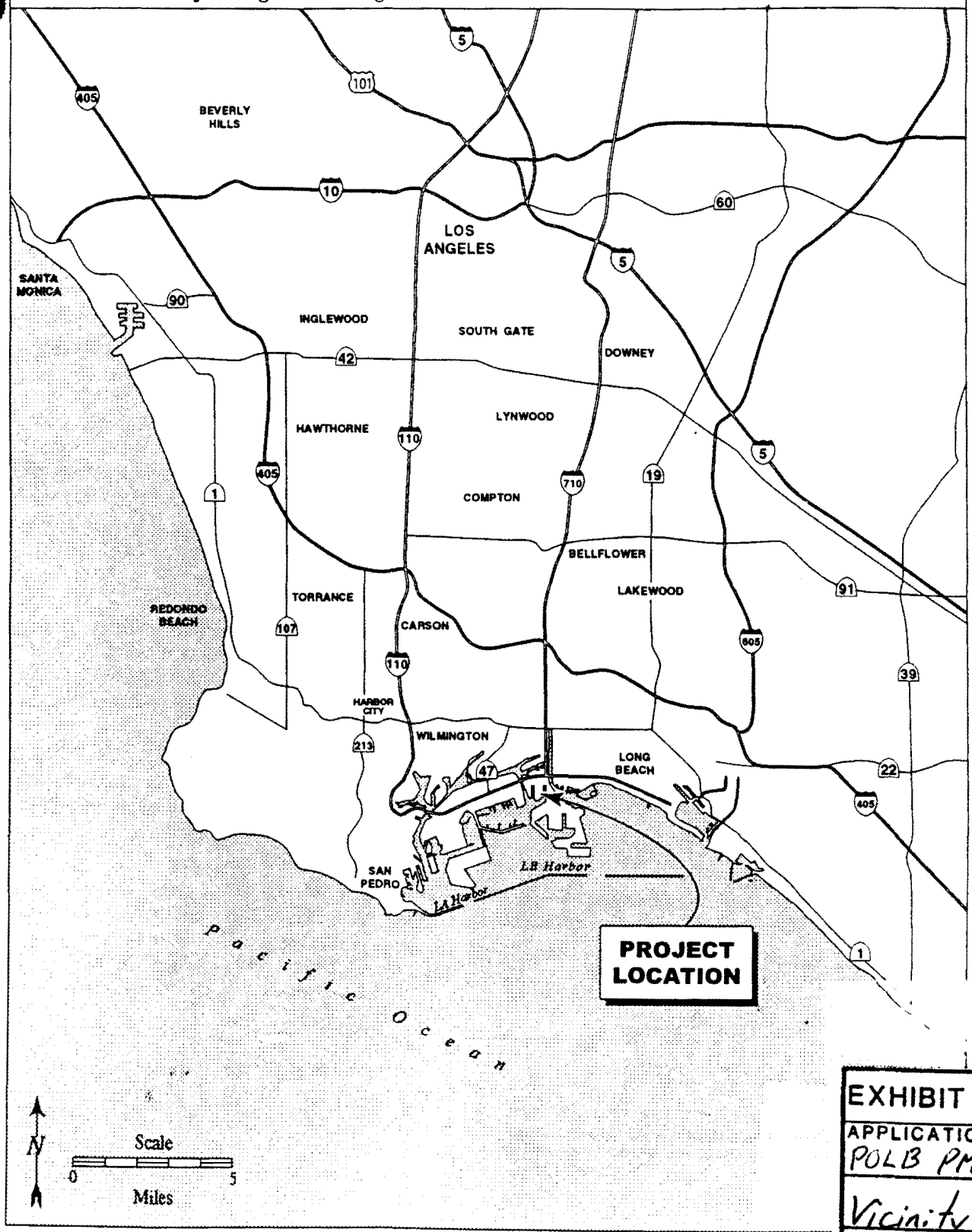


EXHIBIT NO. 1
APPLICATION NO. POLB PMPA #16
Vicinity Map
California Coastal Commission

