SAN DIEGO UNIFIED PORT DISTRICT
DEVELOPMENT SERVICES DEPARTMENT

P.O. BOX 120488
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(619) 686-6419

COASTAL DEVELOPMENT PERMIT

Applicant: San Diego Unified Port District – Engineering Department
3165 Pacific Highway
San Diego, CA, 92101

Project: Silvergate Tunnel Abandonment Project

Location: BAE Systems San Diego Ship Repair, 2205 Belt Street, San Diego, CA, 92113

You are hereby granted a Coastal Development Permit. This permit is issued in conformance with the California Coastal Act of 1976 (Coastal Act) and the Coastal Permit Regulations of the San Diego Unified Port District, as adopted by the Board of Port Commissioners on July 1, 1980, Resolution No. 80-193, and as amended on December 2, 1980, Resolution No. 80-343, and on February 14, 1984, Resolution No. 84-62, in accordance with the provisions for the issuance of a [ ] Emergency [X] Non-Appealable [ ] Appealable Coastal Development Permit.

Date of Board Action: December 9, 2025

Board of Port Commissioners Resolution Number: 2025 - XXX

Date of Permit: xxxxx xx, 2025

Application Number: 2024-120

Permit Number: CDP-2025-XX

The Project, as defined below, is located within the jurisdiction of the San Diego Unified Port District (District) and in California coastal zone. The project constitutes development pursuant to Coastal Act Section 30106 as it would result in the removal of existing subsurface cooling tunnels. The Project is a non-appealable development pursuant to Section 30715 of the Coastal Act as it does not constitute any of the development listed therein and removal of existing subsurface cooling tunnels is considered a “non-appealable” category of development. A portion of the Project area is designated as an estuary/wetland pursuant to the 1975 California Coastal Plan. The Project, as conditioned, is fully consistent with Chapter 3 and Chapter 8 of the Coastal Act and the District’s certified Port Master Plan.

This permit is limited to the development described below and set forth in material on file with the District, and subject to the terms, conditions, and provisions hereinafter stated:

DEVELOPMENT

The Project Applicant, District (referred to herein as "Permittee"), proposes the abandonment of existing subsurface cooling tunnels (collectively, "Project") at BAE Systems Maritime Solutions San Diego shipyard located at 2205 Belt Street in the city of San Diego, California (see Exhibit 1).

The District proposes the permanent abandonment and stabilization of approximately 1,000 linear feet of dual underground cooling tunnels located at a depth of approximately 20 feet below the ground surface. The Project site contains two (2) sets of underground intake/discharge cooling tunnels consisting of reinforced concrete chambers, each measuring approximately 8 feet by 8 feet (see Exhibit 2). The tunnels were previously installed and utilized as intake and discharge tunnels for cooling purposes by San Diego Gas and Electric (SDG&E). The tunnels have since been decommissioned and abandoned by the former power facility tenant and have been non-operational since the early 1980s. The removal of these tunnels was previously analyzed as part of a larger project in the Final Environmental Impact Report (FEIR) for the Pier 1 North Drydock, Associated Real Estate Agreements and Removal of Cooling Tunnels Project (UPD#EIR-2014-31, SCH #2014041071, Clerk Document No. 64501) and an FEIR Addendum dated December 2025 (Clerk Document No. XXXX).

Work to specifically complete the removal of the cooling tunnels would include the following:

Demolition Activities:

- Partial demolition and removal of the existing four (4) reinforced concrete intake and discharge structures.
- Partial demolition and removal of reinforced concrete bulkhead walls at the mouth of the tunnels, and associated infrastructure.
- Saw-cutting, breaking, removal, recycling, and disposal of all demolished materials in accordance with disposal regulations.

Up to two (2) barges, measuring approximately 20 feet by 50 feet each, would be required and utilized for staging and demolition purposes.

Tunnel and Shaft Abandonment:

- Installation of reinforced concrete bulkheads within the existing intake and discharge structures.

