

ADDENDUM

TO

**PIER 1 NORTH DRYDOCK, ASSOCIATED REAL
ESTATE AGREEMENTS AND REMOVAL OF
COOLING TUNNELS PROJECT
FINAL ENVIRONMENTAL IMPACT REPORT
(SCH #2014041071)**

FOR

**SILVERGATE TUNNEL ABANDONMENT
PROJECT**



December 2025

**San Diego Unified Port District
3165 Pacific Highway
San Diego, California 92101**

1.0 INTRODUCTION

PREVIOUS PROJECT AND CERTIFIED EIR

The Final Environmental Impact Report (EIR) for the Pier 1 North Drydock, Associated Real Estate Agreements and Removal of Cooling Tunnels Project (previous Project) was certified by the Board of Port Commissioners (Board) on November 17th, 2015, by Resolution No. 2015-152, Clerk Document No. 64501. The certified EIR addressed the following three Project components: (1) the construction of a new drydock to increase the current dock capacity to provide additional support for commercial vessel drydock needs, (2) the BAE Systems real estate agreement to extend the lease term based on investments in the leasehold, and (3) the removal of existing onsite subsurface cooling tunnels, previously used for intake/discharge of cooling water for the San Diego Gas and Electric (SDG&E) Silvergate Power Plant and no longer in operation. These three components are collectively referred to as the previous Project, and are summarized briefly below:

Floating Drydock and Associated Activities/Improvements

The previous Project proposed the construction of a new drydock to increase BAE System's capacity to facilitate required maintenance of existing and future US Naval assets and commercial vessel drydock needs. At the time of the preparation of the EIR, all repair, maintenance, replacement, preservation, and improvement activities were conducted within the existing Port of San Diego drydock at the site. The previous Project proposed the replacement of the existing wet berth used for ship repair and maintenance with a new dry berth on the north side of BAE Systems' Pier 1 Facility to provide additional capacity for commercial drydock needs and to support current and future homeporting of additional US Navy ships in San Diego. This previous Project component consisted of the new drydock, a sheet pile protection wall along the existing Pier 1 north and cantilevered king pile installation to prevent undermining of the existing Pier, over water structures including an apron ramp wharf located adjacent to and westward of the bulkhead designed for accessing the drydock, mooring dolphins, dredging, and utilities to support the drydock similar to those already existing. Following approval of the previous Project by the Board, construction of the drydock component was completed in 2017.

BAE Systems Real Estate Agreements

Due to the modernization and on-site improvements to the BAE Systems' property, the previous Project proposed an amendment to the previously existing Real Estate Agreement with the San Diego Unified Port District (District). BAE Systems leased approximately 9.8 acres of land and 16.6 acres of water from the District that was scheduled to expire on August 31, 2034. Based on BAE's investments as part of the previous Project, BAE Systems proposed to extend the lease term of their existing leasehold with the District by 24 years.

Additionally, BAE Systems previously leased the neighboring 2-acre landside and 4-acre waterside Tidelands Use and Occupancy Permit (TUOP) parcels, used primarily for parking, storage, and ship repair activities, from the District on a 5-year term. BAE Systems proposed to lease the TUOP parcels on a long-term basis. Therefore, the previous TUOP was terminated, and an amendment was added to the previously existing lease to extend the lease term by 43 years and roll the parcels into the BAE Systems leasehold area. As a result, BAE Systems would now be leasing approximately 11.8 acres of land area and approximately 20.6 acres of water area from the District.

Removal of Cooling Tunnels

Two (2) sets of existing subsurface, intake/discharge tunnels for a total of four (4) tunnels were required to be removed pursuant to a previous SDG&E real estate agreement and to ensure the long-term health, safety, and sustainability of the Project site and surrounding tidelands. The portion of cooling tunnels to be removed is located within 2-acres of the District's jurisdiction and stretches from the south curb of Belt Street to the San Diego Bay and consists of approximately 490 ft of intake tunnels and approximately 450 ft of discharge tunnels. In addition, temporary relocation of numerous structures, equipment, and operating systems located over the tunnels would be required as part of this previous Project component.

The certified EIR considered both “dry” and “wet” alternatives that involved physical excavation and removal of the dual reinforced concrete cooling tunnels. These alternatives included extensive temporary shoring, groundwater dewatering, excavation of tunnels, debris removal, and subsequent backfilling with structural or coarse-grained fill materials.

At the time of preparation of the EIR, the funding, phasing, timing, and design details for the cooling tunnels removal were only known at a conceptual level of detail and the analysis of impacts were based on all known data and facts, as well as reasonable investigations regarding the tunnels and Project site. Although not developed at a project level, it was assumed for the analysis of the previous Project that the removal of the tunnels would include demolition of the existing structures, reconstruction of the shoreline with a similar rock facing as that being completed adjacent to the tunnel structures, and an additional sheet pile cutoff potentially required to retain the slopes where the existing structures were to be removed.

