MINUTE ITEM

This Calendar Item No. 13
was approved as Minute Item
No. 13 by the State Lands
Commission by a yote of 1764 NUTT. ITEM
to 0 at its 1228-1764 NUTT. ITEM
meeting.

4/28/76 JFT

13. INDUSTRIAL LEASE FOR PIPELINE PURPOSES, SOVEREIGN LAND IN SACRAMENTO, YOLO, CONTRA COSTA AND SOLANO COUNTIES; SHELL OIL COMPANY - W 20991, PRC 5107.

During consideration of Calendar Item 13, Mr. William Holliman, attorney representing Shell Oil Company appeared in support of the item. Mr. Holliman advised that the staff recommendation before the Commission is acceptable to Shell. Based on no objections being raised, the Commission unanimously approved the resolution as presented in Calendar Item 13 attached.

Attachment:

Calendar Item 13 (10 pages)

INDUSTRIAL LEASE FOR PIPELINE PURPOSES

APPLICANT:

Shell Oil Company

c/o R. G. Ryman, Attorney in Tact

P. O. Box 2648 2 Shell Plaza

Houston, Texas 77001

AREA, TYPE LAND AND LOCATION:

10.901 acres of submerged sovereign land, in Sacramento, Yolo, Contra Costa and Solano

Counties.

LAND USE:

Industrial, natural gas pipeline for the installation, use and maintenance of a gas pipeline from Sacramento to the Shell Oil

Company refinery in Martinez.

TERMS OF PROPOSED LEASE:

Initial period: 15 years from April 1, 1976.

Renewal options: 2 successive periods of 10

years each.

Surety bond:

\$100,000

Public liability insurance: \$1,000,000 per occurrence for bodily injury

and property damage.

Special:

The pipeline shall be used solely for the transportation of natural gas for process

feed and process fuel at Lessee's

refinery in Martinez.

CONSIDERATION: \$2,676.88 per annum, with the State reserving

the right to fix a different rental on each

lifth anniversary of the lease.

BASIS FOR CONSIDERATION:

1 1/2 cents per diameter inch of pipeline or conduit, per lineal foot as to the crossing at Suisun-Honker Bay (Solano County and Contra Costa County) and \$100 minimum rentals each

as to the balance of the crossings.

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CALENDAR ITEM NO. 13 (CONTD)

PREREQUISITE TERMS, FEES AND EXPENSES:

Applicant is permittee of most upland parcels, and is in the process of completing its right of way acquisition.

Filing fee and \$200 environmental costs has been received. Staff has incurred substantial expense in EIR evaluation and circulation and will bill the applicant for expenses exceeding the \$200 previously received.

STATUTORY AND OTHER REFERENCES:

A. Public Resources Code: Div. 6, Parts 1 & 2.

B. Administrative Code: Title 2, Div. 3, Arts. 1, 2, 10 & 11.

OTHER PERTINENT INFORMATION:

- 1. This project is partially situated on State land identified as environmentally significant, pursuant to Public Resources Code 6370.1, and is classified in a significant use category, Class B: Limited Use and Class C: Multiple Use. On March 25, 1976, the project was determined by the Commission to be compatible use consistent with identified significant environmental values.
- 2. A final environmental impact report was prepared by the Division and certified by the Commission on March 25, 1976, pursuant to CEQA and implementing regulations.
- 3. A pipeline will be 10 3/4 inches in diameter in its crossing of Suisun Bay, Roaring River Slough, Grizzly Slough and Montezuma Slough. At the Sacramento River (Elkhorn) crossing, the pipe will be 8 5/8 inches in diameter, and 6 5/8 inches in diameter as it crosses the Sacramento (north) River.

EXHIBITS: A. Land Description. B. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE ISSUANCE TO SHELL OIL COMPANY OF A 15-YEAR LEASE FROM APRIL 1, 1976, WITH LESSFE'S OPTION TO RENEW FOR 2 SUCCESSIVE PERIODS OF 10 YEARS EACH; IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$2,676.88 WITH THE STATE RESERVING THE RIGHT TO HIX A DIFFERENT RENTA' ON EACH FIFTH ANNIVERSARY OF THE LEASE, AND WITH THE RIGHT TO HIX A DIFFERENT RENTAL DURING THE FIRST YEAR OF THIS LEASE RETORACTIVE TO APRIL 1, 1976; 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

