SAN DIEGO UNIFIED PORT DISTRICT
DEVELOPMENT SERVICES DEPARTMENT

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COASTAL DEVELOPMENT PERMIT

Applicant: Trevor Jones
Continental Maritime of San Diego, LLC
1995 Bay Front Street
San Diego, CA 92113

Project: CMSD Facility Improvement Project

Location: 1995 Bay Front 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 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: September 13, 2022

Board of Port Commissioners Resolution Number: 2022-X

Date of Permit: X, 2022

Application Number: 2019-122

Permit Number: CDP-2022-X

The Project, as defined below, is located within the jurisdiction of the San Diego Unified Port District (District) and is in the California coastal zone. The Project constitutes development pursuant to Coastal Act Section 30106 as it would result in removal and placement of structures. 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 maritime-related pier/wharf improvements are considered a “non-appealable” category of development. The Project site is designated as an estuary/wetland pursuant to the 1975 California Coastal Plan. The Project is located in Planning District 4, Tenth Avenue Marine Terminal, which is delineated on Precise Plan Map Figure 13 of the Port Master Plan (PMP). The PMP land and water use designations within the limits of the Project are Marine Related Industrial and Specialized Berthing. The Project is listed as

Project No. 6 "Boatyard" in the PMP Project List (PMP Table 13). The Project, as conditioned, is fully consistent with Chapters 3 and 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, Continental Maritime of San Diego, LLC (formerly HII San Diego Shipyard, Inc.) (CMSD), referred to herein as "Permittee", is proposing structural repair of the existing quay wall, removal and improvement of Pier 4 and Wharf 4, and removal of deteriorated Piers 1, 5 and 7 (collectively, "Project") on a 27.3-acre water parcel at the CMSD leasehold located at 1995 Bay Front Street, San Diego, California 92113 (see Exhibits 1, 2 and 3).

Recent inspections conducted by CMSD have identified that the timber deck portions of Pier 4 and its marginal wharf (Wharf 4) have deteriorated to a point where they are in need of repair and maintenance. If the timber deck portions of Pier 4 and Wharf 4 are not repaired, berthed vessels could exert sufficient stress onto these structures, creating damage and safety issues for both the structures and the surrounding environment. Further, portions of the existing concrete rubble quay wall along the facility are deteriorated and considered structurally insufficient to perform daily shipyard activities. Thus, it is necessary to remove and replace a portion of Pier 4 and Wharf 4 and to structurally reinforce the existing quay wall to bring these structures up to new engineering standards that would protect the existing structures. These repairs would allow vessels to safely moor at the pier and improve the safety of daily operations. In addition, recent inspections have determined that Piers 1, 5 and 7, including their damaged decks and support piles have become deteriorated to the extent that they are at the end of their serviceable life and should be removed. The demolition, repair, and improvement of the existing in-water facilities on the project site is needed to facilitate ongoing operations for the repair of military and other vessels.

The entire Project includes the development, operation and maintenance of the following components/features (Exhibit 3):

1) Structural Repair of Existing Quay Wall
2) Removal and Improvement of Pier 4/Wharf 4
3) Removal of Deteriorated Piers 1, 5, and 7

These three components are discussed in more detail below.

Component 1 - Structural Repair of Existing Quay Wall

For the first component, portions of an existing concrete rubble quay wall would be reinforced, including a 425-linear foot stretch along the shoreline from Pier 1 to Pier 4 and

a 160-linear-foot stretch along Wharf 7. The quay wall would be reinforced by installing steel sheet pile (type ZZ 26-700) along the outer edge of the quay wall. A concrete cap would be installed on top of the sheet pile. The area between the existing and proposed quay wall would be backfilled with cementitious slurry (Exhibits 4, 5, and 6).

Component 2 - Removal and Improvement of Pier 4/Wharf 4

The second component is the removal and improvement of the Pier 4/Wharf 4 deck. Pier 4 is a 704-foot-long pier consisting of a 478-foot-long timber access pier inshore, and a 226-foot-long concrete structure at the seaward end. The support system for the timber portion of the pier was upgraded approximately eight years ago, including new steel H-piles and steel channel pile caps. The Project includes the following at Pier 4 (Exhibits 7 and 8):

- Demolition of the 478-foot-long by 26-foot-wide (12,428 SF) timber portion of the Pier 4 deck and improvement with a 478 foot-long by 47-foot-wide (22,466 SF) concrete deck that would match the existing 47-foot-wide concrete section of Pier 4.

- Demolition of five (5) mooring dolphins (108 SF total) associated with Pier 4.

- Demolition of timber Marginal Wharf 4 (3,583 SF) and improvement with a concrete wharf (3,070 SF).

The Project would replace the old 478-foot-long by 26-foot-wide (12,428 SF) timber section of the Pier 4 deck with a 478 foot-long by 47-foot-wide (22,466 SF) concrete deck that would match the existing 47-foot-wide concrete section of Pier 4. The improvement of Pier 4 includes removal and replacement of 170 18-inch deteriorated timber support piles, 82 HP18 steel fender H-piles, and 52 16-inch square timber fender piles. The improved deck would be connected to the existing concrete portion of the pier with an expansion joint. The pier would continue to extend a total of approximately 704 feet into San Diego Bay. The new concrete improved pier would be equipped with four fender stations and 11 floating marine camels and would be supported by 90 24-inch octagonal concrete support piles, 20 24-inch square concrete fender piles and 71 12-inch round fiberglass fender piles.

The existing 10,638 SF concrete portion of Pier 4 would remain in place. Some minor additions would be made to the existing concrete portion, including equipping the concrete portion with six fender stations and two corner fender systems.

The Project also would include the construction of a new 71-foot-long by 43-foot-wide (3,070 SF) concrete deck at Wharf 4, which would extend the wharf approximately 43 feet into San Diego Bay and encompass approximately 71 feet of nearshore area. The construction of the new Wharf 4 area would require the removal of 47 18-inch timber piles and the installation of 15 24-inch octagonal concrete support piles. Replacement for all

piles, when feasible, would be completed using a vibratory hammer to reduce noise and vibratory impacts to the surrounding environment.

Component 3 - Removal of Deteriorated Piers 1, 5 and 7

The Project includes the complete removal of Piers 1, 5 and 7 along with their deteriorated support piles as discussed further below (Exhibit 3).

Removal of Pier 1
Due to the deteriorated condition of Pier 1 and associated safety concerns, the Project proposes to remove the remaining 6,425 SF timber portion of Pier 1. The pier and its associated 118 wooden piles would be removed and would not be replaced.

Removal of Pier 5
Due to the deteriorated condition of Pier 5 and safety concerns, Pier 5 is currently not being utilized. The Project would demolish the 172-foot by 24-foot (4,128 SF) timber pier, including its timber deck and 72 deteriorated timber piles. The pier and the piles would be removed and would not be replaced.

Removal of Pier 7
Due to the deteriorated condition of Pier 7 and associated safety concerns, the Project would remove the remaining portions of Pier 7, which includes approximately 3,571 SF of timber deck and 85 wooden piles. The pier and the piles would be removed and would not be replaced.

Project Construction and Phasing

General construction equipment would include a tugboat, crane, vibration/impact hammers, and barges; however, the proposed barges rely on the tugboats for power and movement and do not generate emissions. On road vehicles would include trucks used for hauling away the old piles/piers and rubble, and delivering new supplies, as well as construction worker commute vehicles. The number of haul trucks used would vary by phase depending on the number of piles to be replaced and the square footage of pier demolition and reconstruction; regardless of phase, however, the number of weekly haul truck trips would be minimal (2 haul truck trips per week on average).

Construction activities for the Project are anticipated to begin in mid- to late-2022 and would be completed in by the end of 2026. Construction would occur in two phases for a duration of approximately 11 months spread out over an approximately 4.5-year period.

Phase 1 would involve the removal of existing rubble and reinforcement of the existing quay wall. This phase would begin in late-2022 and end in mid-2023 and would take approximately 3 months to complete.

For Phase 2, Piers 1, 5, and 7 would be removed in conjunction with the Pier 4 and Wharf 4 removal and replacement. This phase would begin in late-2023 and end in late-2026

and would take approximately 8 months spread out over a 4-year period (2023-2026). Active work would take place between September 15 and March 31 annually to avoid the California least tern nesting season. Typical daily construction hours are expected to be from 7:00 AM to 4:00 PM Monday through Friday and are anticipated to require 5 construction workers per phase of construction.

