

**MINUTE ITEM**

This Calendar Item No. ~~C53~~ was approved as Minute Item No. ~~53~~ by the California State Lands Commission by a vote of ~~3~~ to ~~0~~ at its 5/12/97 meeting.

**CALENDAR ITEM  
C53**

A 78 05/12/97  
PRC 4799.1/PRC 5392.1  
S 39 J. Smith

**TERMINATION OF LEASE NO. PRC 4799  
AND AMENDMENT OF LEASE NO. PRC 5392**

**LESSEE:**

San Diego Gas & Electric Company  
P.O. Box 1831  
San Diego, California 92112

**AREA, LAND TYPE, AND LOCATION:**

Lease No. PRC 4799: 6.60 acres, more or less, of sovereign lands in San Diego Bay, between San Diego and Coronado, San Diego County.  
Lease No. PRC 5392: 0.5 acres, more or less, of sovereign lands in San Diego Bay, between San Diego and Coronado, San Diego County.

**AUTHORIZED USE:**

Lease No. PRC 4799: One eight-inch natural gas pipeline; and electrical cable lines.  
Lease No. PRC 5392: One six-inch natural gas pipeline.

**LEASE TERM:**

Lease No. PRC 4799: Ten years, beginning April 13, 1987, with two renewal options for successive periods of ten years each.  
Lease No. PRC 5392: 30 years, beginning October 1, 1994.

**CONSIDERATION:**

Lease No. PRC 4799: \$25,830/year  
Lease No. PRC 5392: \$ 5,970/year  
Adjusted New Rent for Lease No. PRC 5392: \$34,030/year

The recommended adjustment of rent is based on adjustment of the prior rent by application of the Consumer Price Index (CPI). Application of the CPI to adjust rents at this time is an interim measure necessitated by budget constraints and resultant losses in staff, and does not obligate the Commission to use the CPI to adjust rents other than as specifically set forth herein.

**CALENDAR ITEM NO. C53 (CONT'D)**

**PROPOSED AMENDMENT:**

Lease No. PRC 4799 will be terminated effective upon execution of the amendment to Lease No. PRC 5392 by both parties. The annual rent, reflecting the combined rights-of-way will be adjusted to \$34,030, effective October 1, 1997. All other terms and conditions of Lease No. PRC 5392 shall remain in effect.

**OTHER PERTINENT INFORMATION:**

1. Applicant has a right to use the uplands adjoining the lease premises.
  
2. The facilities covered by Lease Nos. PRC 4799 and PRC 5392 are located in the same general vicinity in San Diego Bay. The leases were issued at different times based on the construction of the natural gas pipelines. In 1995, the Commission authorized the issuance of a new thirty-year lease for the facilities covered under Lease No. PRC 5392, incorporating the Commission's current lease terms and conditions. In conjunction with Commission staff's review of the application by the Lessee to exercise its ten-year renewal option on Lease No. PRC 4799, it was agreed that it would be in the best interests of both parties to consolidate both leases into one lease using Lease No. PRC 5392. As such, Commission staff is recommending that Lease No. PRC 4799 be terminated and Lease No. PRC 5392 be amended to include those facilities formerly covered by Lease No. PRC 4799.

The Lessee has also concurred with the proposed annual rent for Lease No. PRC 5392, effective October 1, 1997, adjusted as outlined above.

3. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; Title 2, California Code of Regulations, section 2905(a)(2).  
Authority: Public Resources Code section 21084 and Title 14, California Code of Regulations, section 15300 and Title 2, California Code of Regulations, section 2905.

**CALENDAR ITEM NO. C53 (CONT'D)**

4. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

**EXHIBITS:**

- A. Land Description
- B. Location Map

**PERMIT STREAMLINING ACT DEADLINE:**

N/A

**RECOMMENDED ACTION:**

IT IS RECOMMENDED THAT THE COMMISSION:

**CEQA FINDING:**

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 AS A CATEGORICALLY EXEMPT PROJECT, CLASS I, EXISTING FACILITIES; TITLE 2, CALIFORNIA CODE OF REGULATIONS, SECTION 2905(a)(2).

**SIGNIFICANT LANDS INVENTORY FINDING:**

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

**AUTHORIZATION:**

AUTHORIZE THE TERMINATION OF LEASE NO. PRC 4799, A GENERAL LEASE - RIGHT-OF-WAY USE UPON AMENDMENT OF LEASE NO. PRC 5392.

**CALENDAR ITEM NO. C53 (CONT'D)**

AUTHORIZE THE AMENDMENT OF LEASE NO. PRC 5392, A GENERAL LEASE - RIGHT-OF-WAY USE, OF LANDS DESCRIBED IN EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, TO INCLUDE THE FACILITIES PREVIOUSLY COVERED BY LEASE NO. PRC 4799; AND TO SUBSTITUTE THE LAND DESCRIPTION ATTACHED HERETO AS EXHIBIT A FOR THAT LAND DESCRIPTION CONTAINED IN SECTION 3 OF LEASE NO. PRC 5392 DATED MAY 30, 1995; CONSIDERATION: \$34,030 PER ANNUM, EFFECTIVE OCTOBER 1, 1997; ALL OTHER TERMS AND CONDITIONS OF THE LEASE WILL REMAIN IN EFFECT.

EXHIBIT A  
LAND DESCRIPTION

WP 5392

Three parcels of submerged land, lying in the bed of San Diego Bay, San Diego County, California, being more particularly described as follows:

PARCEL 1

A strip of submerged land 25 feet wide lying 12.5 feet on each side of the following described centerline:

COMMENCING at Station 475 on the U. S. Pierhead Line as shown on a map entitled, "Harbor Lines, San Diego Bay, California", approved by the Secretary of the Army, September 8, 1959, which map bears File No. (D.O. Series) 426 in the Office of the District Engineer, U. S. Corps of Engineers, Los Angeles California; thence along the Pierhead Line between Stations 475 and 477 as shown on said map, S50°50'00"E, 2,443.67 feet to the TRUE POINT OF BEGINNING; thence southerly to a point on the Pierhead Line between Stations 535 and 533, as shown on said map, and being 2026.30 feet southeasterly of said Station 535.