CALENDAR ITEM NO. 13 (CONTD)

OF THE CALIFORNIA ADMINISTRATIVE CODE; PROVISION THAT THE PIPE-LINE SHALL BE USED SOLELY FOR THE TRANSPORTATION OF NATURAL GAS FOR PROCESS FEED AND PROCESS FUEL AT SHELL'S REFINERY IN MARTINEZ; PROVISION OF A \$100,000 SURETY BOND; PROVISION OF PUBLIC LIABILITY INSURANCE IN AMOUNTS OF \$1,000,000 PER OCCURRENCE FOR BODILY INJURY AND PROPERTY DAMAGE, FOR THE INSTALLATION, USE AND MAIN-TENANCE OF A NATURAL GAS PIPELINE ON THE LAND DESCRIBED ON EXHIBITS A, A-1, A-2, A-3, A-4, A-5, and A-6, ATTACHED AND BY REPERENCE MADE A PART HEREOF.

Attachments: Exhibits "A" through "A-6"

EXHIBIT "A"

M 50337

A parcel of tide and submerged land 30 feet wide in the State cwno 1 con of Suisun Bay and Honker Bay, within protracted Section 2, 72%, 81%, and protracted Section 35, 73%, 81%, M.D.M., situate in the Counties of Contra Costa and Solano, State of California, lying 15.00 feet on earlied of the following described centerline:

COMMENCING at a 2" iron pipe tagged LS-3169 shown as marking the intersection of the corcherly line of the Atchison, Topeka and Santa Fe Railroad with the east line of the \overline{W}_2 of Section 11 on that map titled "Record of Survey Portion of the SER of Section 10, Wa of Section 11, T2N, BIW, M.D.4., and Swamp and Overflow Lands Survey No. 05, Clave of Campiornia, County of Contra Costa", filed in the office of the recorder of said country on June 15, 1971, in Licensed Surveyors Map Book 53, page 12; thence from said point of commencement along said northerly line of the Atchison, Topoka and Santa Fo Railroad, S 720 13' 03" E, 15.74 feet; thence leaving said line, N 60° 01' 00" E, 4661.30 feet to the POINT OF BEGINNING of the serein described centerline; thence N 180 47 13" E, 4500.00 feet, morn or less, to an intersection with the southerly line of those lands parented by the State of California as Tideland location No. 42 and the end of said centerline.

EXCEPTING THEREFROM any portion thereof lying land, runt the more high water mark.

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EXHLES "X-1"

W 20991

A strip of land 30.00 feet In width lying within the lands described in Tideland Locations No. 42 and No. 45 in protracted Sections 35, 35 and 25, T3N, RIW, M.D.M., situate in icaker hay, Solano County, California, being 15 feet on each of the following described centerline:

COMMENCING at a 2" iron pipt Lagged LG-3169 shown as marking the intersection of the northerly line of the Atchison, Topeka and Santa Fe Railroad with the east line of the Wa of Section 11 on that map titled "Record of Eurvey Portion of the SE% of Section 10, We of Section 11, TSN, klw, M.D.M., and Swamp and Overflow Survey No. 05, State of California, Jounty of Contr. Costs, filed in the office of the recorder of said county on June 15, 1971, in Licensed Surveyors Hap Book 53, Page 42; thence from said commencement point along said northerly line of the Atchison, Topeka and Santa Fe Railroad, S 720 13' 03" E, 15.74 feet; thence leaving said line N 00° Ol' 00'' Z, 466° .90 feet; thence N 18° 26' 20" E, 4000.00 feet, more or less, to an intersection with the southerly described line of said Tideland Location No. 42 and the POINT OF BEGINNING of the herein described centerline; thence N 18° 26' 20" E, 8800 feet, more or less, to the northerly described line of sata Tidetand Location Wa. 42 and the end of said centerline.

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EXHIBIT "A-I"

M 20091

A scrip of land 30.00 feet wide in the State owned bed of Roaring River Slough in protracted Section 24, T3N, RIW, M.D.M., County of Solaro, State of California, lying 15.00 feet on each side of the following described centerline:

COMMENCING at a 10" diameter iron pipe filled with concrete encasing a 2" iron ripe tagged R.C.E. 11208 which bears N 280 11' 00" W, 451.91 feet from the most southeasterly corner of Parcel 1 as shown on that certain Parcel Map filed in Book 9 of Parcel Maps, Page 58, in the office of the Folano County Recorder; thence II 35 38' 33" E, 4966.54 feet to a 5/8" reber; thence \$ 280 22' W, 130.00 feet to the POINT OF BEGINHING of the herein described centerline; thence N 28° 22' E, 400.00 feet to the end of said centerline.