The construction of the Phase 1 and Phase 2 components are discussed in more detail below.

Phase 1

Rubble Removal

Approximately 20 to 25 tons of rubble would be removed from the intertidal area along the quay wall between Wharf 2 and Pier 4. The rubble would be removed from the landside using an excavator to extract the rubble without disturbing the bay bottom. Once removed, the majority of the rubble will be reused to reinforce the existing quay wall. A small portion may be disposed of at the Otay Landfill if needed. The removal of rubble from this area would increase the availability of soft bottom habitat suitable for eelgrass growth.

Reinforcement of Quay Wall

Portions of the existing concrete rubble quay wall would be reinforced, including a 425-linear foot stretch along the shoreline from Pier 1 to Pier 4 and a 160-linear foot stretch along Wharf 7. The quay wall reinforcement would be conducted via landside by installing steel sheet pile (type ZZ 26-700) along the outer edge of the quay wall. Installation of the sheet piles would require the use of a crane and a vibratory hammer. The vibratory hammer would be utilized until reaching a point of refusal at which time an impact hammer would be used if necessary. A concrete cap would be installed on top of the sheet pile. The area between the existing angled quay wall and proposed straight vertical sheet pile reinforcement (void) would be backfilled with cementitious slurry using a tremie pipe. As the void is filled with slurry, the displaced seawater would be pumped out to CMSD's onsite wastewater treatment facility, where the water would be treated and disposed of in the City of San Diego's sewage system. The newly installed sheet pile would be sufficiently water-tight so that no slurry would be lost in the bay, and bay water (from outside the new quay wall) would not come into contact with the cementitious slurry or hardened product. Standard best management practices (BMPs) would be used as discussed below.

Quay Wall Cementitious Slurry Fill

The existing quay wall is currently located a few feet east of the surveyed US Bulkhead Line. Due to the irregular alignment and angle of the existing quay wall, the width of the backfill area behind the proposed straight sheet pile wall varies. The total area associated with the sheet pile installation would be 31.9 square feet, and the total area associated with the cementitious fill is 1,337 square feet. However, the sheet pile would be driven

vertically at the toe of the existing quay wall slope to the maximum extent practical to minimize the area of cementitious fill contacting the bay bottom. The cementitious fill area would fill in the space between the existing and angled quay wall slope and the straight vertical sheet pile reinforcement. Further, because the sheet pile would be driven along the U.S. Bulkhead Line, the bay bottom would not be impacted beyond the U.S. Bulkhead line. Thus, the installation of the new quay wall and subsequent fill of cementitious slurry will not result in the permanent loss of US waters in San Diego Bay.

Phase 2

Demolition of Piers 1, 5 and 7

The timber decks of Piers 1, 5 and 7 would be removed using hand cutting tools. The decks would be dismantled and placed onto a work barge for future disposal. A debris boom would be in place to ensure no debris would fall into the water.

Removal and demolition of the existing piers and wharf deck structures would be accomplished utilizing hand tools. Existing piles would be extracted via crane and vibratory hammer. Old materials would then be loaded into dumpsters located on a deck barge.

Demolition and Construction of Timber Portion of Pier 4/Wharf 4

The removal of Pier 4 and Wharf 4 is anticipated to occur starting in late-2023. Demolition of Pier 4 and Wharf 4 and construction of Pier 4 would be contingent on the ship repair schedule in the facility. The timber decks of Pier 4 and Wharf 4 would be removed using hand cutting tools. The decks would be dismantled and placed onto the barge for future disposal at the Otay Landfill. A debris boom would be in place to ensure no debris falls into the water. Project construction would take place between September 15 and March 31 annually to avoid the California least tern nesting season.

Installation of all piles, when feasible, would be completed using a vibratory hammer to reduce noise and vibratory impacts to the surrounding environment. For piles requiring deeper penetration (i.e., concrete support piles), an impact hammer may be necessary. The vibratory or impact hammer would be transported to the project site via barge and tugboat. Once on the site, the hammer would be connected directly to the crane (located on the same barge), which is utilized to conduct hammering. Concerning pile driving, the majority of the piles would require 2 to 3 minutes of vibratory hammer per pile or 50 blows if using an impact hammer. Piles installed in depths greater than 25 feet would require 2 to 3 minutes of vibratory hammer per pile and approximately 100 blows with the impact hammer.

Concrete decking and fender stations would be assembled following installation of support piles. The construction of Pier 4 would take place between September 15 and March 31 annually to avoid the California least tern nesting season. Construction of this component would begin in late 2023 and would be actively worked on for 8 months spread out over a

4-year period. Typical daily construction hours are expected to be from 7:00 AM to 4:00 PM Monday through Friday. All construction will be completed in daylight and clear conditions. All work will be performed within the shipyard's leasehold.

Best Management Practices (BMPs)

The following BMPs would be implemented to minimize impacts from the Project on the surrounding environment. These BMPs are also included as Special Condition 18 of this permit under "SPECIAL PROVISIONS" below.

- Turbidity - A silt curtain would be in place at all times, fully enclosing the construction area during pile removal and installation to contain sediment that may be temporarily stirred up. Piles would be removed and installed slowly in order to minimize sediment disturbance and turbidity in the water column.

- Noise Disturbance- A vibratory hammer would be used to the maximum possible extent. The contractor would limit the use of impact hammers as much as possible to minimize noise disturbance. When an impact hammer is necessary, noise dampening techniques (including the use of a nylon or wooden block between the impact hammer and piles, use of the slow-start method, and use of the smallest feasible hammer) would be employed to dampen underwater noise. In addition, a protected species observer would be present during pile driving activities to observe the project area for protected species.

- Debris Capture - A debris boom would be installed to capture debris while timber decks are being dismantled. Debris would be collected and disposed of.

- Debris Disposal – CMSD would supply plastic lined skip tubs for the contractor to use for placing the debris into. The contractor shall furnish and install all materials necessary to line the skip tubs with a plastic liner prior to the placement of the debris into the skip tubs. All debris would be disposed of at an upland facility.

- Stormwater Runoff **–** CMSD employs a fully contained stormwater diversion system to minimize stormwater runoff to San Diego Bay during project construction and operations.

For cementitious slurry fill, the following BMPs may be used to avoid potential impacts to the surrounding water of the US:

- Monitor pH of surrounding waters while slurry fill while pouring is underway and postconstruction.

- Although the joints of the sheet pile wall should be sufficiently water-tight and should prevent any leakage of cementitious slurry, a silt curtain would be deployed to prevent any incidental slurry migration.

- Water between the existing and proposed bulkhead would be pumped out directly to CMSD's onsite wastewater treatment facility, where the water would be treated and disposed to the City of San Diego's sewage system.

Project Operations

The reinforcement of the existing quay wall, change in the shape and size of Pier 4 and Wharf 4, and removal of Piers 1, 5 and 7 and would not result in an additional number of ships being repaired at the facility or other changes to the facility operations. Thus, the Project would not result in an increase in operations or an intensification of use, nor would it result in any additional employees, other than those needed during construction.

Fill from Piles and Overwater Coverage

Pile removal for the Project would include the removal of 626 piles (fill reduction of 989 SF) and replacement of 196 piles and sheet pile installation for quay wall reinforcement (fill increase of 515 SF), resulting in an overall net reduction of 474 SF of fill from piles. Table 1, Project Component Summary, attached provides a breakdown of the fill from piles calculation with the Project components.

The removal and improvement of the timber portions of Pier 4 and the Wharf 4 deck will result in an increase in overwater coverage of 9,525 SF. However, the removal of Piers 1, 5, and 7 will result in a reduction of 14,124 SF of overwater coverage. This will result in an overall net reduction of 4,599 SF of overwater coverage once all Project components are implemented. Table 2, Overwater Coverage Summary for the Project, attached provides a breakdown of the overwater shading calculation with the Project components.

STANDARD PROVISIONS

1. Permittee shall adhere strictly to the current 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. District approval of the Project change may be required prior to implementation of any changes.

3. 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.

4. 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.

5. Permittee shall be responsible for compliance with ADA and Title 24 specifications.

6. Permittee shall commence development within two (2) 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.

7. 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.

8. 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.

9. 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 to Pacific Ocean are allowable, if they do not contain pollutants.

10. 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://pantheonstorage.blob.core.windows.net/environment/JRMP-document-and-appendices-January-2019.pdfor by contacting the Stormwater Program, (619) 686-6254.