- Filling of the existing cooling tunnels with controlled, low-strength concrete slurry pumped from concrete trucks staged along Belt Street, adjacent to the Project location.
- Installation of 4-inch diameter slurry fill/vent ports at approximately three (3) locations along the tunnels to facilitate filling operations and to provide access to each of the four concrete tunnel chambers.
- Partial demolition of two existing access shaft locations, each consisting of eight (8) manholes. The top five (5) feet of the access shafts would be removed, backfilled with general fill, compacted, and surfaced with an aggregate base and asphalt paving to match the adjacent existing conditions.

Restoration Activities:

- Placement of rock revetment at locations of the partially removed intake and discharge structures to match the existing shoreline protection.
- Restoration of asphalt paving and installation of pavement striping to match existing layouts and conditions

Construction of the Project is expected to take 15 weeks to complete and is anticipated to occur in mid to late 2026. Operations at the Project area would be temporarily affected during certain demolition activities as various structures, equipment, and operating systems located over the tunnels would need to be temporarily relocated.

STANDARD PROVISIONS

1. Permittee shall adhere to the plans for the Project as approved by the District and the Project features, described above, for the Project.

2. Permittee shall notify the District of any changes in the Project and herein described. Notification shall be in writing and be delivered promptly to the District. The District shall determine whether or not District approval of the Project change is required prior to implementation of any changes, and if the Project change will require an amendment to this Permit.

3. Any questions of intent or interpretation of any condition will be resolved by the District Executive Director or the Board of Port Commissioners.

4. Permittee and the Project shall meet all applicable codes, statutes, ordinances and regulations, and Permittee shall obtain all necessary permits from local, regional, state, and federal agencies.

5. Permittee shall conform to, and this permit is subject to, the permit rules and regulations of the District, including, but not limited to, the District's Coastal Development Permit Regulations.

6. Permittee shall be responsible for compliance with Americans with Disabilities Act and Building Energy Efficiency Standards - Title 24 specifications.

7. Permittee shall commence development within three (3) years following the date of the permit issuance by the District. Construction shall be pursued in a diligent manner and completed within a reasonable period of time.

8. The permit is in no way intended to affect the rights and obligations heretofore existing under private agreements nor to affect the existing regulations of other public bodies.

9. This permit shall not be valid unless two copies have been returned to the Development Services Department of the District, upon which copies the Permittee has signed a statement agreeing that the Permittee will abide by the terms, conditions, limitations, and provisions of the permit.

10. The Permittee and contractor shall implement all best management practices (BMPs) during construction and maintenance operations. No non-stormwater (irrigation, wash water, etc.) may discharge to the District's storm drains. Storm water discharges to storm drains or the Pacific Ocean are allowable, if they do not contain pollutants.

11. All District tidelands are regulated under Regional Water Quality Control Board Order No. R9-2013-0001, as amended by Order Nos. R9-2015-001 and R9-2015-0100, National Pollutant Discharge Elimination System (NPDES) Permit No. CAS0109226, Waste Discharge Requirements for Discharges of Urban Runoff from the Municipal Separate Storm Sewer Systems (MS4s) Draining the Watersheds Within the San Diego Region (Municipal Permit). The Municipal Permit prohibits any activities that could degrade stormwater quality.

    The Permittee shall ensure that post-construction/operational use of this Project site complies with the Municipal Permit and District direction related to permitted activities including the requirements found in the District's Jurisdictional Runoff Management Program (JRMP). The JRMP is available on the District website: https://www.portofsandiego.org/environment/environmental-protection/stormwater or by contacting the Environmental Protection Department at (619) 686-6254.

12. This Project may be subject to the District post-construction BMP requirements. If so, approval of the Project by the District is conditioned upon submission by the Permittee of a specific Stormwater Quality Management Plan (SWQMP) for the Project that meets District requirements and is compliant with the District BMP Design Manual (JRMP Appendix D). If required, the Permittee shall implement all post-construction structural and non-structural BMPs in perpetuity.

The implementation and maintenance of the post-construction BMPs constitute regulatory obligations for the Permittee, and failure to comply with the Municipal Permit, the JRMP, or the District approved SWQMP, including the specific BMPs contained therein, may be considered a violation of the permit and a violation of District Code.

SHORT TERM CONSTRUCTION MEASURES

1. To minimize noise during construction, the Permittee will require the construction contractor to (a) restrict normal construction activities from 7:00 am to 7:00 pm; (b) keep construction equipment as far as possible from sensitive receptors; and (c) provide acoustical shielding around equipment operating at night, from 10:00 pm to 7:00 am.

