

MINUTE ITEM

7/24/75
HAM

13. INDUSTRIAL LEASE, TIDE AND SUBMERGED LAND AT WALNUT CREEK AND HASTINGS SLOUGH, EAST OF MARTINEZ, CONTRA COSTA COUNTY; PACIFIC GAS AND ELECTRIC COMPANY - W 20714.

During consideration of Calendar Item 11 attached, the matter was deferred pending the applicant's agreement with the throughput concept in connection with pipelines.

Attachment:

Calendar Item 11 (8 pages)

CALENDAR ITEM

11.

7/75
HAM
W 20714

INDUSTRIAL LEASE

APPLICANT: Pacific Gas and Electric Company
77 Beale Street
San Francisco, California 94106

AREA, TYPE LAND AND LOCATION:

1. 15-year lease: Two parcels of tide and submerged land, one at Walnut Creek totaling 31,000 sq. ft., and one at Hastings Slough totaling 4,750 sq. ft., both being east of Martinez, Contra Costa County.
2. 2-year lease: Two parcels of tide and submerged lands adjacent to the strips at Walnut Creek and Hastings Slough, and a dry land parcel at Hercules 53,060 sq. ft.

LAND USE: Installation of a 16-inch diameter pipeline.

TERMS OF PROPOSED LEASE: (As to pipeline locations at Walnut Creek and Hastings Slough)

Initial period: 15 years, from August 1, 1975.

Renewal options: 3 successive periods of 10 years each.

Public liability insurance:

\$1,000,000 per occurrence
for bodily injury and property
damage, inclusive.

- CONSIDERATION:
1. \$248.80 per annum and 5-year review, with the State reserving the right to reset the rental during the first year of this lease retroactive to August 1, 1975, pursuant to adopted changes in the Administrative Code.
 2. As to 3 temporary work areas at Walnut Creek, Hastings Slough, and a parcel at Hercules for 2 years, from August 1, 1975, ending July 31, 1977, \$1,970 per annum, with provision that said insurance shall extend to the temporary work areas during the term thereof.

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BASIS FOR CONSIDERATION AND RENTAL SUMMARY:

A. Rental Summary - Pipeline Crossings,
15-year Lease,
16-inch Pipeline

PARCEL 1: Crossing Walnut Creek (aka Pacheco Slough)

1-1/2 cents per diameter inch of pipeline = \$148.80 per annum.

PARCEL 2: Crossing Hastings Slough

Minimum rental pursuant to Section 2006, 2 Cal. Adm. Code = \$100 per annum.

TOTAL R/W RENTAL: \$248.80 per annum

B. Rental Summary - Temporary Work Areas;
2-year Lease

PARCEL 1: Walnut Creek; aka Pacheco Slough

8% of appraised land value = \$560 per annum.

PARCEL 2: Hastings Slough

Minimum rental pursuant to Section 2006, 2 Cal. Adm. Code = \$450 per annum.

PARCEL 3: Hercules (dry land)

8% of appraised land value = \$960 per annum

Parcel 1 Rental = \$560 per annum) (Rental Summary
Parcel 2 Rental = \$450 per annum) for Temporary
Parcel 3 Rental = \$960 per annum) Work Areas)

TOTAL: \$1,970 per annum

PREREQUISITE TERMS AND FEES:

Applicant is permittee of upland.

Filing fee has been received.

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STATUTORY AND OTHER REFERENCES:

- a. Public Resources Code: Div. 6, Parts 1 & 2.
- b. Administrative Code: Title 2, Div. 3,
Arts. 1, 2 & 10;
Title 14, Div. 6,
Sections 15000, et seq.

OTHER PERTINENT INFORMATION:

1. The Pacific Gas and Electric Company contemplates the construction of a 42-mile pipeline leading from the Standard Oil Refinery in Richmond to the applicant's generating plants at Pittsburg and Antioch. The pipeline will be a 16-inch diameter oil conveyance facility and will cross sovereign land at Walnut Creek and Hastings Slough, both east of Martinez in Contra Costa County.