As outlined above, the EIR for the previous Project included and analyzed multiple project elements, but for the purpose of the current proposed Project, this Addendum addresses only the cooling tunnel component of the previously certified EIR.

CURRENT PROPOSED PROJECT

The District, as the Project Applicant and Lead Agency (referred to herein as “Permittee”) pursuant to CEQA Guidelines Section 21067, proposes the permanent abandonment and stabilization of approximately 1,000 linear feet of dual underground cooling tunnels at a depth of approximately 20 feet below the ground surface located at BAE Systems, 2205 Belt St in the city of San Diego, California (Silvergate Tunnel Abandonment Project; current Project; proposed Project). The current 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. The tunnels were previously installed and utilized as intake and discharge tunnels for cooling purposes for the SDG&E Silvergate Power Plant. The tunnels have since been decommissioned and abandoned and have been non-operational since the early 1980s.

Work to specifically complete the abandonment of the cooling tunnels is outlined as follows:

Demolition Activities:

- Partial demolition and removal of existing reinforced concrete intake and discharge structures located along the bayside, utilizing one or two barges (approximately 20 feet by 50 feet each) as required for staging and demolition operations.
- Partial demolition and removal of reinforced concrete bulkhead walls and associated infrastructure.
- Saw-cutting, breaking, removal, recycling, and disposal of all demolished materials in accordance with disposal regulations.

Tunnel and Shaft Abandonment:

- Installation of reinforced concrete bulkheads within the existing intake and discharge structures.
- 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.
- Filling of the existing cooling tunnels with controlled, low-strength concrete slurry pumped from concrete trucks staged along Belt Street, adjacent to the proposed Project location.
- Partial demolition of two existing access shaft locations, each consisting of eight (8) manholes. The top 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 proposed Project is expected to take 15 weeks to complete and is anticipated to occur in mid to late 2026. In comparison to the scope outlined in the EIR, the reduced abandonment methods would mean that no structures would need to be relocated for the filling efforts and minimal equipment would need to be relocated.

To summarize, under the current Project, the cooling tunnels will not be excavated or removed. Instead, the tunnels will be permanently abandoned in place and stabilized through filling with a controlled low-strength concrete slurry mix. This slurry will be introduced through vent/fill ports installed at three strategic locations, with pumping operations staged from Belt Street. Concrete truck access and staging will occur outside the adjacent marine terminal; entry into the terminal for this purpose would only occur with prior approval by the Engineer.

Key modifications from the previously analyzed Project include:

1. Tunnel Stabilization vs. Removal – Rather than full excavation and off-haul of tunnel segments, the tunnels will be left in place and filled with concrete slurry.
2. Reduced Bayside Demolition – Intake and discharge structures will be partially demolished, but instead of full excavation and reconstruction, the shoreline will be restored using armor stone to match existing revetment.
3. Simplified Access Shaft Treatment – Two access shaft locations will be partially removed to a depth of five feet, then backfilled with general fill, aggregate base, and asphalt paving to restore existing paved conditions.
4. Minimized Marine Operations – One or two barges may be used for localized demolition of the intake/discharge structures, but continuous barge use for debris removal (as analyzed in the EIR but associated with the drydock Project component) will not be required.
5. Elimination of Dewatering/Shoring Systems – Because excavation will no longer occur, there is no need for groundwater dewatering systems, settlement monitoring wells, or temporary shoring systems.
6. Reduced Backfilling – Structural backfill and compaction will only occur at the access shaft locations and shoreline work areas, rather than full excavation footprints.

In addition, approximately 346 square meters of eelgrass was observed in the current Project waterside area where there was previously none, as shown in Attachment A (2023 Eelgrass Map).

DETERMINATION TO PREPARE AN ADDENDUM

Section 15162 of the State CEQA Guidelines states the following:

(a) When an EIR has been certified or a negative declaration adopted for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

- 1) Substantial changes are proposed in the project which will require major revisions of the

previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;

Discussion: The proposed Project does not require major revisions to the certified EIR because there are no substantial changes in the project that would involve new or more severe significant environmental effects. The previous Project analyzed the complete removal of existing cooling tunnels beneath the BAE leasehold. The certified EIR considered both a “wet” and “dry” alternative for tunnel removal, both involving physical excavation and removal of the reinforced concrete tunnels, extensive temporary shoring, groundwater dewatering, debris removal and subsequent backfilling with structural or coarse-grained fill materials.

Under the current proposed Project, the cooling tunnels would not be excavated or removed as previously analyzed. Instead, the tunnels would be permanently abandoned in place and stabilized through filling with a slurry mix. The shoreline would be partially demolished but would be restored using armor stone to match the existing revetment rather than require a full excavation and reconstruction as previously analyzed.