2. To minimize nuisance effects from lights or glare during construction, the Permittee will require the construction contractor to shield and direct night lighting away from waters of San Diego Bay.

3. All construction equipment shall be maintained in peak condition to reduce operational emissions.

4. Diesel equipment shall use low-sulfur diesel fuel.

5. Electric equipment shall be used to the maximum extent feasible during construction.

6. The Permittee shall require the construction contractor to provide construction employees with transit and ride share information.

7. The Permittee shall ensure that any site contamination is identified and a site restoration plan, acceptable to the appropriate regulatory agencies, is prepared and implemented to reduce any existing contamination to a level that has no potential to threaten employee or human health as defined under existing regulations. If any potential exists for impacts to employee health from exposure to hazardous materials, workers shall be provided with adequate protective gear.

8. The Permittee shall require all employees that are exposed to noise levels in excess of Occupational Safety and Health Administration hearing protection thresholds, during construction or operation, to wear noise protection devices (ear plugs and covers) that are protective of individual hearing.

9. To minimize any potential disturbance to marine terminal operations, concrete trucks shall not be staged or operated within the adjacent terminal area, unless specifically approved by the engineer.

10. Permittee and/or contractor shall comply with State Water Resources Control Board Order No. 2022-0057-DWQ (NPDES General Permit No. CAS000002), and Waste Discharge Requirements for Discharges of Storm Water Runoff Associated with Construction Activity (commonly known as the “Construction General Permit”), as adopted, amended, and/or modified. Construction activity subject to the Construction General Permit requires development and implementation of a Storm Water

Pollution Prevention Plan (SWPPP). The Permittee and/or contractor are responsible for submitting to the District a SWPPP that is compliant with the Construction General Permit and District required minimum BMPs. The District requires the use of District SWPPP templates. Once approved, the SWPPP document shall be maintained on the construction site at all times and made available for review by the District or other regulatory agencies.

The Permittee and/or contractor is responsible for ensuring that the SWPPP document is maintained on the site, implemented, and amended as required throughout construction. No discharges of any material or waste, including potable water, wash water, dust, soil, trash, and debris, may contaminate stormwater or enter the stormwater conveyance system. Any such material that inadvertently contaminates stormwater or enters the stormwater conveyance system as part of site operations shall be removed immediately. All unauthorized discharges to the stormwater conveyance system or the Bay or the ocean shall be reported immediately to the District Stormwater Department, in order to address any regulatory permit requirements regarding spill notifications.

A project's total disturbed soil area (DSA) shall not exceed 5 acres during the rainy season (October 1 - April 30) and 17 acres during the non-rainy season (May 1 - September 30). The District may temporarily increase these limits if the individual site is in compliance with applicable stormwater regulations and the site has adequate control practices implemented to prevent stormwater pollution.

SPECIAL PROVISIONS

1. Permittee shall comply with all applicable Mitigation Monitoring and Reporting Program requirements, as described in the Addendum (Clerk Document No. xxxx) to the "Pier 1 North Drydock, Associated Real Estate Agreements and Removal of Cooling Tunnels Project", FEIR (UPD #EIR-2014-31; SCH #2014041071, Clerk Document No. 64501), and certified by Resolution No. 2025-xxx on December 9, 2025. The applicable Mitigation Measures, with some revisions for clarity and applicability, is provided in Special Provisions 2 and 3.

2. **Eelgrass Monitoring and Mitigation (Mitigation Measure BIO-4).** Demolition and construction activities associated with the proposed project shall conform to the requirements of the California Eelgrass Mitigation Policy (CEMP) (National Marine Fisheries Service [NMFS] 2014). In accordance with the requirements of the CEMP, a pre-construction eelgrass survey shall be completed by a qualified biologist within 60-days prior to initiation of demolition or construction activities at the site and at an appropriate reference site. This survey shall include both area and density characterization of the eelgrass beds. A post-construction survey shall be performed by the same qualified biologist within 30 days following project completion plus one and two years post-construction to quantify any unanticipated losses to eelgrass habitat.