The applicant has requested a long-term lease for installing and maintaining the pipeline. In addition, the applicant has requested a two-year lease for temporary working areas on parcels adjacent to the pipeline locations at Walnut Creek and Hastings Slough, and on a parcel of dry land at Hercules currently leased to Hercules, Inc. Hercules, Inc. has consented to the use of the latter parcel for applicant's use.

The San Francisco Bay Conservation and Development Commission, as lead agency, has concluded that there will be no adverse effect occasioned by the placement of the subject pipeline, and the Division concurs. There will be some increased air pollution resulting from the change-over of burning fuel oil instead of natural gas at applicant's generating plants. The Bay Area Air Pollution Control District has stated that the increase in pollutant emissions will be within the safety standards set by that agency.

2. A portion of this project crosses Walnut Creek, aka Pacheco Slough, an area not identified as environmentally significant, pursuant to Public Resources Code Section 6370.1, and is not classified in a significant use category.

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Hastings Slough, a waterway affected herein, is tentatively identified as environmentally significant pursuant to said Code, and is classified in the Class A category. This class is a restricted use designation, referring to a natural area where public use should be minimized to preserve the integrity of the natural environment as a whole. The pipeline crossing this location will be an elevated structure about 4 feet above high water, supported by driven pilings. The staff concludes that this minimum use is compatible with the parcel's environmental values.

3. A Final Environmental Impact Report was prepared by the San Francisco Bay Conservation and Development Commission, pursuant to CEQA, as amended, and implementing regulations.
4. A Notice of Determination has been received.

EXHIBITS: A-1 and A-2: Land Descriptions.
 B and B-1,
 pp. 1 & 2: Location Maps.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL IMPACT REPORT HAS BEEN PREPARED FOR THIS PROJECT AND CERTIFIED BY THE SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION ON SEPTEMBER 5, 1974.
2. CERTIFY THAT THE INFORMATION CONTAINED IN THE ENVIRONMENTAL IMPACT REPORT OF THE SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION HAS BEEN REVIEWED AND CONSIDERED BY THE COMMISSION.
3. DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. AUTHORIZE:
 - A. ISSUANCE TO PACIFIC GAS AND ELECTRIC COMPANY OF A 15-YEAR LEASE FROM AUGUST 1, 1975, WITH LESSEE'S OPTION TO RENEW FOR 3 SUCCESSIVE PERIODS OF 10 YEARS EACH, IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$248.80, WITH THE STATE RESERVING THE RIGHT TO FIX

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A DIFFERENT RENTAL ON EACH FIFTH ANNIVERSARY OF THE LEASE, AND WITH THE RIGHT TO FIX A DIFFERENT RENTAL DURING THE FIRST YEAR OF THIS LEASE, RETROACTIVE TO AUGUST 1, 1975, PROVIDED THAT ANY CHANGE IN THE RENTAL SHALL BE TO THE APPLICABLE RATE, OR BY FOLLOWING THE PROCEDURE FOR DETERMINING THE APPLICABLE RATE, OF RENTAL SET FORTH IN TITLE 2 OF THE CALIFORNIA ADMINISTRATIVE CODE; AND PROVISION OF PUBLIC LIABILITY INSURANCE IN AMOUNTS OF \$1,000,000 PER OCCURRENCE FOR BODILY INJURY AND PROPERTY DAMAGE, INCLUSIVE, FOR THE INSTALLATION AND MAINTENANCE OF A 16-INCH DIAMETER PIPELINE ON THE LAND DESCRIBED IN EXHIBIT "A-1" ATTACHED AND BY REFERENCE MADE A PART HEREOF; AND

- B. THE INCLUSION IN SAID LEASE OF A 2-YEAR TEMPORARY WORK PERIOD FROM AUGUST 1, 1975, IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$1,970.00, ON THE LAND DESCRIBED IN EXHIBIT "A-2" ATTACHED AND BY REFERENCE MADE A PART HEREOF; WITH THE PROVISION THAT THE ABOVE PUBLIC LIABILITY INSURANCE AND PROPERTY DAMAGE COVERAGE SHALL EXTEND TO THE TEMPORARY WORK AREA DURING THE TERM THEREOF.