The revised abandonment method substantially reduces the scale and intensity of construction activities compared to the previously analyzed tunnel removal alternatives. Specifically, it:

- Eliminates the need for deep excavation, dewatering, and associated risks of groundwater drawdown or settlement that would require settlement monitoring wells and temporary shoring systems.
- Reduces the volume of debris generation and associated barge and truck hauling. The certified EIR assumed a worst-case scenario of 23 trucks a day to remove the cooling tunnels. It is assumed the abandonment method would require far fewer daily trucks.
- Minimizes marine activity to shoreline protection replacement rather than continuous barge-based excavation. That is, the certified EIR analyzed continuous barge use for debris removal associated with the dry dock component and dredging, whereas the proposed Project would only need up to two (2) barges for localized demolition of the intake/discharge structures and/or shoreline protection replacement.
- Shortens construction duration from approximately one year to just 15 weeks and thus reduces noise, traffic, and air quality impacts.

Although there are changes when comparing the proposed Project to the previous Project, those changes do not require major revisions of the previous EIR. These changes do not involve new significant environmental effects or a substantial increase in the severity of previously identified significant effects. Rather, these changes substantially reduce the scale and intensity of construction activities compared to the previously analyzed removal alternatives, therefore these updated revisions to the certified EIR would not involve new or a substantial increase in significant environmental effects resulting in the need for preparation of a subsequent EIR.

Due to the reduced scale and intensity of construction activities only the following mitigation measure from the previously certified Final EIR, edited for clarity and applicability, would apply to the current Project to reduce previously identified impacts to less than significant:

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.

- 2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

Discussion: At the time of preparation of the EIR, eelgrass was present in the Project area and was identified as potentially impacted by the previous Project. Mitigation to reduce potential impacts to eelgrass to less than significant was included in the EIR, but the mitigation measures would have only applied to the drydock component of the previous Project as barges were not anticipated to be used for cooling tunnel removal method and eelgrass was assumed not to be present in the vicinity of the cooling tunnels intake/outtake.

An updated eelgrass study prepared by San Diego Unified Port District in 2023 (Attachment A) presents new information since the approval of the previous Project. This updated study reflects the presence of eelgrass in the vicinity of the cooling tunnels where it was previously assumed there was none. The 2023 study identifies the presence of an approximately 340 square meter patch located 23.5 meters away from the northwest tunnel opening and an approximately 6 square meter patch located 2 meters away from the southeast tunnel opening. The presence of eelgrass in the vicinity of the cooling tunnels is a change in circumstance that the use of barges for tunnel abandonment and shoreline repair has a potential to impact. However, due to the small amount of eelgrass in the vicinity of the tunnels and the limited use of barges, the proposed Project will not result in a substantial increase in the severity of a previously identified significant effect.

The change in circumstance with the new presence of eelgrass in the proposed Project area requires implementation of a previously identified mitigation measure. The following mitigation measure from the previously certified EIR, with some revisions for clarity and applicability, has been determined to reduce potentially significant impacts of the proposed Project to less than significant:

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) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete, or the Negative Declaration was adopted, shows any of the following:

(A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration,

(B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;

- (C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
- (D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

Discussion: New information has been identified which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete. Specifically, revised and updated studies conducted subsequent to the certification of the prior EIR have identified the presence of eelgrass in the proposed Project area.

The information outlined above was not known and could not have been known with the exercise of reasonable due diligence at the time the prior EIR was certified. Based on the discussions in Section 2) above, this new information did not result in a) one or more significant effects not discussed in the previous EIR; b) more severe significant effects than what was previously analyzed in the EIR; c) newly identified mitigation measures that would be more feasible for the proposed Project; or, d) mitigation measures which are considerably different from those analyzed in the previous EIR.

CONCLUSION

Section 15164(a) of the State CEQA Guidelines states that "the lead agency or responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred." Furthermore, State CEQA Guidelines Section 15164(b) states that "an addendum to an adopted negative declaration may be prepared if only minor technical changes or additions are necessary or none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred." Based on the provisions of State CEQA Guidelines Sections 15162 and 15164, the District finds that none of the conditions described in Section 15162 call for preparation of a subsequent EIR have occurred and that an addendum to the previous Project shall be prepared for the proposed Project. In accordance with Section 15164(c), the Addendum is not required to be circulated for public review. The Board "shall consider the addendum with the ... adopted negative declaration prior to making a decision on the Project", pursuant to State CEQA Guidelines Section 15164(d). The addendum is anticipated to be considered by the Board at its November 4, 2025 meeting.

INTENDED USES OF ADDENDUM

The Addendum will be considered by the Board with respect to the following discretionary actions related to the Project:

- Approval of issuance of a non-appealable Coastal Development Permit for the Silvergate Tunnel Abandonment Project.
- Approval of plans and specifications and award contract for the Silvergate Tunnel Abandonment Project.

ATTACHMENTS

Attachment A: 2023 Eelgrass Map

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