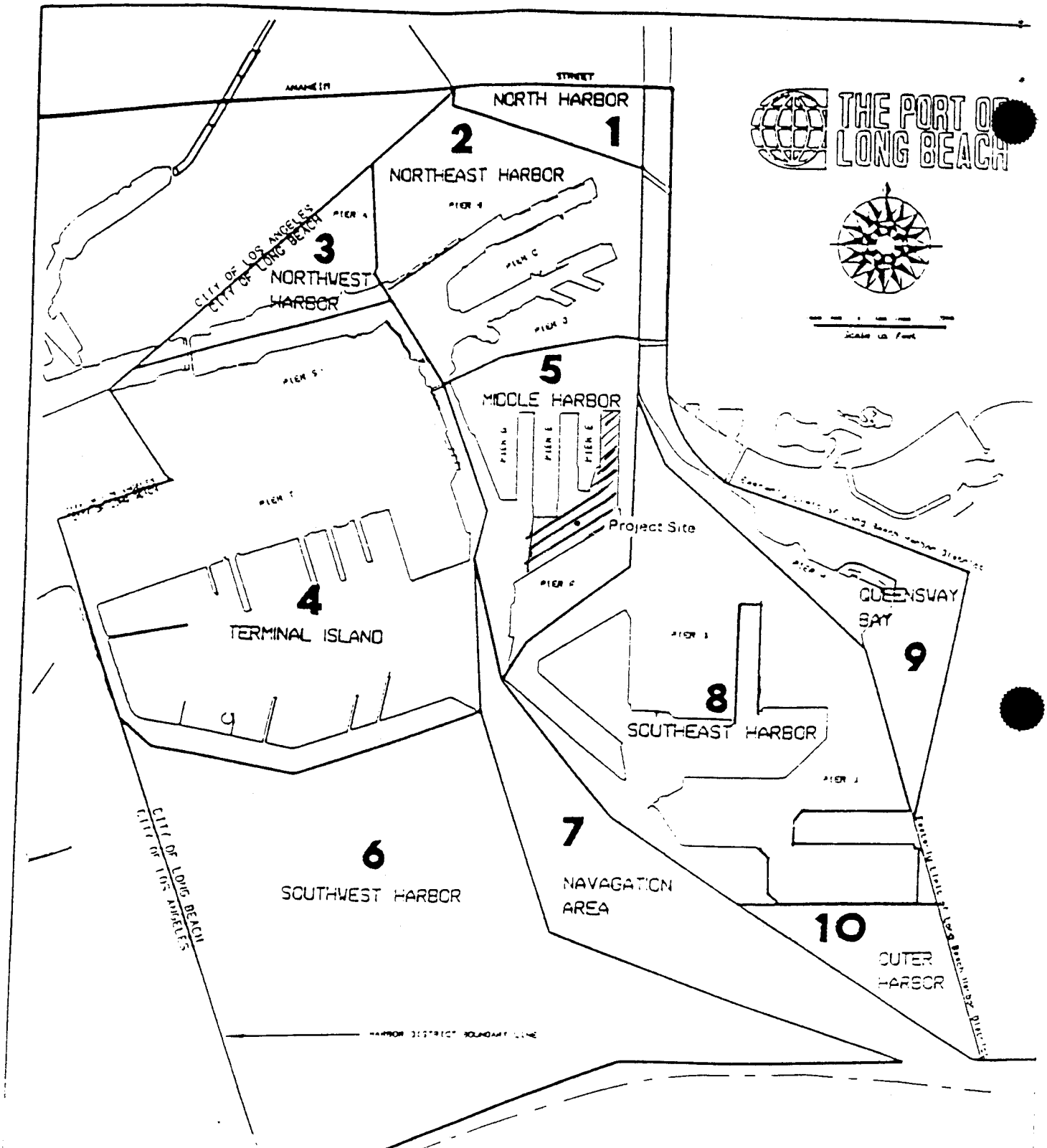


Figure 1.
Port of Long Beach Planning District Map

EXHIBIT NO. 2

Application Number

POLB PMPA #16

Harbor District Map

California Coastal Commission

Proposed Conditions, Piers D/E/F Project Area