Attachments: Exhibits "A-1" and "A-2"

EXHIBIT "A-1"

W 20714

Two parcels of tide and submerged land, situate in the County of Contra Costa, State of California, being more particularly described as follows:

PARCEL 1:

A strip of tide and submerged land 50 feet wide, extending across Walnut Creek, also known as Pacheco Creek, and lying 25 feet on each side of the following described centerline:

COMMENCING at a 2-1/2 inch brass cap in concrete marked "SKIMMER", having California Zone 3 Coordinates of X = 1,548,119.10, Y = 562,459.72; thence S 70° 16' 54" W, 3419.5 feet to the TRUE POINT OF BEGINNING; thence N 71° 19' 06" E, 750 feet and the end of the herein described centerline.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark of said waterway.

PARCEL 2:

A strip of tide and submerged land 50 feet wide, extending across Hastings Slough, and lying 25 feet on each side of the following described centerline:

COMMENCING at a 2-1/2 inch brass cap set in 8" x 8" concrete marked "CLC 1947 Hastings #2", having California Zone 3 Coordinates of X = 1,553,901.31, Y = 564,692.21; thence S 55° 34' 54" W, 1173.1 feet to the TRUE POINT OF BEGINNING; thence N 71° 19' 30"E, 253 feet and the end of the herein described centerline.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark of said waterway.

END OF DESCRIPTION

EXHIBIT "A-2"

W 20714

Three parcels of State-owned land, situate in the County of Contra Costa, State of California, being more particularly described as follows:

PARCEL 1:

A strip of tide and submerged land 50 feet wide, extending across Walnut Creek, also known as Pacheco Creek, and lying 25 feet on each side of the following described centerline:

COMMENCING at a 2-1/2 inch brass cap in concrete marked "SKIMMER", having California Zone 3 Coordinates of X = 1,548,119.10, Y = 562,459.72; thence S 70° 16' 54" W, 3419.5 feet; thence S 18° 40' 54" E, 50 feet to the TRUE POINT OF BEGINNING; thence N 71° 19' 06" E, 800 feet and the end of the herein described centerline.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark of said waterway.

PARCEL 2:

A strip of tide and submerged land 50 feet wide, extending across Hastings Slough, and lying 25 feet on each side of the following described centerline:

COMMENCING at a 2-1/2 inch brass cap set in 8" x 8" concrete marked "CLC 1947 Hastings #2", having California Zone 3 Coordinates of X = 1,553,901.31, Y = 564,692.21; thence S 55° 34' 54" W, 1173.1 feet; thence S 18° 40' 30" E, 50 feet to the TRUE POINT OF BEGINNING; thence N 71° 19' 30" E, 253 feet and the end of the herein described centerline.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark of said waterway.

EXHIBIT "A-2" (CONTD)

PARCEL 3:

The portion of the parcel of land shown as PARCEL 10 upon Parcel Map MSH-1 filed for record in Book 33 of Parcel Maps at page 20, Contra Costa County, more particularly described as follows:

BOUNDED on the northwest by the northwesterly boundary line of said parcel of land designated PARCEL 10, said northwesterly boundary line being the southeasterly boundary line of the railroad right-of-way of the Southern Pacific Transportation Company; on the southeast by the northwesterly boundary line of Railroad Avenue shown upon said parcel map; on the southeast by a line drawn parallel with and 85 feet distant measured at right angles from the northwesterly boundary line of said PARCEL 10; on the northeast by the northeasterly boundary line of said PARCEL 10.

EXCEPTING THEREFROM any portion lying southeasterly of the southeasterly boundary line of the existing roadway, 24 feet wide, traversing said parcel of land designated PARCEL 10.

END OF DESCRIPTION