If Impacts to eelgrass occur based on a comparison of pre- and post-construction eelgrass surveys, Permittee shall retain a qualified marine biologist to develop an eelgrass mitigation and monitoring plan in compliance with the CEMP. The mitigation and monitoring plan shall be submitted to the District and NMFS for approval and shall be implemented to compensate for any loss of eelgrass. Specific requirements of this mitigation include the following:

- Prior to the commencement of any in-water construction-related activities including staging of barges and placement of rock revetment, a qualified marine biologist retained by Permittee and approved by the District shall conduct a preconstruction eelgrass survey within the planned in-water or overwater staging areas for the construction barges and any other vessels and at an appropriate reference site. Surveys for eelgrass will be conducted during eelgrass growing season (March–October), and results will be valid for 60 days, unless completed in September or October; if completed in September or October, results will be valid until resumption of next growing season. The Permittee shall provide the preconstruction eelgrass survey to the District and the NMFS as well as regulatory points of contact for agencies that will be required to provide project permits such as the USACE and San Diego RWQCB.
- Post-construction eelgrass surveys shall be conducted within 30 days of completion of in-water construction activities, one year and two years post-construction. The one year and two-year surveys shall be conducted during the active eelgrass growing season (March 1st – October 31st). The post-construction survey shall evaluate potential eelgrass impacts associated with construction. Upon completion of the postconstruction survey, the qualified marine biologist shall submit the survey report to the District and resource agencies within 30 days.
- If impacts on eelgrass from construction are detected, Permittee shall implement the following:
  - Mitigation for eelgrass impacts shall be at a ratio of no less than 1.2:1, as required by the CEMP.
  - Mitigation shall commence within 135 days of any noted impacts on eelgrass.
  - Upon completing mitigation, the qualified biologist shall conduct mitigation performance monitoring at performance milestones of 0, 12, 24, 36, 48, and 60 months.
  - The qualified biologist shall conduct all mitigation monitoring during the active eelgrass growing season and shall avoid the low growth season (November–February). Performance standards shall be in accordance with those prescribed in the CEMP.
  - The qualified biologist shall submit the monitoring reports and spatial data to the District and NMFS within 30 days after the completion of each monitoring period. The monitoring reports shall include all specific requirements identified in the CEMP.

3. Soil Management Plan (Mitigation Measure HAZ-10). Prior to commencement of cooling tunnels abandonment, the contractor shall submit a soil management plan to the District for review and approval to address the possibility of encountering areas of potential environmental concern. The plan shall be prepared by a qualified environmental consultant and shall be implemented during subsurface disturbance activities by the contractor under the oversight of an environmental professional on behalf of the District. The plan shall address soil monitoring, handling, stockpiling, characterization, reuse, export, and disposal protocols.

   The San Diego Unified Port District's (District) Director of Engineering-Construction Department, or designee, shall verify implementation of this measure through (1) review of a mitigation implementation and monitoring tracking log maintained by the contractor and submitted to the District on a twice-monthly basis, and (2) periodic site inspections.

4. The Permittee shall provide results of the preconstruction eelgrass survey during a contractor education meeting and instruct the contractor not to contact the bottom or stage vessels over eelgrass vegetated areas. Additionally, vessel operators shall be instructed to minimize activities that direct propeller wash toward shallow areas with eelgrass that could result in increased turbidity.

5. Vessel operators shall not utilize spudding so as to eliminate the potential impacts to eelgrass habitat.

Exhibits:

1. Project Location Map
2. Site Plan

If you have any questions on this permit, please contact the Development Services Department of the San Diego Unified Port District at (619) 686-6491.

JOE STUYVESANT
President/Chief Executive Officer

By:_____
MICHELLE CHAN
Assistant Director, Development Services

I have read and understand the reasonable terms, conditions, limitations, and provisions of this permit and agree to abide by them. I further understand that the reasonable terms, conditions, limitations, and provisions of the permit are material to its issuance by the District, and that such terms, conditions, limitations, and provisions are included to

ensure consistency with applicable laws and regulations, including the Coastal Act. Any failure to abide by the reasonable terms, conditions, limitations, and provisions may result in enforcement by the District and/or the California Coastal Commission, including revocation, as may be warranted.

_____ _____

Signature of Permittee — Date
ERNIE HICKS, District Engineering Department