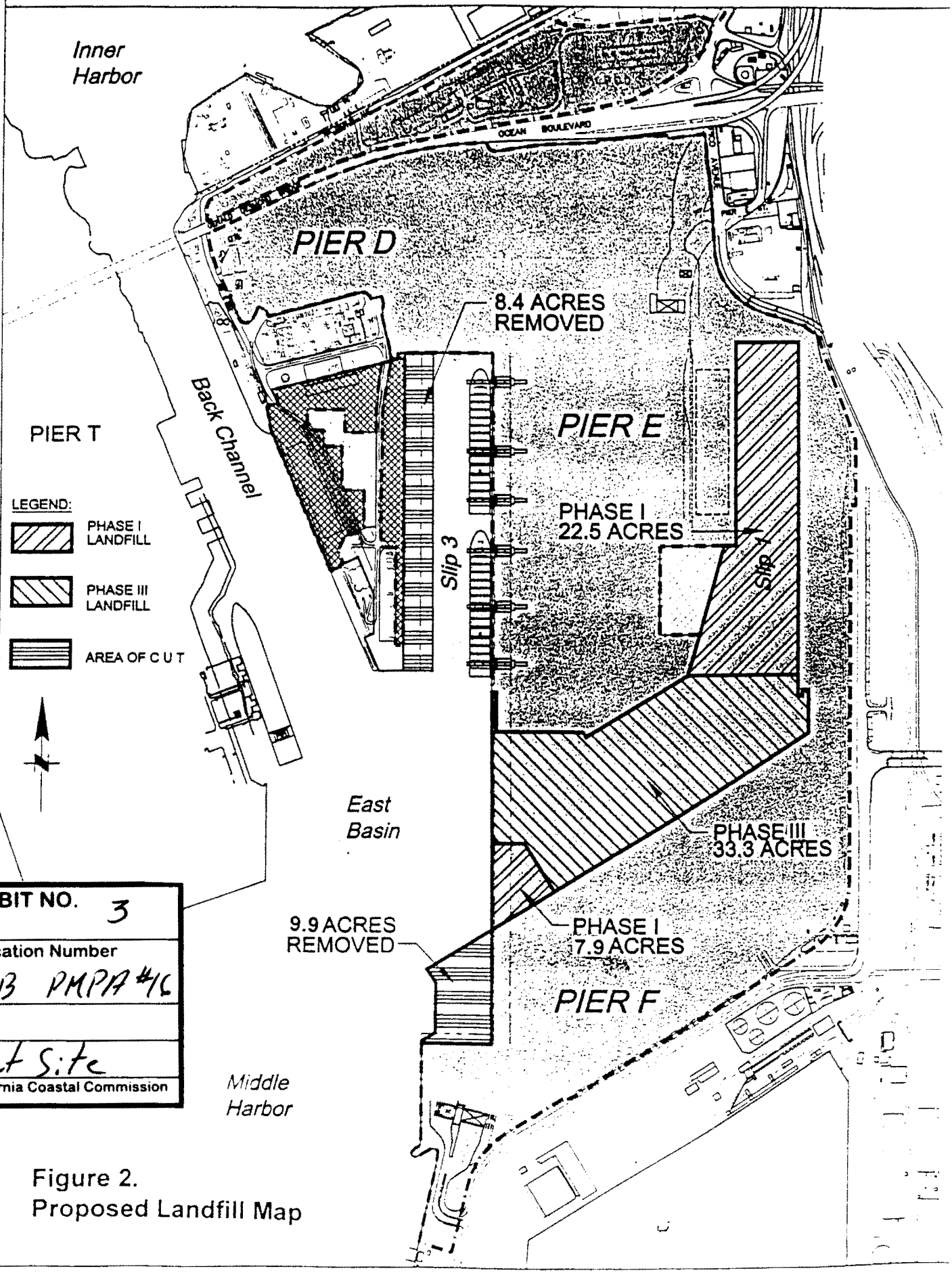


EXHIBIT NO. 3

Application Number

POLB PMPA #16

Project Site

California Coastal Commission

Figure 2.
Proposed Landfill Map

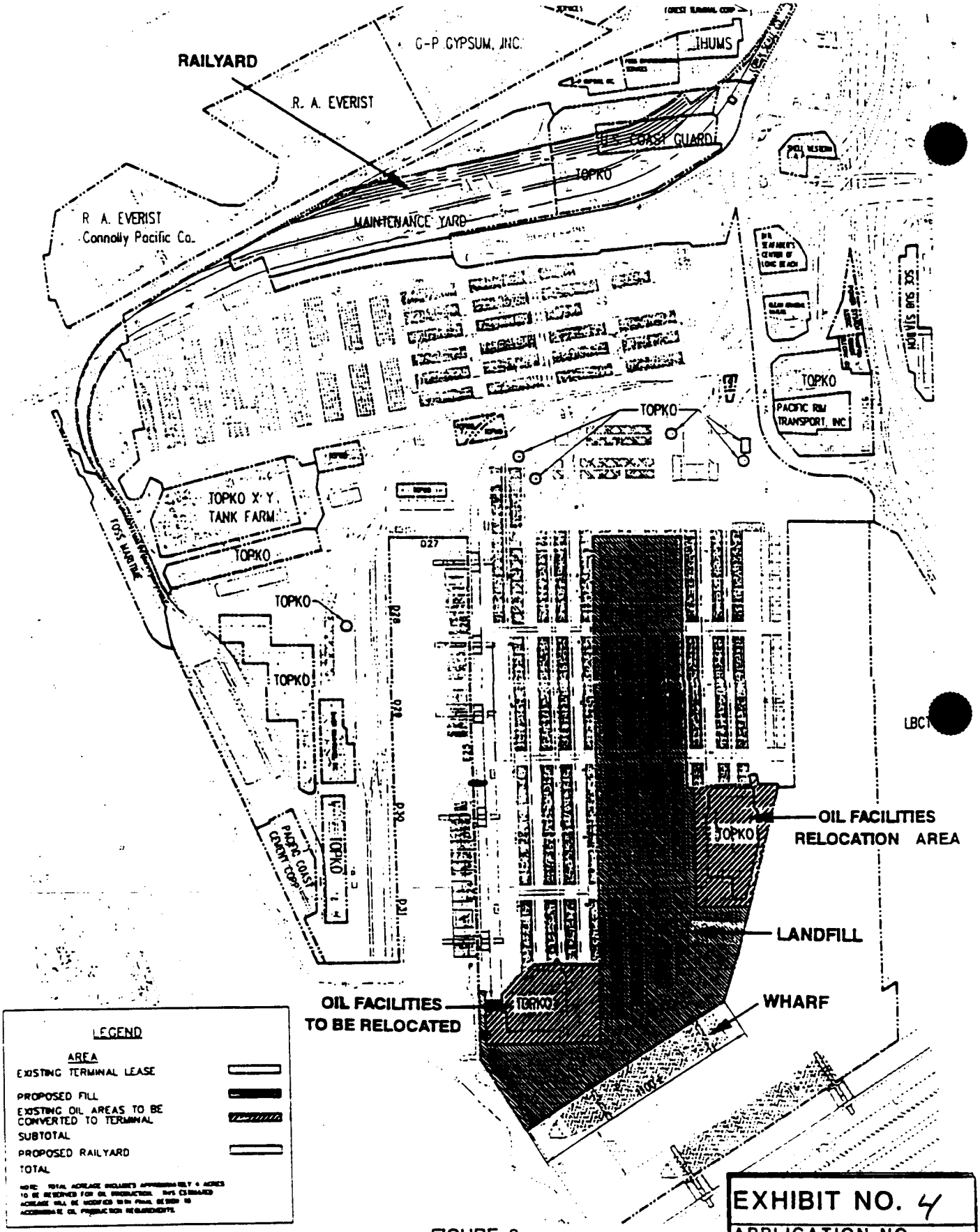


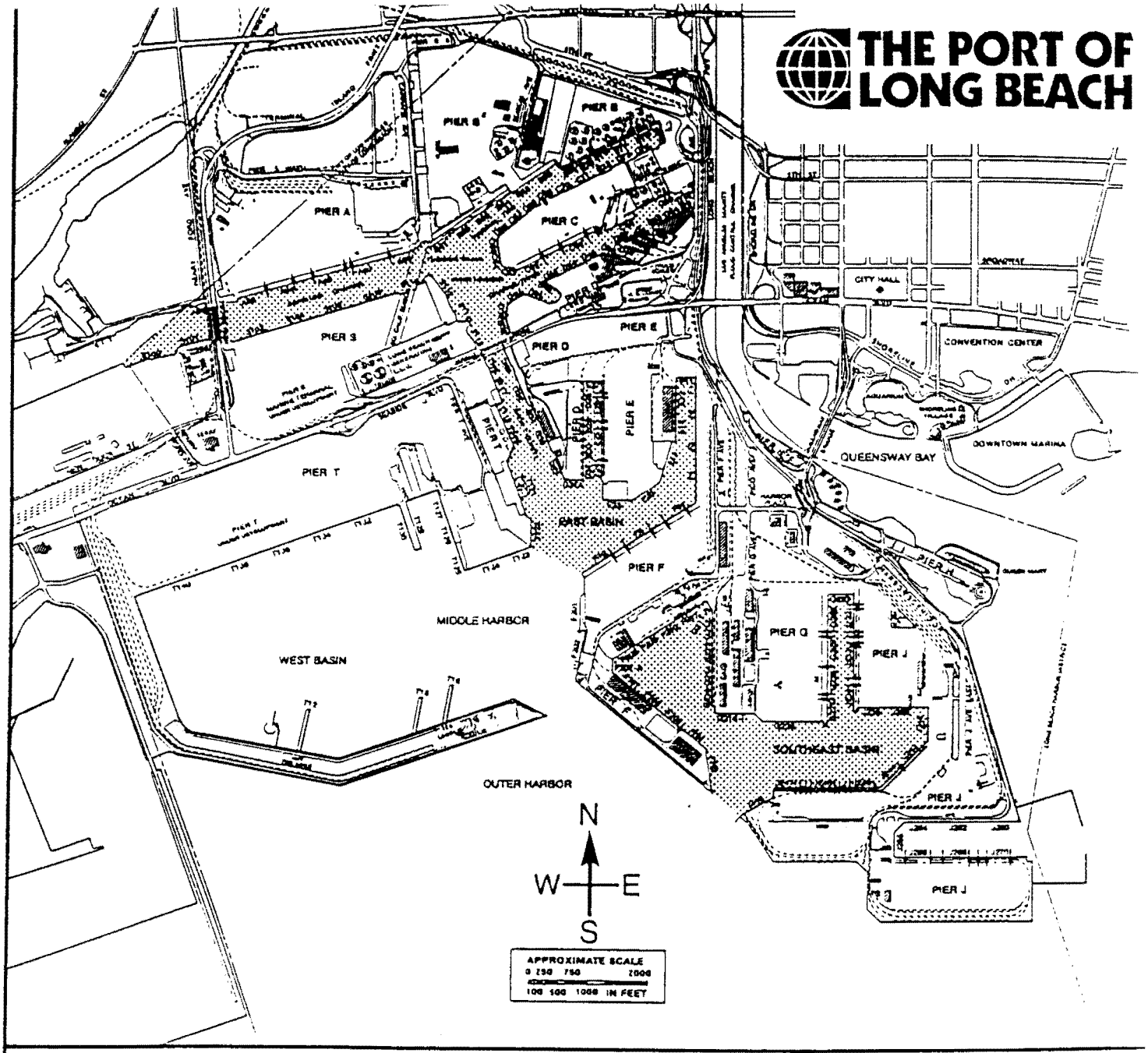
FIGURE 2

DEVELOPMENT SITE MAP

CALIFORNIA UNITED TERMINALS (CUT) FACILITY EXPANSI
PIERS D&E, BERTHS D28-D39 AND E11-E-27
LONG BEACH, CALIFORNIA
For The Port of Long Beach

REFERENCE: The Port of Long Beach, Development Site Map, 1997.

EXHIBIT NO. 4
APPLICATION NO.
POLB PMPA #16
Fill Project for Sl
Approved under POLB
PMPA #12
California Coastal Commission



Inner Harbor Area

EXHIBIT NO. 5

Application Number

POLB PMPA #16

Inner Harbor

Area Map

California Coastal Commission

Figure 3.
Inner Harbor Area Map