

MINUTE ITEM

6/26/69

15. ASSIGNMENT OF LEASE P.R.C. 2338.1, SUISUN BAY AT PITTSBURG, CONTRA COSTA COUNTY; KAISER GYPSUM COMPANY, INC., TO PACIFIC GAS AND ELECTRIC COMPANY - W-8410.

After consideration of Calendar Item 4 attached, and upon motion duly made and carried, the following resolution was adopted:

IN CONSIDERATION OF THE FACTS OUTLINED IN CALENDAR ITEM NO. 4, THE STATE LANDS COMMISSION CONSENTS TO THE ASSIGNMENT OF LEASE P.R.C. 2338.1 TO PACIFIC GAS AND ELECTRIC COMPANY FROM KAISER GYPSUM COMPANY, INC., ON THE FORM PROVIDED BY THE APPLICANTS.

Attachment

Calendar Item 4 (1 page)

CALENDAR ITEM

6/69  
W-8410

4.

ASSIGNMENT OF LEASE P.R.C. 2338.1

ASSIGNOR: Kaiser Gypsum Company, Inc.

ASSIGNEE: Pacific Gas and Electric Company.

LOCATION: Suisun Bay at Pittsburg, Contra Costa County.

TERMS OF ASSIGNED LEASE:

From January 29, 1959, to June 20, 1970.

CONSIDERATION: \$3,189.67 total rental for term.

STATUTORY AND OTHER REFERENCES:

- a. Public Resources Code: Div. 5, Pt. 2, Ch. 1, Secs. 6501-6509.
- b. Administrative Code: Title 2, Div. 3, Secs. 2000-2011.
- c. Commission policy: Minute Item 18 of November 18, 1959.

OTHER PERTINENT INFORMATION:

The assignor recently sold the bulk of its Pittsburg property to the assignee. By written instrument, Kaiser has assigned the above lease to Pacific Gas and Electric Company, which has accepted the assignment, has assumed all obligations under the lease, and has agreed to hold Kaiser harmless. The assignment is expressly conditioned upon Commission consent as required by the provisions of paragraph 5 of the lease.

The assignment is on the form submitted by the assignor (Kaiser). It has been Commission policy on lease assignments that the liability of the assignor shall continue in full force and effect during the remainder of the lease term. The assignor requests a deviation from this policy in this transaction. Consent of the Commission to the form of assignment submitted by the assignor will probably relieve him of such liability.

The State Lands Division recommends the deviation from standard form and policy, as requested by assignor, for the following reasons:

1. Pacific Gas and Electric Company has assumed all obligations under the lease and has agreed to hold Kaiser harmless.
2. Pacific Gas and Electric Company is a public utility of adequate financial responsibility.

EXHIBIT: A. Location map.

IT IS RECOMMENDED THAT IN CONSIDERATION OF THE FACTS OUTLINED IN CALENDAR ITEM NO. 4, THE STATE LANDS COMMISSION CONSENT TO THE ASSIGNMENT OF LEASE P.R.C. 2338.1 TO PACIFIC GAS AND ELECTRIC COMPANY FROM KAISER GYPSUM COMPANY, INC., ON THE FORM PROVIDED BY THE APPLICANTS.