

MINUTE ITEM

This Calendar Item 18
was approved by
the Commission
on 1/25/79
at the meeting.

MINUTE ITEM

1/25/79
Horn

18. AMENDMENT OF LEASE PRC 3811.1 - WP 3811.

The attached Calendar Item 18 was approved as presented with the understanding that in the event staff encounters any problems before the lease is consummated, the item will be returned to the Commission for its reconsideration.

VOYE: 2-0.

Attachment:
Calendar Item 18 (5 pages)

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CALENDAR ITEM

18.

1/79
WP 3811
Horn

AMENDMENT OF LEASE PRC 3811.1

APPLICANT: Exxon Pipe Line Company
P. O. Box 2220
Houston, Texas 77001

Attn: William H. Huffman
Manager, Right-of-Way, Claims
and Public Affairs

AREA, TYPE LAND AND LOCATION:
5.380+ lineal feet of right-of-way in the
bed of Carquinez Strait, Solano and Contra
Costa Counties.

LAND USE: Right-of-Way for petroleum pipelines (6"
and 20" diameter).

TERMS OF ORIGINAL LEASE:

Initial period: 15 years from August 21,
1967.

Renewal options: 3 successive periods
of 10 years each.

Surety bond: \$25,000.

TERMS OF PROPOSED LEASE AMENDMENT:

Initial period: 15 years from August 21,
1967.

Renewal options: 3 successive periods
of 10 years each.

Surety bond: \$25,000.

CONSIDERATION: \$2,100 per annum, with the State reserving
the right to fix a different rental on
each fifth anniversary of the lease.

BASIS FOR CONSIDERATION:

1-1/2 cents per diameter inch of pipeline
or conduit, per lineal foot.

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PREREQUISITE TERMS, FEES AND EXPENSES:

Applicant is permittee of upland.

STATUTORY AND OTHER REFERENCES:

A. P.R.C.: Div. 6, Parts 1 & 2.

B. Cal. Adm. Code: Title 2, Div. 3.

OTHER PERTINENT INFORMATION:

1. This activity is exempt from CEQA because it is not a project within the meaning of CEQA and the State EIR Guidelines.

Authority: P.R.C. 21065; 14 Cal. Adm. Code 15060.

2. This project is situated on State land identified as possessing significant environmental values pursuant to P.R.C. 6370.1, and is classified in a use category, Class B, which authorizes Limited Use.

Staff review indicates that there will be no significant effect upon the identified environmental values. This is an existing facility for which no adverse comments have been received.

3. At its meeting on January 27, 1978, the Commission authorized the consolidation of all Southern Pacific Pipe Line Company (SPPL) leases into one master lease agreement. The consolidation lease included 3 SPPL pipelines formerly covered under the subject lease with Exxon Pipe Line Company. Staff is now recommending that SPPL be deleted as a joint lessee under the lease; that Exxon remain as sole lessee under the lease and that the rental be revised in accordance with the lease provisions and the Commission's rules and regulations.

In considering the rental revision staff analyzed the applicability of the volumetric rental alternative. Inasmuch as Exxon has not used the existing pipelines for over 1.5 years

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and current projections show that the refinery will utilize Alaskan crude oil exclusively, staff believes that the volumetric rental alternative is not appropriate at this time.

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

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN EIR HAS NOT BEEN PREPARED FOR THIS ACTIVITY AS SUCH REPORT IS NOT REQUIRED UNDER THE PROVISIONS OF P.R.C. 21065, 14 CAL. ADM. CODE 15037 AND 2 CAL. ADM. CODE 2903(d).
2. FIND THAT GRANTING OF THE AMENDMENT WILL HAVE NO SIGNIFICANT EFFECT UPON ENVIRONMENTAL CHARACTERISTICS IDENTIFIED PURSUANT TO SECTION 6370.1, OF THE P.R.C.
3. TAKE THE FOLLOWING ACTION WITH RESPECT TO PRC 3811.1:
 - A. DELETE SOUTHERN PACIFIC PIPE LINES AS A JOINT LESSEE UNDER SUCH LEASE; WITH EXXON PIPE LINE COMPANY TO REMAIN AS SOLE LESSEE.
 - B. AUTHORIZE AN AMENDMENT WHICH CHANGES THE ANNUAL RENTAL TO \$2,100; CHANGES THE LAND DESCRIPTION TO THAT SHOWN ON EXHIBIT "A" ATTACHED HERETO AND BY REFERENCE MADE A PART HEREOF; MAKES OTHER MINOR MODIFICATIONS AS NECESSARY; PROVIDED THAT ALL OTHER TERMS AND CONDITIONS OF LEASE PRC 3811.1 SHALL REMAIN IN FULL FORCE AND EFFECT.
 - C. THE EFFECTIVE DATE OF SUCH AMENDMENT SHALL BE AUGUST 21, 1979.