EXCEPTING THEFEFROM any portion thereof lying landward of the ordinary high water mark.

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EXHIBIT "A-3"

W 20991

A strip of land 30.00 feet in width, lying in the State owned and of Grizzly Slough in protracted Section 13, T3N, R1W, M.D.M., County of Solano, State of California, lying 15.00 feet on each side of the following described centerline:

COMMENCING at a 10" diameter iron pipe filled with concrete encasing a 2" iron pipe tagged R.C.E. 11208 which bears N 28° 11' 00" W, 461.91 feet from the most southeasterly corner of Farcel 1 as shown on that certain Parcel Map filed in Book 9 of Parcel Maps, Page 58, in the office or the Solano County Recorder; thence N 30° 31' 52" E, 8069.48 feet to a 5/8" rebar; thence N 28° 22' E, 165.00 feet to the POINT OF BEGINNING of the herein described centerline; thence S 28° 22' 00" W, 400.00 feet to the en of said centerline.

EXCEPTING THEREFROM any portion thereof lying landward of the ord mary high water mark.

EXHIBIT "A-4"

W 20991

A strip of land 30.00 feet in width, lying in the State owned bed of Montezuma Slough in protracted Section 7, T3N, RIE, M.D.H., Solano County, California, lying 15.00 feet on each side of the following described centerline:

COMMENCING at a 12" dismeter iron pipe markin. the most northeasterly corner of the A. W. Ward parcel as shown on Record of Surveys Map - portions of the McDougal Livestock Co. property in Sections 5, 8, and 17, T3M, RIE, M.D.K., recorded in Book of Surveys Volume 4, at rage 25, Solano County Records; thence from said point of commencement along the centerline of County Road No. 249 (known as Birds Landing Road), the following two (2) courses: (1) 8 680 40' 17" W, 1923,20 feet and (2) N 840 38, 43" W, 87.76 feet to a point distant 40.00 feet easterly measured at right angles from an existing Standard Oil Company pipeline; thence parallel with said pipeline, the following two (2) courses: (1) S 00° 52' 00" W, 27.50 feet and (2) \$ 220 28' 00" W, 5306.80 feet to the FOINT OF BECENNING of the herein described centerline; thence \$ 07° 57' 00" F, 495.00 feet to the end of said centerline.

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

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EXHIBIT "A-5"

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A strip of land 30.00 feet in width, lying in the State owned leist the Sacramento River, Sacramento and Yola Counties, State of California, located at River Mile 71.5, lying 15.00 feet on each side of the following described centerline:

COMMENCING at the southeast corner of Lot 75 as shown on Map of Natomas Elkhorn Subdivision recorded in Book 15 of Maps, Map No. 42, in the Sacramento County Recorder's Office; thence along the south line of said Lot 75, \$ 89° 46" 50" W, 1901.35 feet; thence leaving said line N 00° 13' 10" W, 10.00 feet to the POINT OF BEGINNIAG of the nerein described centerline; thence S 70° 13' 10" W, 520,00 feet to the end of said centerline.

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

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EXHIBIT "A-6"

W 20991

A strip of land 25.00 feet in width, lying in the State owned bed of the Sacramento River, Sacramento and Yolo Counties, State of California, located at River Mile 74.8 approximately 0.8 mile northerly from Elverta Road, lying 12.50 feet on each side of the following described centerline:

COMMENCING at the southeast corner of Lot 181, as shown on Map of Natomas Elkhorn Subdivision filt in Book 15 of Maps, Map No. h2, in the Sacramento County Recorder's Office; thence N 300 04: 30" E, 12.50 feet along the east line of said Lot 181; thunce leaving said line S 930 h4: 20" W, 2682.00 feet, parallel with the south line of said Lot 181, to the POINT OF BETINNING of the herein described centerline; thence S 890 h4: 20" W, 615.00 feet to the end of said centerline.

EXCEPTING THEFEIROM any portion thereof lying landward of the ordinary high water mark.

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