

MINUTE ITEM

This Calendar Item No. 66  
was approved as Minute Item  
No. 6 by the State Lands  
Commission by a vote of 3  
to 0 at its 1-21-88  
meeting

CALENDAR ITEM

A 61

66

01/21/88  
PRC 5438  
PRC 1531  
N. Smith

S 25

AMENDMENT OF MASTER LEASE PRC 5438 AND  
ISSUANCE OF LEASE PRC 1531 FOR  
GENERAL LEASE - RIGHT-OF-WAY USE

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

AREA, TYPE LAND AND LOCATION:  
A 12.47±-acre parcel of State school land, four  
miles east of Searles in San Bernardino County.

LAND USE: Two natural gas pipelines.

TERMS OF ORIGINAL LEASE PRC 1531:

Initial period: 25-years beginning June 24,  
1955.

Renewal options: Three successive periods of  
ten years each.

Consideration: \$1,177.58 per annum.

TERMS OF PROPOSED LEASE PRC 1531:

Initial period: 25 years beginning January 1,  
1988.

Public liability insurance: Combined single  
limit coverage of \$2,000,000.

CONSIDERATION: \$2,391.40 per annum; with the State reserving  
the right to fix a different rental on each  
fifth anniversary of the lease.

(CALENDAR ITEM NO. 6 CONT'D)

BASIS FOR CONSIDERATION:

Pursuant to 2 Cal. Adm. Code 2003.

STATUTORY AND OTHER REFERENCES:

A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.

B. Cal. Adm. Code: Title 2, Div. 3; Title 14,  
Div. 6.

AB 884:

N/A.

OTHER PERTINENT INFORMATION:

1. At its January 26, 1978 meeting (Minute Item No. 24), the Commission authorized issuance of a master gas pipeline lease PRC 5438 to Pacific Gas and Electric (PG&E) covering their then existing 89 State Lands leases, crossing sovereign lands. PRC 1531, which crosses State school land, was inadvertently placed into the master lease and PG&E has agreed to amend master lease PRC 5438 to delete lease area Exhibit "A-63" (PRC 1531) and issuance of lease PRC 1531.
2. As to the deletion from Lease PRC 5438, pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.  
  
Authority: P.R.C. 21065 and 14 Cal. Adm. Code 15378.
3. As to the issuance of Lease PRC 1531, pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a categorical exempt project. The project is exempt under Class 1, Existing Facilities, 2 Cal. Adm. Code 2905(a)(2).

(CALENDAR ITEM NO. 6 CONT'D)

Authority: P.R.C. 21084, 14 Cal. Adm.  
Code 15300, and 2 Cal. Adm. Code 2905.

- EXHIBITS:
- A. Land Description.
  - B. Location Map.
  - C. Exhibit "A-63".

IT IS RECOMMENDED THAT THE COMMISSION:

1. AS TO THE DELETION FROM LEASE PRC 5438, FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.
2. AS TO THE ISSUANCE OF LEASE PRC 1531, FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 AS A CATEGORICAL EXEMPT PROJECT, CLASS 1, EXISTING FACILITY, 2 CAL. ADM. CODE 2905(a)(Z).
3. APPROVE AMENDMENT OF LEASE PRC 5438 TO PACIFIC GAS AND ELECTRIC COMPANY, EFFECTIVE DECEMBER 31, 1987, WHICH DELETES SAID LEASE AS DESCRIBED ON EXHIBIT "C" (A-63) ATTACHED AND BY REFERENCE MADE A PART HEREOF. ALL OTHER TERMS AND CONDITIONS OF SAID LEASE SHALL REMAIN IN FULL FORCE AND EFFECT.
4. AUTHORIZE ISSUANCE TO PACIFIC GAS AND ELECTRIC COMPANY OF LEASE PRC 1531 FOR A 25-YEAR GENERAL LEASE - RIGHT-OF-WAY USE BEGINNING JANUARY 1, 1988; IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$2,391.40, WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENTAL ON EACH FIFTH ANNIVERSARY OF THE LEASE; PROVISION OF PUBLIC LIABILITY INSURANCE FOR COMBINED SINGLE LIMIT COVERAGE OF \$2,000,000; FOR TWO NATURAL GAS PIPELINES ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

EXHIBIT "A"

LAND DESCRIPTION

PRC 1531.2

A strip of California State school land 100 feet wide within Section 16, T28S, R41E, MDM, San Bernardino County, California, said strip lying 50 feet on each side of the following described centerline:

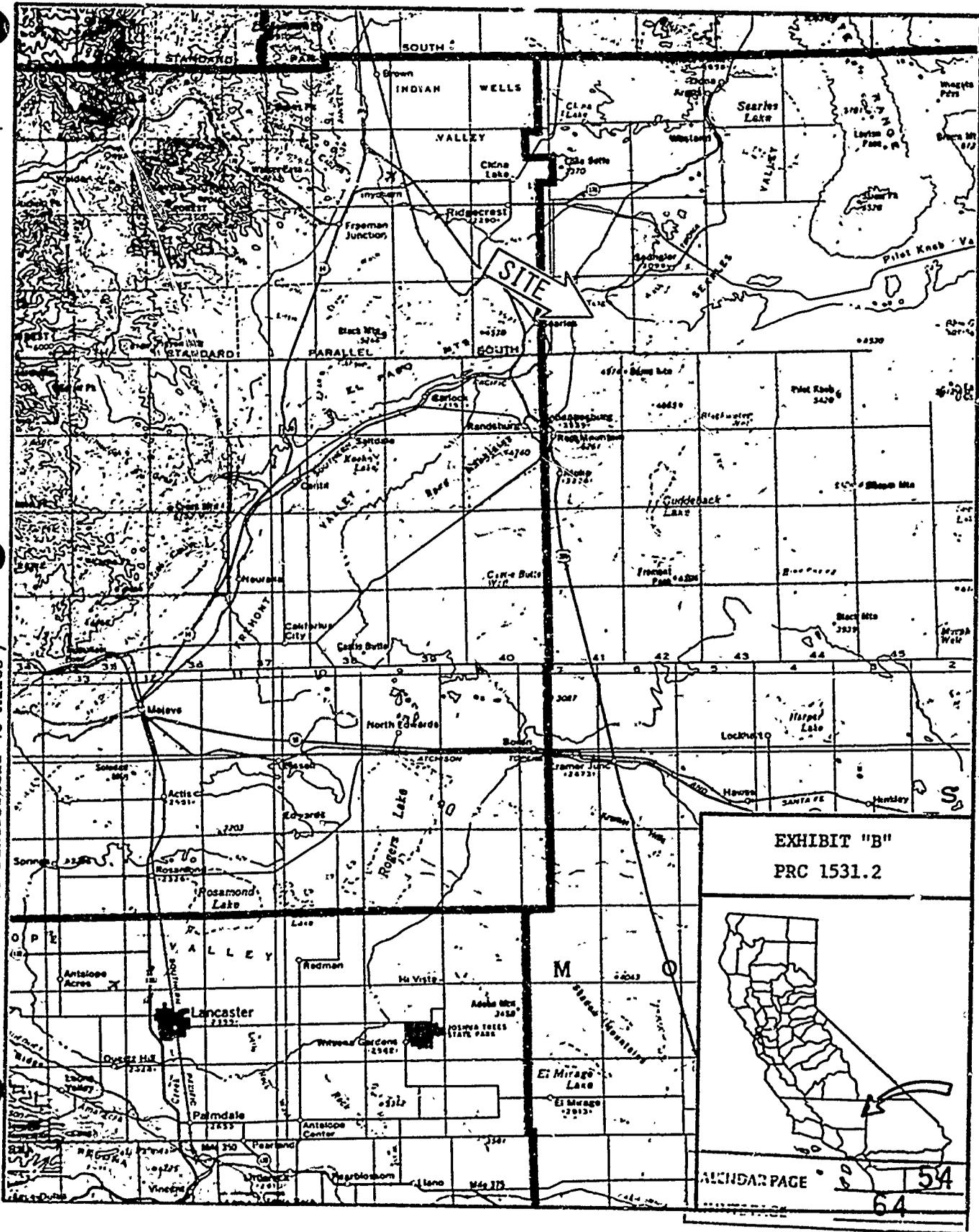
BEGINNING at a point on the southerly line of above mentioned Section 16, said point bears N 6°21'30" E, 11,480.7 feet and S 16°35'W, 610 feet from a 4 x 4 post scribed "S 28, S 29, S 32, and S 33," marking the southeast corner of Section 29, T28S, R41E, MDM, thence from said point of beginning N 16°35' E, 5435 feet to the northerly line of said Section 16 and the terminus of the herein described centerline.

END OF DESCRIPTION

REVISED SEPTEMBER 11, 1987 BY BIU 1.

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To Bakersfield 40 Miles

EXHIBIT "B"  
 PRC 1531.2