11. This Project may be subject to the District post-construction BMP requirements. If so, approval of the Project by the District is necessarily 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.

12. In the discretion of the District, prior to commencement of construction, Permittee may be required to require that their contractor(s) furnish security, naming the District as a dual obligee, in the form of a performance bond and a payment bond, each in an amount deemed appropriate by the District to guarantee payment of the subcontractors, completion of the approved work under this permit, and compliance with the conditions and limitations upon which such permit is granted. Prior to commencement of construction, Permittee may also be required by the District to furnish security in the form of a payment bond in an amount deemed appropriate by the District to guarantee payment to the contractor(s) for work performed under this permit.

13. By accepting this permit, Permittee acknowledges and agrees (a) that the Project site may be subject to environmental conditions and hazards; (b) to assume the risks to the Permittee of injury and damage from such conditions in connection with the implementation or operations of the Project; (c) to unconditionally waive any claim of damage or liability against the District, its Board of Port Commissioners, officers, agents and employees ("District" for purposes of this condition) for injury or damage from such conditions to persons performing the development for which this permit is issued or operating on the Project site under this permit; (d) to defend, indemnify and hold harmless, and require that Permittee's contractor(s) engaged to perform the development on the Project defend, indemnify and hold harmless, the District from any claim, demand, liability, loss, action, administrative agency appeal, damage, cost, expense (including all attorneys' fees and consultant/expert fees), award, fine, penalty or judgment (collectively, Claims) arising out of, resulting from, or in any way related to the performance of the development by Permittee's contractor(s) for which this permit is issued, with the exception of any claim, action, damages, liability or costs arising or resulting from the project caused by the gross negligence or willful misconduct of the District; (e) to defend, indemnify and hold harmless the District from any Claims arising out of, resulting from, or in any way related to Permittees operation of the Project site with the exception of any claim, action, damages, liability or costs arising or resulting from the project caused by the gross negligence or willful misconduct of the District; (f) to defend, indemnify and hold harmless the District from any Claims arising out of, resulting from, or in any way related to the District's approval of the Project, the granting of this permit, and the District's adoption of the Final Negative Declaration; and (g) that Permittee will require Permittee's contractors to name the District as an additional insured on all policies of insurance, now in existence or to be obtained by them, for the work conducted pursuant to this permit.

14. Permittee acknowledges and agrees that: (a) it is the sole and exclusive responsibility of Permittee, and not the District, to ensure that all persons and/or entities who provide any labor, services and/or equipment in connection with the project, shall comply with the requirements of California's prevailing wage laws (the "PWL"), to the extent such laws are applicable; and (b) it is the sole and exclusive

responsibility of Permittee, and not the District, to determine whether the Project is subject to the PWL by obtaining a determination by means that do not involve the District. If the Project is determined to be subject to the PWL, Permittee shall comply with all applicable provisions of the PWL, and shall take reasonable steps to ensure that all persons and/or entities who provide any labor, services, equipment and/or materials in connection with the Project shall likewise comply with all applicable provisions of the PWL.

Permittee further acknowledges and agrees that Permittee's failure to comply with all applicable provisions of the PWL, and/or their failure to take reasonable steps to ensure that all persons and/or entities who provide any labor, services, equipment and/or materials in connection with the Project comply with all applicable provisions of the PWL, shall render Permittee, and not the District, liable for all remedies (inclusive of all applicable fines and penalties), afforded by law as a consequence of such non-compliance. Permittee expressly agrees to defend, indemnify and hold harmless the District, from any claim, demand, liability, loss, action, damage, cost, expense (including all attorneys' fees and consultant/expert fees), award, fine, penalty or judgment arising out of, resulting from, or in any way related to the PWL (collectively "PWL Claim") made against or incurred by the District in any capacity (including, without limitation, as a real party in interest), except for any PWL Claim arising out of the sole negligence or willful misconduct of the District.

15. The conditions of this permit are independent of, and in addition to, the obligations of the Permittee under any existing lease(s), Tidelands Use and Occupancy Permit(s), or other contractual agreement(s) with the District, and are binding upon Permittee and its agents, representatives, successors and permitted assigns.

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 adjacent areas.

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. Permittee and/or contractor shall comply with State Water Resources Control Board Order No. 2009-0009-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 the Project Description under the above "DEVELOPMENT" section of this permit.

2. All haul trucks associated with Project construction and operation shall access Interstate 5 (I-5) via the designated route of East Harbor Drive and 28th Street and shall avoid the Barrio Logan neighborhood. This route shall be identified in the construction documents for the Project.

3. Permittee shall comply with all mitigation measures (MMs) in the Mitigation Monitoring and Reporting Program), as described in the "HII San Diego Shipyard Inc. Marginal Wharf Repair and As-Needed Pile Replacement Project" Final Mitigated Negative Declaration (UPD #MND-2019-013; SCH #2019011069, Clerk Document No. 69876), dated April 9, 2019, and adopted by Resolution No. 2019-040 on April 9, 2019, and Addendum No. 1 to the "HII San Diego Shipyard Inc. Marginal Wharf Repair and As-Needed Pile Replacement Project" Final Mitigated Negative Declaration, dated September 2022, and adopted by the Board of Port Commissioners on September 13, 2022. The MMs are included as Special Provisions of this Permit below (#4 through #17 below).

4. CONSTRUCTION MONITORING FOR SENSITIVE SPECIES (MM BIO-1)
Prior to the commencement of in-water construction activities, the Permittee shall retain a qualified biological monitor that shall be approved by the District. The Permittee shall also obtain a Letter of Authorization from the National Oceanic and Atmospheric Administration to cover incidental harassment of marine mammals prior to the commencement of in-water construction activities. The monitor shall observe for presence of sensitive marine species including sea turtles, marine mammals, and California least terns. The monitor shall observe the site for 15 minutes prior to the start of pile driving. If sensitive species are within the shutdown zone, as defined for each species below, prior to the start of pile driving, the monitor shall delay pile driving until the monitor no longer observes the species in the shutdown zone. If a sensitive species enters the shutdown zone during active pile driving, the biological monitor shall stop pile driving until the monitor no longer observes the species in the shutdown zone.

    - During pile driving of steel piles, dolphins and sea lions shall have a 25-meter shutdown zone. Seals shall have a 300-meter shutdown zone. The 300-meter shutdown zone shall apply to green sea turtles and the 25-meter shutdown zone shall apply to California least terns. Work stoppage for any species is subject to the discretion of the biological monitor who shall have the authority to stop work at any time due to observed animal behavior or uncertainty with regards to potential to harm an animal due to pile driving activities or noise generated from the activity.

- During pile driving of concrete piles, dolphins and sea lions shall have a 20-meter shutdown zone. Seals shall have a 60-meter shutdown zone. The 60-meter shutdown zone shall apply to green sea turtles and the 20-meter shutdown zone shall apply to California least terns. Work stoppage for any species is subject to the discretion of the biological monitor who shall have the authority to stop work at any time due to observed animal behavior or uncertainty with regards to potential to harm an animal due to pile driving activities or noise generated from the activity.

- Marine mammals shall be monitored within 300 meters of the activities and observation recorded by the biological monitor. Incidental Level B Harassment shall be noted for any animal in water within 215 meters of pile driving of steel piles and within 117 meters for pile driving of concrete piles.

- The biological monitor shall provide monthly reports to the District during pile driving operations.

5. SOFT-START SEQUENCING (MM BIO-2)
   Prior to the commencement of construction activities, the Permittee shall require its contractor to commence pile driving with a soft-start sequence prior to typical pile driving activities. Soft-start provides a warning and/or gives individuals a chance to leave the area prior to the hammer operating at full power. The soft-start procedure shall require contractors to activate the impact hammer with an initial set of three strikes at 40 percent or less energy, separated by three 30-second waiting periods. If at any point pile driving stops for greater than one hour, then the soft- start procedure shall be conducted prior to the start of further pile driving activities. This requirement shall be indicated on construction documents to the satisfaction of the District.

6. SILT CURTAIN AND PILE REMOVAL TO MINIMIZE TURBIDITY (MM BIO-3)
   Permittee shall require and ensure deployment of a silt curtain around the pile-removal and pile-driving areas to restrict the surface visible turbidity plume to the area of removal and driving. The curtain shall consist of a hanging weighted curtain with a surface float line and shall extend from the surface to 15 feet down into the water column. The curtain shall be present for the duration of the pile-removal or pile-driving activity and shall not be removed if any visible turbidity plume is present. In addition to employing a silt curtain, the Permittee shall remove and install piles in a manner that minimizes sediment disturbance and turbidity in the water column.

