

Agenda Item #8

From: Jim Levine [mailto:Jim.Levine@upstream.us.com]
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Sent: Fri, 27 May 2011 17:02:04 -0700
Subject: Collinsville Plan Revisions for June 2 mtg

Hi Tim:

As in my voicemail of today, we are OK with the deletion of water-dependent industrial designations for much of our Collinsville property, but would like some additional language in the findings and policy sections you are revising to reflect that renewable energy development is an acceptable target use. As you know, Montezuma Wetlands is a major energy purchaser, and our quest is to become a net "green" energy producer to offset any emissions on-site, and to help California achieve its greenhouse gas reduction goals. As we have discussed with Joe leClair previously, we are putting together a formal proposal for a wind and solar project on our site, that would use agricultural, industrial and possibly some marsh protection land, and we don't want the current discussion on future use to ignore this opportunity in favor of an unlikely future traditional port facility.

This is not really a stretch for industrial use land, in that we believe every opportunity must be examined to support renewable energy production if we are even to come close to achieve the AB32 goals. We have found that having deep-water access and facilities on our site will allow us to bring in wind turbine and other energy facility components with fewer impacts than trucking options down

Collinsville Rd. Furthermore, our initial planning has indicated that due to significant spacing between facilities, a wind and solar project on our site could be built in a way that would not preclude additional water-dependent industrial development at the site.

Let me know your thoughts on the language we are proposing. We understand that any proposal we later make would be viewed on its merits and impacts, but we didn't want the current language to imply that renewable energy shouldn't be considered in the mix of possible future uses.

Thanks for your work on this.

Jim Levine, Manager
Montezuma Wetlands LLC

- (1) Amend the Bay Plan Map 3 to delete an approximately 2,400 acre portion of the water-related industrial priority use area;
- (2) Amend the Marsh Plan findings and policies for water-related industry and the Marsh Plan maps to reflect the reduction in size of the priority use area; and
- (3) Revise the Resolution 16 boundaries of the water-related industrial priority use at Collinsville.

Proposed Specific Changes to the Marsh Plan

The staff recommends that the Marsh Plan findings and policies for water-related industry be changed as follows:

(Add underlined text and delete struck-through text)

The San Francisco Bay Plan (1969) designated priority areas for use by water-related industries around the Bay. ~~Four~~ Two of the sites are located adjacent to the Suisun Marsh, and have high potential for water-related industrial use. ~~Other areas are unlikely to provide good locations for water related industry and also have significant environmental values related to the Suisun Marsh.~~

Findings

1. Water-related industry ~~and ports are~~ is of great value to the regional economy of the San Francisco Bay Area. Although the future demand for new water-related industries is not expected to be great, the supply of deep-draft sites suitable for water-related industry use in the Bay Area is limited. The San Francisco Bay Plan reserves two deep-draft water-related industry ~~and port~~ priority use areas adjacent to the Suisun Marsh. Most of the Benicia site, which is located on the southwestern edge of the Marsh, is already developed. The Collinsville site on the southeastern side of the Marsh ~~is the largest vacant site with~~ has deep-water access ~~within the Bay Area and therefore is~~ may be important in the future development of water-related industry ~~and port~~ uses. *and access to unique wind resources,*

2. ~~Water-related industrial sites in the Bay Area with shallow draft access are not as scarce as deep draft sites. In addition, the demand for shallow draft sites is presently low, although technological advances could increase demand in the future. Industrial demand for the Bay Plan shallow draft water related industry sites adjacent to the Suisun Marsh the Suisun site to the southeast of Suisun City and a site in the southwest Potrero Hills would probably be limited to firms extracting natural resources in the immediate area. There is no indication that such industries will locate in the Suisun Marsh area in the foreseeable future.~~ *as renewable energy specifically*

3. The Suisun site has several natural constraints that restrict its suitability for industrial development. The site presents foundation problems due to its location on Bay mud, and it lies within the 100-year flood plain. In addition the Suisun site is relatively remote from major shipping channels and has poor land access with no railroad or major highway. On the other hand, the site has high Marsh related environmental values because it is composed of lowland grassland and seasonal marsh, both of which are extremely valuable habitats for Marsh wildlife.

4. Most of the Potrero Hills site is physically suitable for industrial development. However, like the Suisun site, the Potrero Hills site is fairly remote from major shipping channels, and land access to land portions of the site is restricted because most of the shoreline consists of tidal marsh. Industrial development in this area would disturb and displace habitats important to Marsh related wildlife and would also detract from the value of the Potrero Hills as a visual feature of the Suisun Marsh.

5. ~~The eastern~~ upland portion of the Collinsville site above the 10-foot contour line is physically suitable for industrial development. ~~The western low-lying half~~ portion of the site below the 10-foot contour line would present foundation problems for development (due to its location on Bay mud), is

and development of renewable energy resources

within the 100-year flood plain, and includes large areas of seasonal marsh that are subject to annual inundation. In addition, this low-lying area comprises two habitats that are critical to Marsh wildlife—lowland grassland and seasonal marsh. The area is also a historic marsh and has potential for restoration by returning it to tidal action. However, the southern portion of the low-lying area is adjacent to the deepwater shoreline and might be needed in the future to provide access to industrial facilities that may be located on the upland portion of the Collinsville site.