PARCEL 2

A strip of submerged land 100 feet wide lying 50 feet on each side of the following described centerline:

COMMENCING at the above described Station 475; thence along said Pierhead Line between Stations 475 and 477, S50°50'00"E, 1,122.00 feet to the TRUE POINT OF BEGINNING; thence southerly to a point on the Pierhead Line between Stations 535 and 533, as shown on said map, and being 245.00 feet southeasterly of said Station 535.

PARCEL 3

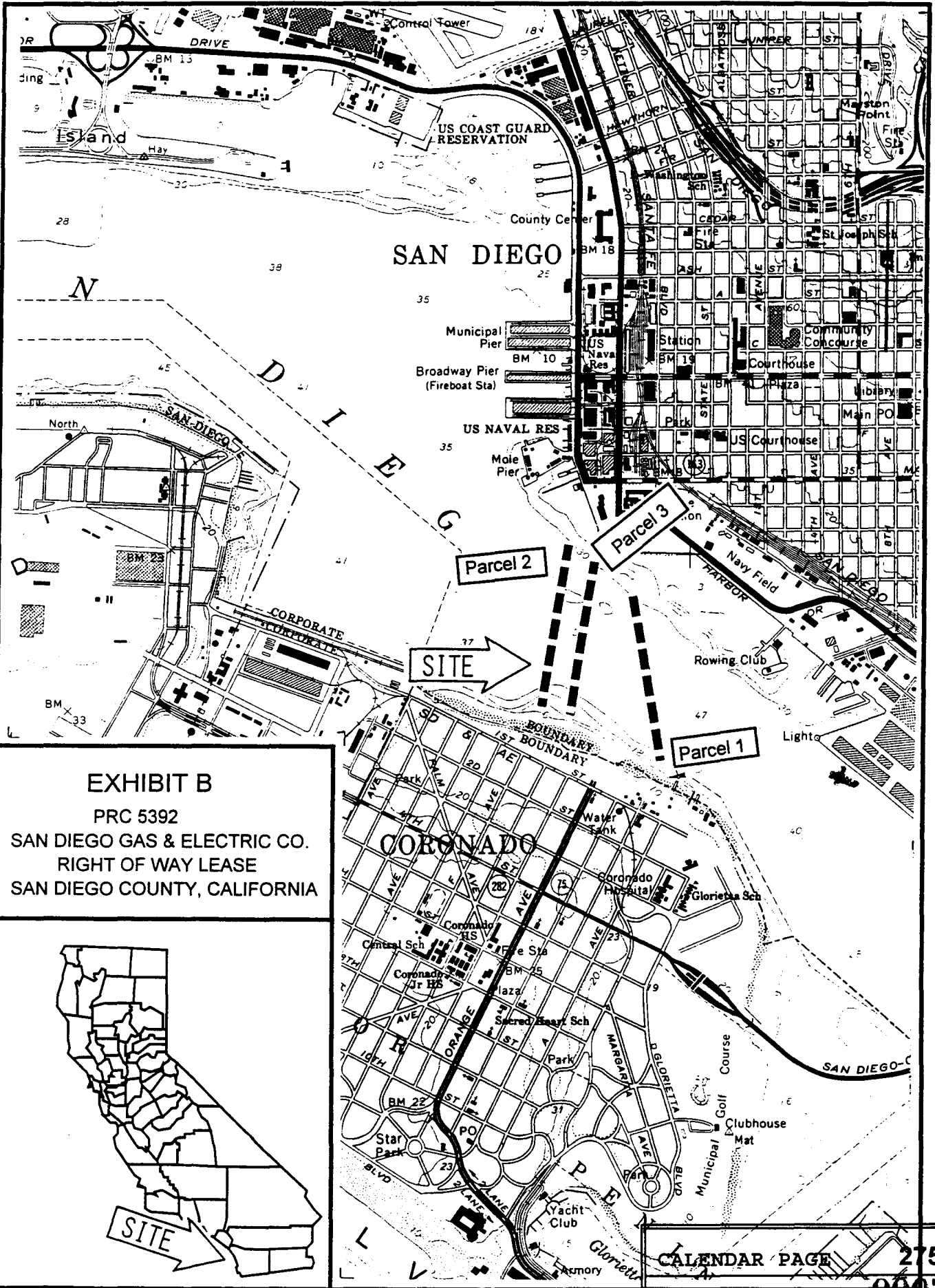
A strip of submerged land 10 feet wide lying 5 feet on each side of the following described centerline:

COMMENCING at the above described Station 475; thence along said Pierhead Line between Stations 475 and 477, S50°50'00"E, 1,655.30 feet to the TRUE POINT OF BEGINNING; thence southerly to a point on the Pierhead Line between Stations 535 and 533, as shown on said map, and being 645.49 feet southeasterly of said Station 535.

END DESCRIPTION

PREPARED BY BOUNDARY UNIT, STATE LANDS COMMISSION ON AUGUST 31, 1977, REVISED BY C.N. PEREZ, SOUTHERN CALIFORNIA SECTION, STATE LANDS COMMISSION ON APRIL 15, 1997.

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**EXHIBIT B**

PRC 5392

SAN DIEGO GAS & ELECTRIC CO.  
 RIGHT OF WAY LEASE  
 SAN DIEGO COUNTY, CALIFORNIA