7. EELGRASS MITIGATION AND MONITORING PLAN (MM BIO-4)
   Prior to the start of any in-water construction, the Permittee shall retain a qualified marine biologist to develop an eelgrass mitigation plan in compliance with the California Eelgrass Mitigation Policy (NOAA 2014; Appendix C). The mitigation plan shall be submitted to the District, National Marine Fisheries Service, and other interested regulatory and/or resource agencies for approval and shall be

implemented to compensate for losses to eelgrass in the event that the surveys described below indicate the project has impacts on eelgrass. The specific eelgrass mitigation and monitoring plan elements shall include:

- Prior to the commencement of any in-water construction activities, a qualified marine biologist retained by the Permittee and approved by the District shall conduct a preconstruction eelgrass survey. Surveys for eelgrass shall be conducted during the active 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 March (the resumption of the next growing season). The qualified marine biologist shall submit the results of the pre-construction survey to the District and resource agencies within 30 days.

- Within 30 days of completion of in-water construction activities, a qualified marine biologist retained by the Permittee and approved by the District shall conduct a post construction eelgrass survey during the active eelgrass growing season. 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.

- At least two years of annual post-construction eelgrass surveys shall be conducted during the active eelgrass growing season. The additional annual surveys shall evaluate the potential for operational impacts on eelgrass. Specifically, the surveys shall be designed to evaluate potential shading impacts noted in the project's Marine Biological Resources Report (Appendix B of the Initial Study).

- In the event that impacts on eelgrass are detected, the Permittee shall implement the following:

    - A qualified marine biologist retained by the Permittee and approved by the District shall develop a mitigation plan for in-kind mitigation. The qualified marine biologist shall submit the mitigation plan to the District and resource agencies within 60 days following the post construction survey.

    - The eelgrass mitigation and monitoring plan shall specify that the contractor/entity harvesting eelgrass to implement the required mitigation would need to obtain a Scientific Collecting Permit (SCP) for eelgrass harvest and a letter of authorization (LOA) at least 30-60 days prior to implementation.

    - Mitigation for eelgrass impacts shall be at a ratio of no less than 1.2:1, as required by the CEMP, at the proposed mitigation areas within the

project site, as identified in the project's Marine Biological Resources Report (Appendix B of the Initial Study).

- Mitigation shall commence within 135 days of any noted impacts on eelgrass, such that mitigation commences within the same eelgrass growing season that impacts occur.

- 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 California Eelgrass Mitigation Policy (Appendix C of the Initial Study).

- The qualified biologist shall submit the monitoring reports and spatial data to the District and resource agencies within 30 days after the completion of each monitoring period. The monitoring reports shall include all of the specific requirements identified in the California Eelgrass Mitigation Policy (Appendix C of the Initial Study)

8. SECONDARY CONTAINMENT STRUCTURES (MM HAZ-1)
   The Permittee shall require its contractor to ensure that oils and fuels are contained in secondary containment structures during any demolition or construction activities so that spills and leaks are contained and prevented from entering the Bay. This measure shall be denoted on the construction plans and/or construction contract and proof of such denotation shall be submitted to the District's Director of Development Services Department.

9. HAZARDS-RELATED WORKER TRAINING (MM HAZ-2)
   Prior to commencing any demolition or construction activities, the Permittee shall require its contractor to provide training to construction workers on specific task areas, including potential hazards resulting from accidental oil and/or fuel spills, and proper equipment operation. This measure shall be denoted on the construction plans and/or construction contract and proof of such denotation shall be submitted to the District's Director of Development Services Department.

10. EQUIPMENT INSPECTION (MM HAZ-3)
    Prior to commencing any demolition or construction activities, the Permittee's contactor and equipment operators shall conduct equipment inspections prior to use to identify and address wear, faulty parts, and leaks. This measure shall be denoted on the construction plans and/or construction contract and proof of such denotation shall be submitted to the District's Director of Development Services Department.

11. PROPER EQUIPMENT INTRUMENTATION (MM HAZ-4)
    Prior to commencing any demolition or construction activities, the Permittee shall require its contractor to identify required instrumentation for each piece of equipment to avoid spillage of material from the barge. This measure shall be denoted on the construction plans and/or construction contract and proof of such denotation shall be submitted to the District's Director of Development Services Department.

12. HAZARDOUS MATERIALS MONITORING (MM HAZ-5)
    Prior to commencing any demolition or construction activities, the Permittee shall require its contractor to assign construction personnel to visually monitor for oil and fuel spills during construction. If spilled oil or fuel is detected, all equipment shall be shut down and the source of the spill shall be identified, contained, and reported. This measure shall be denoted on the construction plans and/or construction contract and proof of such denotation shall be submitted to the District's Director of Development Services Department.

13. OIL/SPILL KITS (MM HAZ-6)
    Prior to commencing any demolition or construction activities, the Permittee shall require its contractor to inform construction workers as to where oil/fuel spill kits are located, how to deploy the oil absorbent pads, and proper disposal guidelines. The barge shall have a full complement of oil/fuel kits on-board to allow for quick and timely implementation of spill containment. This measure shall be denoted on the construction plans and/or construction contract and proof of such denotation shall be submitted to the District's Director of Development Services Department.

14. BARGE LOADING PROCEDURES (MM HAZ-7)
    Prior to commencing any demolition or construction activities, the Permittee shall require its contractor to identify barge load limits and loading procedures and shall mark the appropriate draft level on the materials barge hull. This measure shall be denoted on the construction plans and/or construction contract and proof of such denotation shall be submitted to the District's Director of Development Services Department.

15. REMOVED PILE REPLACEMENT (MM HAZ-8)
    When placing pulled and removed piles and debris in the barge, the Permittee shall require its contractor to employ a flattop barge with containment walls and "skip tubs" to prevent any sediment, wood, or metal debris from falling into the water. The contractor shall locate the barge as close to shore as possible when transferring materials and/or debris on and off of the work barge. If necessary, traps shall be utilized to prevent debris from falling into the water. This measure shall be denoted on the construction plans and/or construction contract and proof of such denotation shall be submitted to the District's Director of Development Services Department.

16. REMOVED MATERIAL CLEAN-UP (MM HAZ-9)

Permittee shall require its contractor to clean up the marine growth and activity-generated debris and restore the piers where removed materials are placed to pre-construction conditions. This measure shall be denoted on the construction plans and/or construction contract and proof of such denotation shall be submitted to the District's Director of Development Services Department.

17. CONDUCT SEDIMENT SAMPLING AND IMPLEMENT REMEDIATION MEASURES (MM HAZ-10)
At the conclusion of the pile driving, the Permittee shall conduct sediment sampling of representative areas of potential disturbance near the location of piles. Sampling shall be conducted in accordance with the Water Quality Control Plan for Enclosed Bays and Estuaries (SWRCB 2009). Sediment sampling results shall rely on the Effects Range – Low (ER-L) and Effects Range – Medium (ER-M) guideline values of the NOAA Screening Quick Reference Tables (Buchman 2008). If the sediment samples show concentrations of sediment contamination above the guideline values, Permittee shall delineate the extent of cross contamination and propose remediation approaches (subject to approval by the District and any other agencies with jurisdiction over site contamination) that may include, but are not limited to, dredging, placement of sand cover, or Enhanced Monitored Natural Recovery (EMNR) sand containing active carbon. Permittee shall implement the approved remediation. The results of the sampling and remediation shall be documented in a report to be reviewed and approved by the District, RWQCB, and any other appropriate regulatory agencies.

18. BEST MANAGEMENT PRACTICES
Permittee will implement the following best management practices (BMPs) to minimize impacts from the Project on the surrounding environment.

- Turbidity - A silt curtain would be in place at all times, fully enclosing the construction area during pile removal and installation to contain sediment that may be temporarily stirred up. Piles would be removed and installed slowly in order to minimize sediment disturbance and turbidity in the water column.

- Noise Disturbance- A vibratory hammer would be used to the maximum possible extent. The contractor would limit the use of impact hammers as much as possible to minimize noise disturbance. When an impact hammer is necessary, noise dampening techniques (including the use of a nylon or wooden block between the impact hammer and piles, use of the slow-start method, and use of the smallest feasible hammer) would be employed to dampen underwater noise. In addition, a protected species observer would be present during pile driving activities to observe the project area for protected species.