6. The Collinsville site extends approximately eight miles from the Sacramento River north to Little Honker Bay. However, because the cost of transporting materials from a dock to an industrial plant increases with the distance of the plant inland from the shoreline, it is unlikely that water-related industry would locate farther than four miles from the deep draft shoreline access along the Sacramento River.

7. The Collinsville site is only a part of an extensive shoreline area fronting on deep water that extends from Collinsville to Rio Vista. This area, with approximately 12.5 linear miles of deep water frontage, represents an important part of the total Bay Area inventory of water-related industrial sites. Solano County has prepared the Collinsville-Montezuma Hills Area Plan and Program for this area.

Policies

1. ~~Future demand for the shallow draft water related industrial sites in the Suisun Marsh area is questionable. In addition, the Suisun and Potrero Hills sites present several physical constraints for industrial development and have considerable value as aesthetic and wildlife resources in the Suisun Marsh area. It is both unnecessary and undesirable to continue to designate these sites for industrial use and they should not be reserved for this purpose.~~

2. ~~The Collinsville site is an important vacant deep water site for water related industry within BCDC's jurisdiction. However, areas farther than four miles from the deep draft shorelines on the Sacramento River are unlikely to be used for water related industry. Therefore, these areas should not be reserved for this use.~~

3. 1. The eastern upland portion of the Collinsville site, above the 10-foot contour line, presents no significant physical constraints for development and should be reserved for water-related industry and port use.

4. 2. The western low-lying portion of the Collinsville site, below the 10-foot contour line, does present physical constraints for development and consists of critical Marsh-related wildlife habitats. Nevertheless, the portion of this area that fronts on deep water should be reserved for water-related industry use. *which may include renewable energy projects*
 The western boundary of the area to be reserved for water-related industry and port use should follow the 10-foot contour line south until it intersects the railroad right-of-way. The boundary should then follow the right-of-way south to the bench mark at Montezuma, and then run from the bench mark to a point on the shoreline 3,200 feet west of Bench Mark 3 located east of the Collinsville inlet. This provides 1,000 feet of undeveloped shoreline between the mouth of Montezuma Slough and any industrial or port activity.

3. Reservation of the eastern portion of the Collinsville site for water-related industry and port use notwithstanding, wetland restoration or enhancement of the area below the 10-foot contour line may occur provided that the restoration or enhancement program is carried out in a manner that will not preclude use of the deep water shoreline and area above the 10-foot contour line for water-related industry and port use. Specifically, any wetland restoration or enhancement project should be designed so as not to restrict possible future development and operation of marine terminals and marine terminal berths on the deep water shoreline, and the movement of waterborne cargo, materials and products from the shoreline terminal to the upland portions of the site.

4. A program to prevent accidental spills of toxic and hazardous materials entering Montezuma Slough should be developed by industries constructing marine terminal facilities at Collinsville. Prior to the use of such facilities, equipment required to carry out the prevention program should be installed at the appropriate location at or adjacent to the mouth of Montezuma Slough.

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and where appropriate, renewable energy projects (wind, solar, etc.) can be considered.

5. The remaining areas of lowland grassland and seasonal marsh in the Collinsville site should be preserved and, whenever possible, enhanced or restored for their intrinsic value as Marsh-related wildlife habitat and to act as a buffer between the Suisun Marsh and industrial and port activities. There are several land uses that could occur in this area. The existing agricultural use-cattle grazing-could be continued. Portions of the area should also be restored to wetland status, either as tidal marsh or managed wetlands. Dredged materials may be used in any wetland enhancement or restoration program when such activity will be conducted without adverse environmental impacts on the Marsh.

6. ~~The feasibility of establishing a special purpose district in the Collinsville Rio Vista area to provide utilities and services to industries in that area and to function as a port authority should be investigated.~~

7. ~~6.~~ The Benicia industry site plays an important role in the regional economy and most of the site is already developed. It should continue to be reserved for water-related industry.

8. ~~7.~~ All future industrial development adjacent to the Suisun Marsh within areas reserved for water-related industry should conform to the following planning guidelines:

(a) Industrial activities should not have the potential to cause significant adverse impacts on the Suisun Marsh. In particular, water quality should be maintained by ensuring that no hazardous or toxic materials could be introduced into the Marsh sloughs and by prohibiting activities that could alter the temperature salinity or turbidity of the water. Construction of necessary access routes across wetlands should result in the minimum possible disturbance to the ecosystems and wildlife. Pipelines should be installed using the procedures described in the Plan Policies on Utilities, Facilities, and Transportation. Conveyor belts and railroads should be constructed on trestles, except in situations such as along the western boundary of the Collinsville water-related industry area, where a railroad may be constructed on fill in order to provide a dike separating industrial facilities from wetlands.