EXHIBIT "A"

LAND DESCRIPTION

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A strip of tide and submerged land 50 feet wide in Carquinez Strait, approximately 250 feet easterly of the Southern Pacific Railroad bridge between the City of Martinez, Contra Costa County and the City of Benicia, Solano County, California, said strip lying 25 feet on each side of the following described centerline:

BEGINNING at a point having coordinates $X = 1,966,575.23$ and $Y = 134,084.18$; from which point United States Coast & Geodetic Survey triangulation station "Suisun Point 2" bears $N 38^{\circ} 54' 02'' W$, 74.62 feet; thence from said POINT OF BEGINNING $N 29^{\circ} 05' 28'' W$, 5379.03 feet more or less to the intersection with the easterly line of that legislative Grant to the City of Benicia, Solano County, as described in Chapter 2018, Statutes of 1965, as Amended, said intersection point having coordinates $X = 1,963,959.95$, $Y = 138,784.63$ from which point United States Coast and Geodetic Survey triangulation station "Army Point 2" bears $N 47^{\circ} 42' 49'' W$, 1570.05 feet.

Bearings, distances and coordinates in the above description are based on the "California Coordinate System, Zone II".

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark of the southerly bank of Carquinez Strait.

END OF DESCRIPTION

Prepared *Edward B. Zimmerman* Checked *Edward B. Zimmerman*
Reviewed *[Signature]* Date *12/12/78*

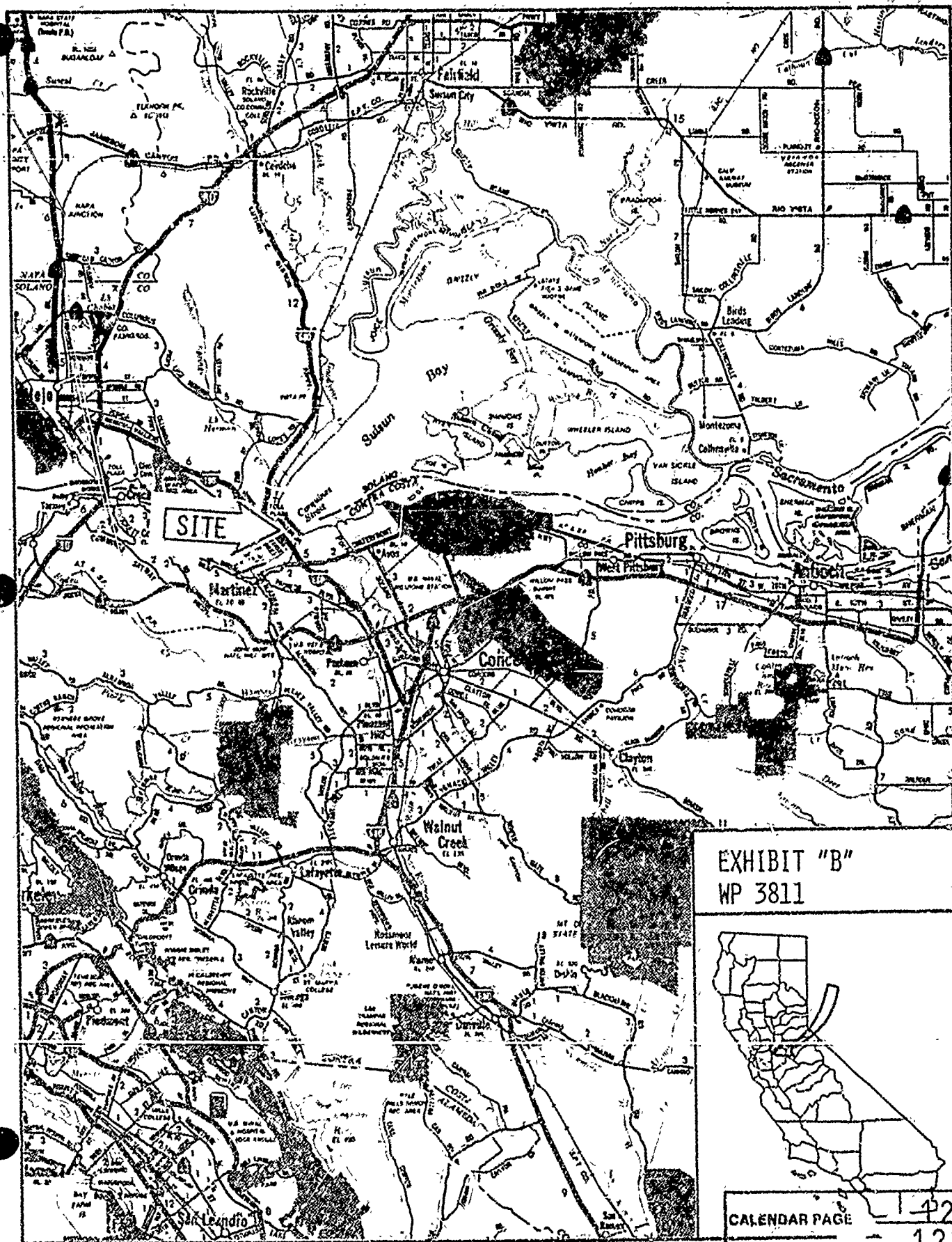


EXHIBIT "B"
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