- Debris Capture - A debris boom would be installed to capture debris while timber decks are being dismantled. Debris would be collected and disposed of.

- Debris Disposal – CMSD would supply plastic lined skip tubs for the contractor to use for placing the debris into. The contractor shall furnish and install all materials necessary to line the skip tubs with a plastic liner prior to the placement of the debris into the skip tubs. All debris would be disposed of at an upland facility.

- Stormwater Runoff – CMSD employs a fully contained stormwater diversion system to minimize stormwater runoff to San Diego Bay during project construction and operations.

- Monitor pH of surrounding waters while slurry fill while pouring is underway and postconstruction.

- Although the joints of the sheet pile wall should be sufficiently water-tight and should prevent any leakage of cementitious slurry, a silt curtain would be deployed to prevent any incidental slurry migration.

- Water between the existing and proposed bulkhead would be pumped out directly to CMSD's onsite wastewater treatment facility, where the water would be treated and disposed to the City of San Diego's sewage system.

19. Project construction shall take place between September 15 and March 31 annually to avoid the California least tern nesting season.

20. Prior to starting construction, Permittee shall obtain, and provide to the District, either: (a) a Federal Aviation Administration (FAA) Determination of No Hazard to Air Navigation; or (b) Certification by an appropriate licensed professional, in the State of California, that there is no need to file notice for construction or alteration per Title 14 Code of Federal Regulations § 77.9(e)(1).

Exhibits:

1. Project Location
2. Environmental Setting and Surroundings
3. Proposed Project
4. Location of Structural Repairs to the Existing Quay Wall
5. Partial Quay Wall Plan and Elevation
6. Quay Wall Cross Section
7. Existing Conditions of Pier 4, Wharf 4 and Pier 5
8. Proposed Improvements to Pier 4 and Wharf 4

Tables:

Table 1 - Project Component Summary
Table 2 - Overwater Coverage Summary for the Project

If you have any questions on this permit, please contact the Development Services Department of the San Diego Unified Port District at (619) 686-6419.

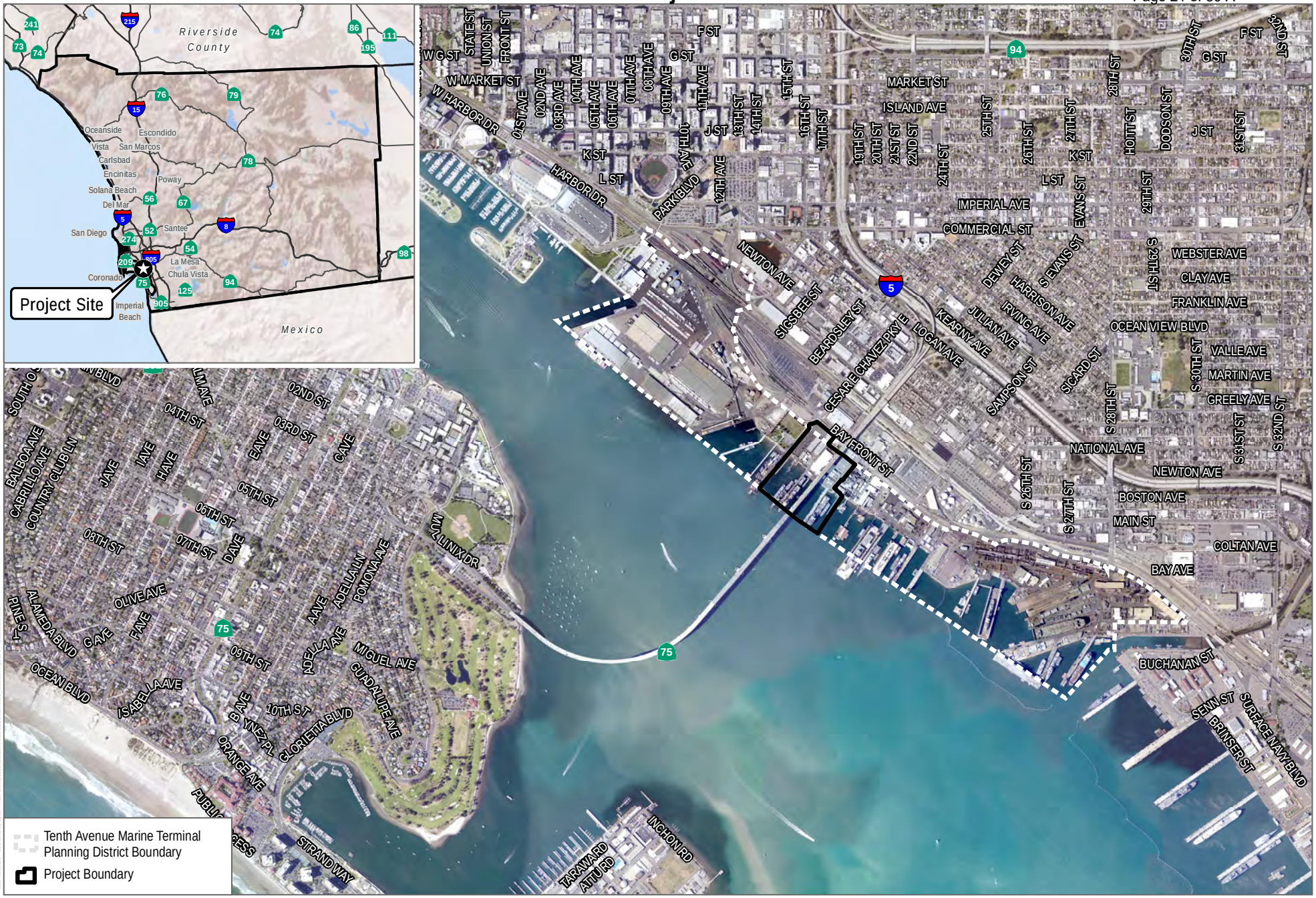
JOE STUYVESANT
President/Chief Executive Officer

By:_____
WILEEN C. MANAOIS
Director, Development Services Department

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
Trevor Jones
Manager, Environmental, Health, Safety/Security (FSO)/Emergency Services/Facilities
Continental Maritime of San Diego, LLC