(b) The construction and development of any industrial facilities adjacent to and upstream from the Suisun Marsh should comply with the Plan Policies on Water Supply and Quality and all applicable State and Federal water and air quality standards.

(c) Industrial facilities should not be located directly adjacent to the Suisun Marsh. A buffer area should be provided to reduce adverse environmental impacts on the Marsh.

(d) Development of industrial sites should not result in the construction of physical barriers such as freeways fences or exposed pipelines that impede the movement of wildlife. In addition, construction of very tall structures with which ~~birds~~ wildlife are prone to collide, especially during migrations and in bad weather, should be avoided. Industrial facilities adjacent to wildlife areas that deter the landing of ~~waterfowl~~ wildlife should also be avoided. However, the type, size, and location of structures that could be hazardous cannot now be predicted in advance. Therefore, decisions should be made on a case by case basis to ensure that structures in the vicinity of the Marsh are located and constructed to avoid, to the maximum extent feasible, interference with the flight or migration patterns of ~~waterfowl~~ and other water-associated wildlife.

(e) Industry sites should be developed to allow the most efficient use of the shoreline. For example, in the Collinsville site, wharves constructed along the shoreline in the area reserved for water-related industry, in addition to any petroleum dock which may be needed, should be shared to the maximum extent feasible by industries locating in the water-related industry area.

(f) Storage of raw materials, fuel, or products should not be permitted at the shoreline on a permanent or long-term basis. The waterfront is too scarce and valuable to accommodate uses, such as storage, that could be located farther inland.

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Sent: Tue, 31 May 2011 16:50:50 -0700
Subject: Bay Plan Amendment 1-10 - Collinsville

Dear Mr Levine,

Thank you for your comments on the proposed language for the Suisun Marsh Protection Plan (Marsh Plan) findings and policies for water-related industry which we received on May 27, 2011. Unfortunately, we are not in a position to recommend the proposed language to the Commission at this time. If you would like the Commission to consider the proposed language we would need to cancel the June 2, 2011 public hearing and initiate a new Bay Plan Amendment process for the following reasons.

First, changes to the water-related industrial policies in the *Suisun Marsh Protection Plan* (Marsh Plan) were not proposed in the County of Solano's plan amendment application, which we received in our office October 13, 2010. The County of Solano submitted an application to the Commission requesting that the Commission amend the *San Francisco Bay Plan*, the Marsh Plan and Resolution 16 to modify the boundaries of the water-related industrial priority use designation at Collinsville, Solano County. The purpose of the County's application was to reconcile inconsistencies between the Commission's plans (the Bay Plan and the Marsh Plan) and the 2008 Solano County General Plan.

Second, the January 7, 2011 Brief Descriptive Notice which was adopted by

the Commission did not describe any changes to the policies regarding energy development in the Marsh Plan Plan findings and policies for water-related industry. It described a change in a Bay Plan map, changes to Marsh Plan maps and findings and policies addressing the size of the Collinsville water-related industry designation and changes to Resolution 16 to reconcile inconsistencies between the Commission's plans and the 2008 Solano County General Plan. Furthermore, the April 22, 2011 Staff Report, Preliminary Staff Report and Environmental Assessment does not address development of renewable energy facilities within areas designated for water-related industrial use.

In order to take up this amendment at this time, Solano County would need to agree to postpone the June 2, 2011 public hearing regarding its application, work with BCDC staff to craft a revised descriptive notice for the amendment, hold a new public hearing on the modified descriptive notice, prepare a new staff report and environmental assessment, and allow BCDC staff sufficient time for all of this work. The additional work would require payment of additional application fees.

Finally, it should be noted that this proposed amendment 1-10 would facilitate a future Commission certification of the Solano County component of the Suisun Marsh Local Protection Plan (LPP) which includes policies related to wind energy development. We welcome your participation in this future certification process. Perhaps we can address the concerns you have in the LPP certification process.

Please let me know if you have any further questions.

Thanks, Tim

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Sent: Tue, 31 May 2011 17:04:40 -0700
Subject: RE: Bay Plan Amendment 1-10 - Collinsville

Tim – thanks for your response.

I think my comments on the language of the proposed amendment were not meant to change any of the existing policies, rather, they were meant to give weight to the idea that it makes sense to include development of renewable wind and solar resources on industrial lands where possible, in ways that don't interfere with underlying industrial uses. We have already been advised that development of wind resources in the secondary management zone is allowable, and will be analyzed on a case by case basis. Our concern was that by not mentioning wind, we didn't want this amendment to give people the idea that wind development was inconsistent with water-dependent industrial use. As you know, wind development has already been found to be consistent with agricultural and other industrial uses on other areas within the county.

I don't think it worth postponing the meeting, but I would appreciate it if you could re-look at the comments and see if some wording adjustments in the amendment or staff report could be made to acknowledge that renewable resource development in these areas is not precluded by the amendment or policies, and may, in fact, help achieve the development and environmental goals the Commission has elsewhere stated.

Jim

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