EXHIBIT 1 - Project Location



SOURCE: SANGIS 2017, 2021

DUDEK

0 1,000 2,000 Feet

Exhibit 1
Project Location

EXHIBIT 2 - Environmental Setting and Surroundings

SOURCE: SANGIS 2017, 2021

DUDEK

0 150 300 Feet

Exhibit 2

Environmental Setting and Surroundings

EXHIBIT 3 - Proposed Project

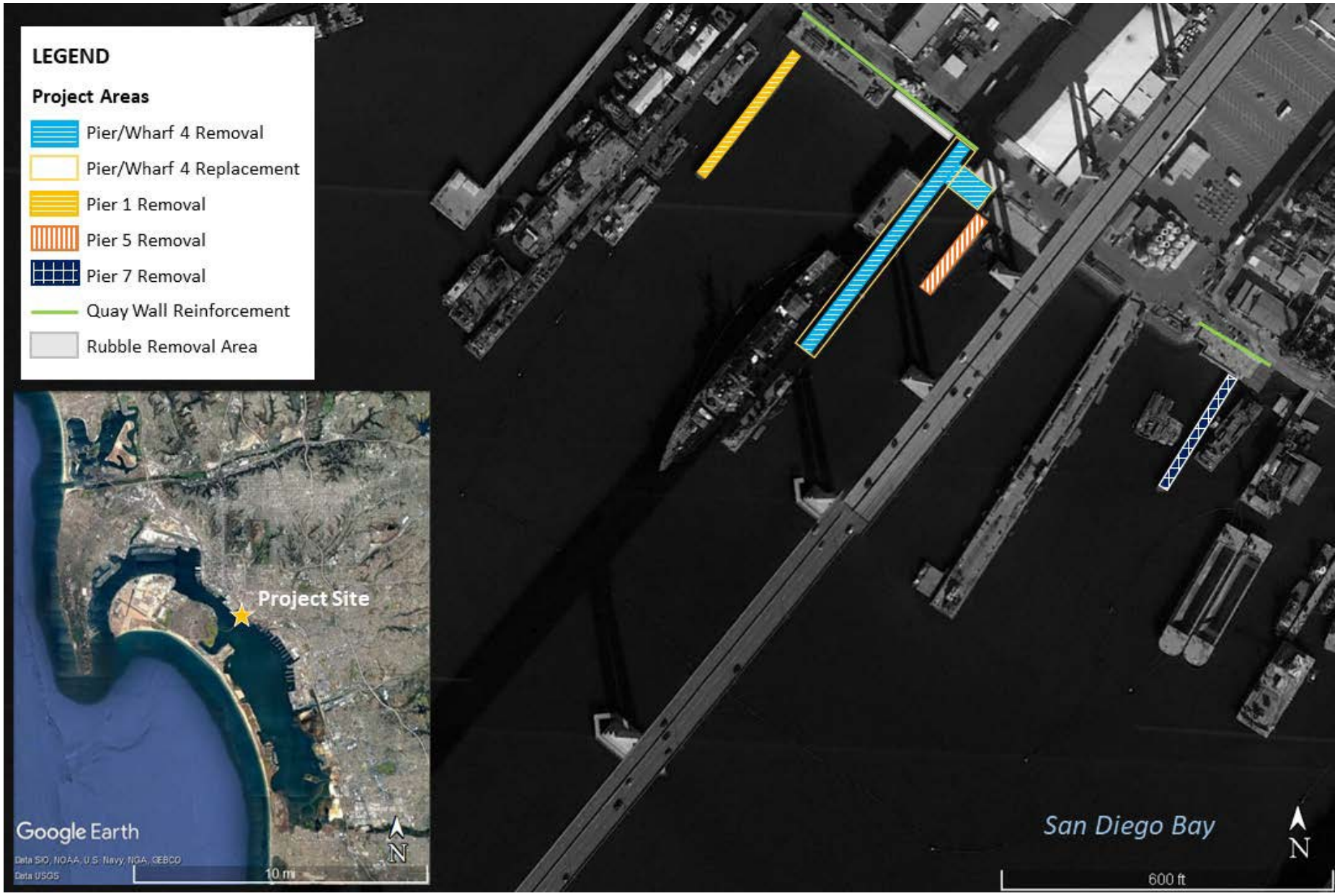


EXHIBIT 4 - Location of Structural Repairs to Existing Quay Wall

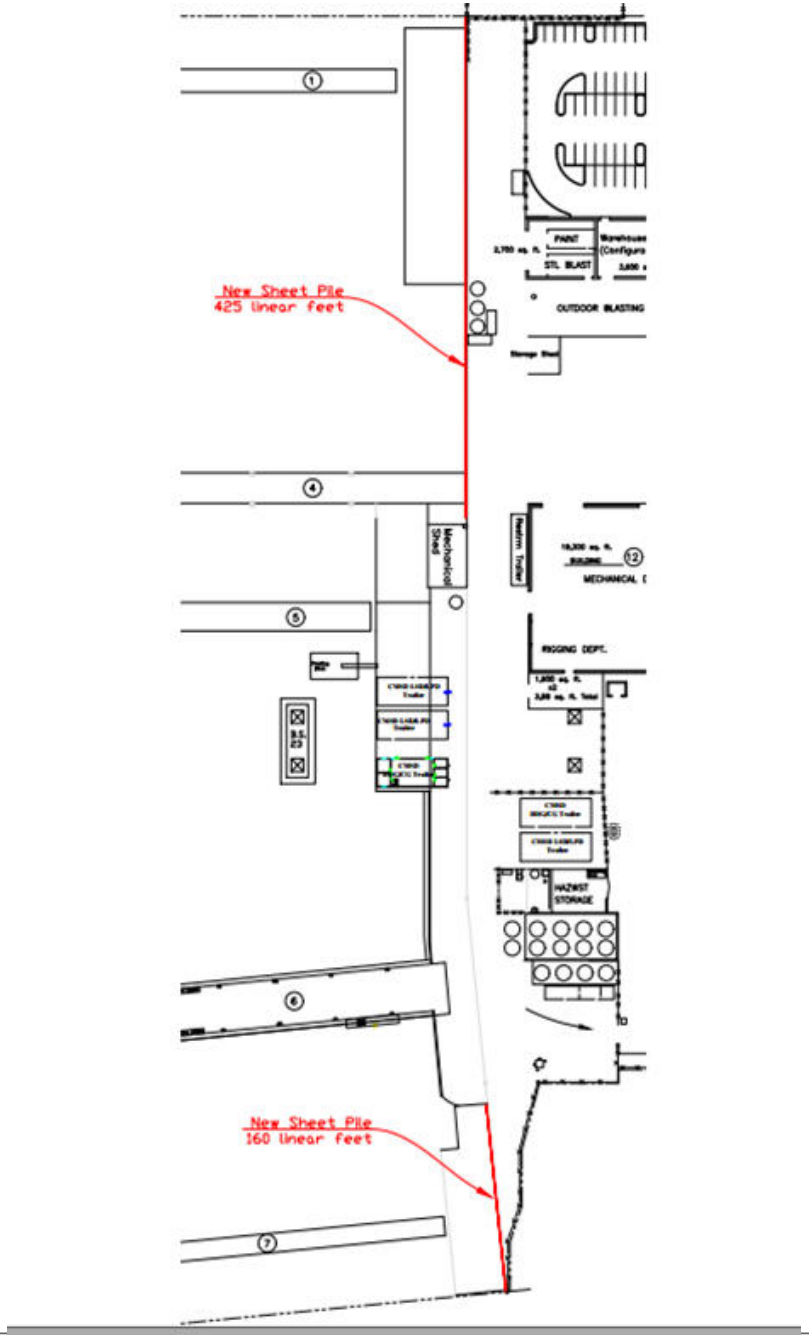


Exhibit 4
Location of Structural Repairs to Existing Quay Wall

EXHIBIT 5 - Partial Quay Wall Plan and Elevation

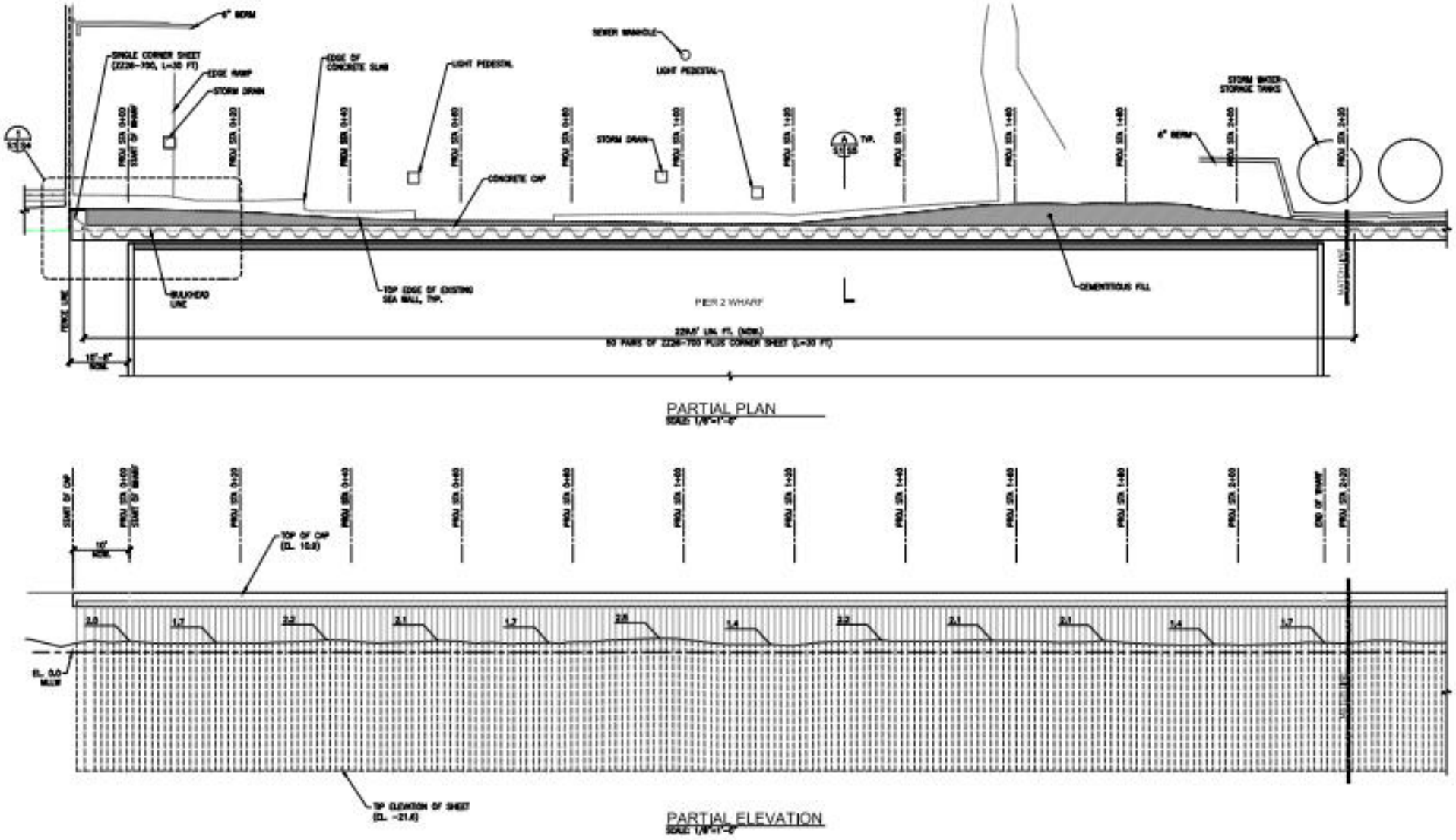


Exhibit 5
Partial Quay Wall Plan and Elevation

Sheet Pile Required to Stabilize Concrete Rubble Quay Wall

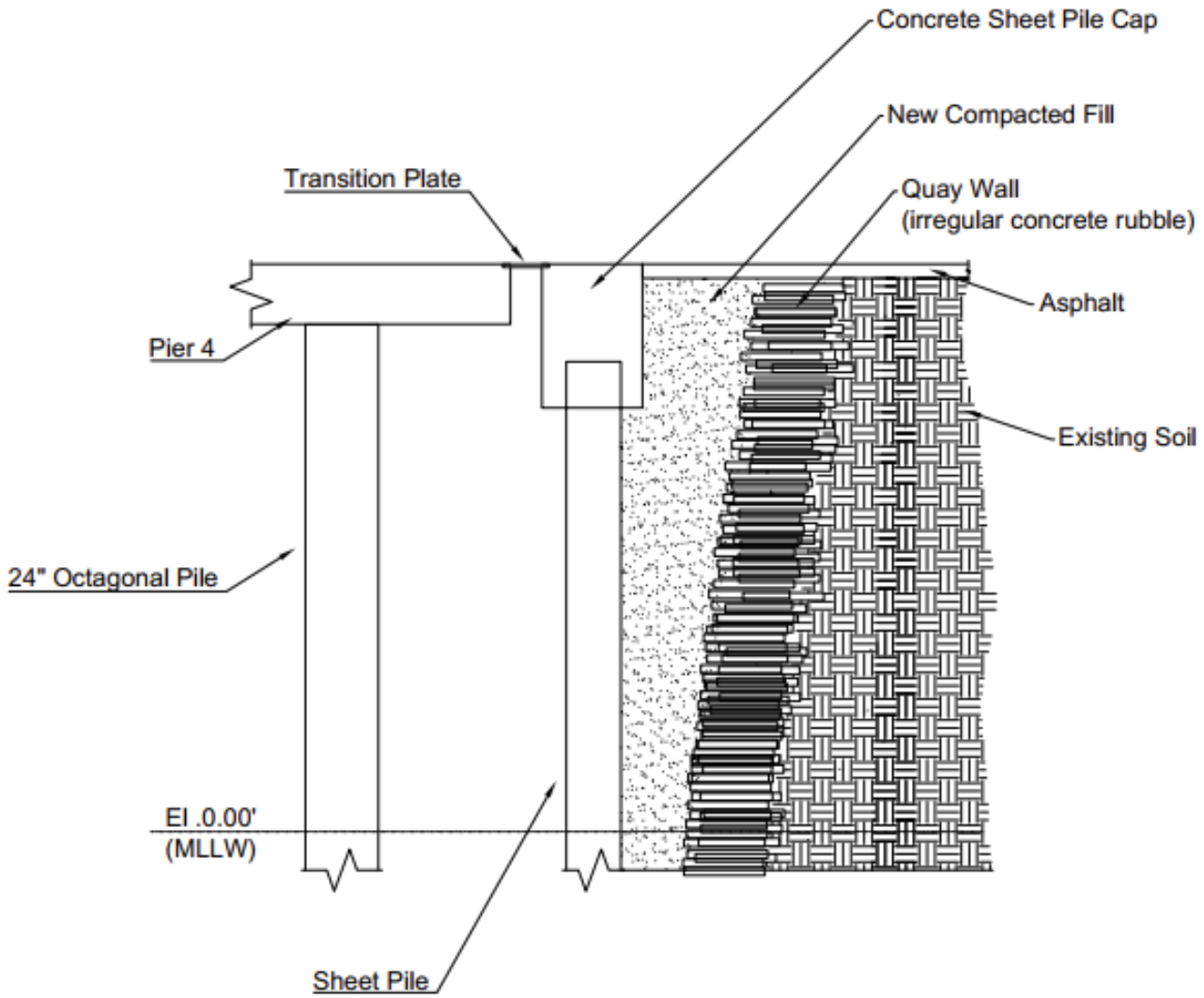
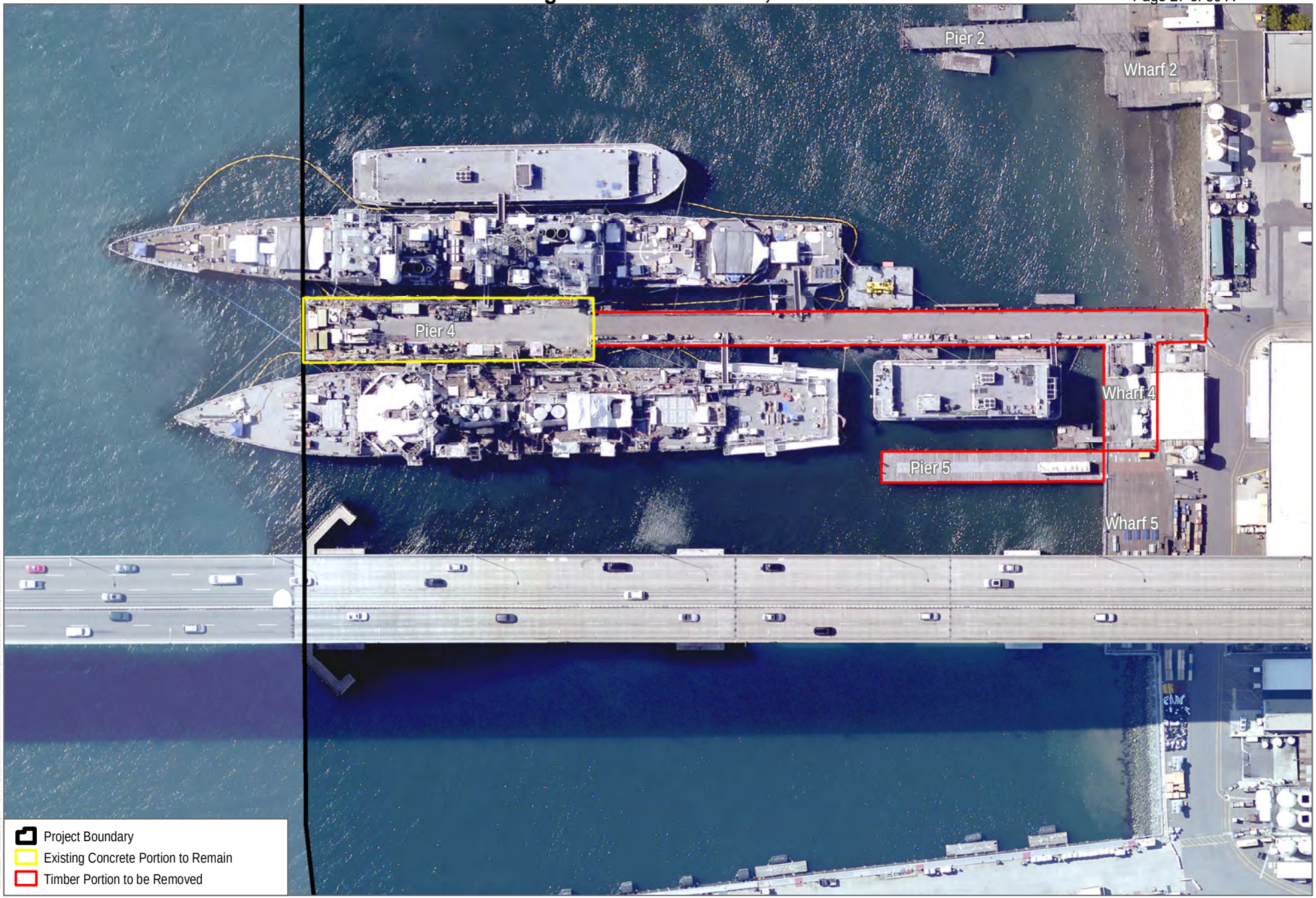


Exhibit 6
Quay Wall Cross-Section

EXHIBIT 7 - Existing Conditions of Pier 4, Wharf 4 and Pier 5



SOURCE: SANGIS 2017, 2021

DUDEK

0 50 100 Feet

Exhibit 7

Existing Conditions of Pier 4, Wharf 4 and Pier 5

EXHIBIT 8 - Proposed Conditions of Pier 4 and Wharf 4

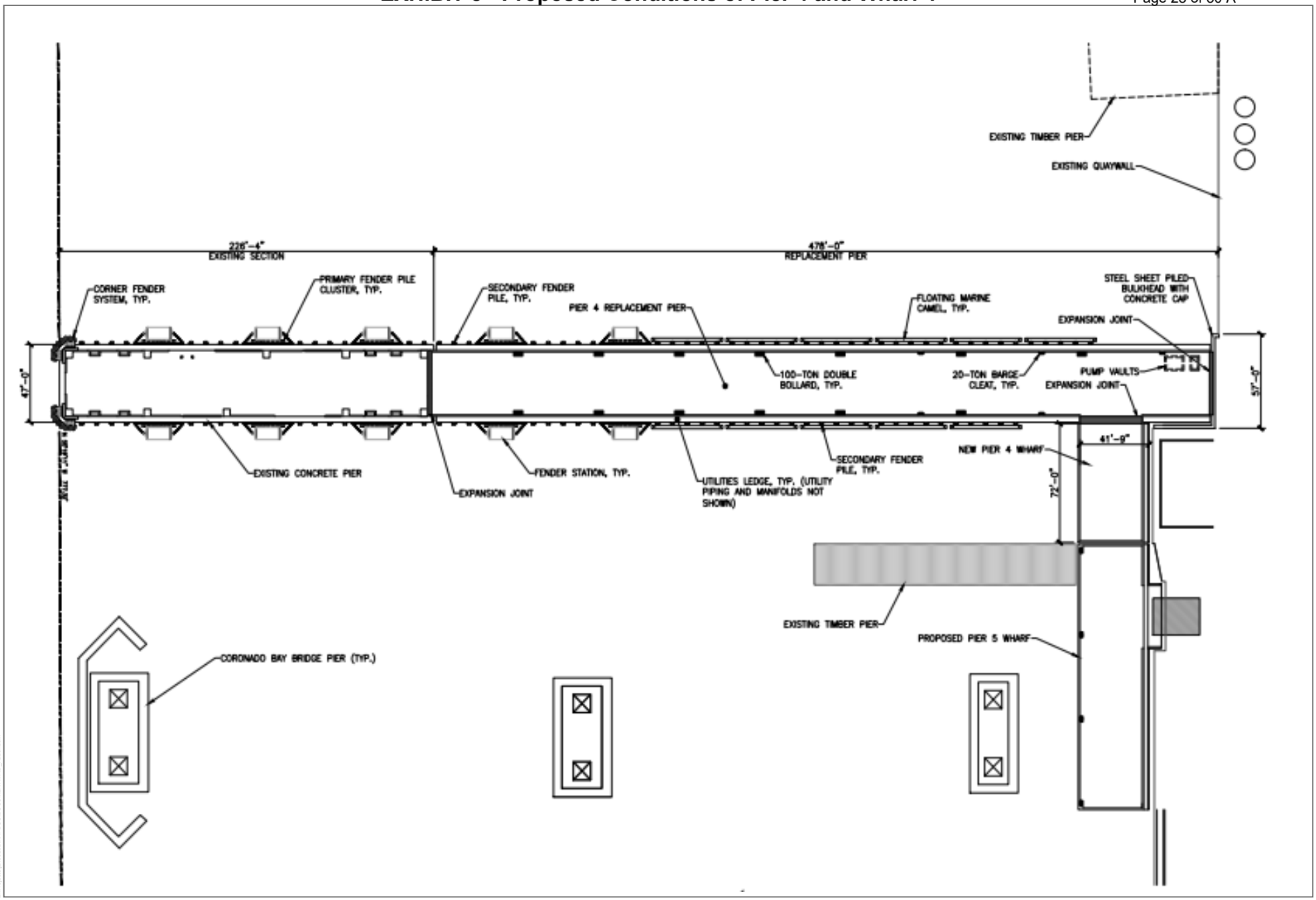


Exhibit 8

Proposed Conditions of Pier 4 and Wharf 4

DUDEK

TABLE 1 - Project Component Summary

Component	Existing Pier Area (SF)*	Proposed Pier Area (SF)	Range of Water Depth	Existing Wharf Area (SF)*	Proposed Wharf Area (SF)	Net Change in Over-water Coverage** (SF)	Piles to be Removed (Total of 626 Piles)	Piles to be Replaced (Total of 196 Piles)	Net Change in Piles and Fill Area	Proposed Construc-tion Date***
Quay Wall Reinforcement	n/a	n/a	n/a	n/a	n/a	n/a	n/a	585 lf sheet pile	+585 lf sheet pile +31.9 SF	Phase 1 2022-2023
Pier 4 (Replacement) Wharf 4 (Replacement)	23,066	33,104	-1.2 to -38.3 ft MLLW	3,583	3,070	+9,525	Pier 4 18”-diameter timber support piles (170) HP18 steel fender H-piles (82) 16” square timber fender piles (52) Wharf 4 18”-diameter timber support piles (47)	Pier 4 24” octagonal concrete support piles (90) 24” square concrete fender piles (20) 12” round fiberglass fender piles (71) Wharf 4 24” octagonal support piles (15)	Pier 4 -123 piles +13 SF Wharf 4 -32 piles -33 SF	Phase 2 2023-2026
Pier 1 (Remaining Demolition)	6,425	-—	0 to -25 ft MLLW	n/a	n/a	-6,425	18”-diameter timber support piles (118)	None – Pier 1 to be removed and not replaced	-118 piles -208 SF	Phase 2 2023-2026
Pier 5 (Demolition)	4,128	-—	-3.5 to -20 ft MLLW	n/a	n/a	-4,128	18”-diameter timber support piles (72)	None – Pier 5 to be removed and not replaced	-72 piles -127 SF	Phase 2 2023-2026
Pier 7 (Remaining Demolition)	3,571	-—	-5.2 ft to -24.0 ft MLLW	n/a	n/a	-3,571	18”-diameter timber support piles (85)	None – Pier 7 to be removed and not replaced	-85 piles -150 SF	Phase 2 2023-2026
Total	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**-4,599 SF**	**-626 piles -989 SF**	**+196 piles +515 SF**	**-430 piles -474 SF**	**n/a**

Notes: ft = feet; lf = linear feet; MLLW = MLLW; n/a = not applicable; SF = square feet

* Existing pier and wharf calculations differ from the existing conditions identified in the 2019 Final MND which were based on conceptual drawings. Since the adoption of the Final MND, CMSD has entered the final design process for the project and is now able to provide a more accurate, detailed description of the existing conditions square footage breakdown.

** Net change in over-water coverage accounts for change in both pier area and wharf area.

*** All demolition will occur between September 15 and March 31 annually to avoid the California least tern nesting season.

TABLE 2 - Overwater Coverage Summary for the Project

Component	Existing Pier Area (SF)	Proposed Pier Area (SF)	Existing Wharf Area (SF)	Proposed Wharf Area (SF)	Net Change in Overwater Coverage (SF)
Project Components					
Pier 4 (Improvement)/ Wharf 4 (Improvement)	23,066	33,104	3,583	3,070	+9,525
Pier 1 (Remaining Demolition)	6,425	0	n/a	n/a	-6,425
Pier 5 (Demolition)	4,128	0	n/a	n/a	-4,128
Pier 7 (Remaining Demolition)	3,571	0	n/a	n/a	-3,571
				Total Overwater Coverage	**-4,599 SF**

Notes:
SF= square feet