

MINUTE ITEM

This Calendar Item No. C05 was approved as Minute Item No. 05 by the California State Lands Commission by a vote of 3 to 0 at its 6-14-99 meeting.

**CALENDAR ITEM
C05**

A 11

06/14/99

PRC 415.1 WP 415.1

PRC 3124.1 WP 3124.1

S 7

L. Burks

**TERMINATION OF LEASE NO. PRC 3124.1 AND ISSUANCE
OF A NEW GENERAL LEASE - INDUSTRIAL USE, PRC NO. 415.1**

LESSEE:

Southern Energy Delta, LLC, a
Delaware Limited Liability Company
50 California Street, Suite 3220
San Francisco, California 94111

AREA, LAND TYPE, AND LOCATION:

1.49 acres, more or less, of tide and submerged lands in the San Joaquin River,
near the city of Antioch, Contra Costa County.

AUTHORIZED USE:

Cooling water intake structure: Two 12-inch diameter water intake pipelines
354 feet in length, and appurtenances.

Offloading barge dock: 300 foot barge dock; six 7-pile dolphins; walkway; 12-
inch diameter standby oil pipeline.

LEASE TERM:

25 years, beginning June 14, 1999.

CONSIDERATION:

\$13,140 per year, with the State reserving the right to fix a different rent
periodically during the lease term, as provided in the lease.

SPECIFIC LEASE PROVISIONS:

Insurance:

Liability insurance with coverage of no less than \$1,000,000.

Bond:

\$20,000

CALENDAR PAGE	000023
MINUTE PAGE	005501

CALENDAR ITEM NO. C05 (CONT'D)

OTHER PERTINENT INFORMATION:

1. Applicant owns the uplands adjoining the lease premises.
2. General Lease - Industrial Use, PRC No. 3124.1 (as described in Exhibit B) is being terminated and the Lease Premises are being incorporated into the new General Lease - Industrial Use, PRC No. 415.1, which is expiring on June 13, 1999, for the convenience of the parties. The Lessee shall remain responsible for any and all liability, claims, damages or injuries arising out of or connected with the issuances, enjoyment or breach of Lease PRC No. 3124.1 or Lessee's use of the Lease Premises except for any liability, claims, damage or injury solely caused by the negligence of Lessor.
3. By executing Lease PRC No. 415.1, Lessee and Lessor agree, effective June 14, 1999, that Lease PRC No. 415.1 shall supersede, terminate, cancel and replace all the provisions of Lease PRC No. 3124.1 except as otherwise stated.
4. 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.

5. 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.

APPROVALS OBTAINED:

California Public Utilities Commission

CALENDAR PAGE	000024
MINUTE PAGE	C05502

CALENDAR ITEM NO. C05 (CONT'D)

EXHIBITS:

- A. Land Description (PRC 415.1)
- B. Land Description (PRC 3124.1)
- C. 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 1, 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 BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

AUTHORIZATION:

AUTHORIZE THE TERMINATION OF GENERAL LEASE - INDUSTRIAL USE LEASE PRC NO. 3124.1 ISSUED BY THE CALIFORNIA STATE LANDS COMMISSION ON APRIL 29, 1979.

CALENDAR ITEM NO. C05 (CONT'D)

AUTHORIZE ISSUANCE TO SOUTHERN ENERGY DELTA, LLC, A DELAWARE LIMITED LIABILITY COMPANY OF A GENERAL LEASE - INDUSTRIAL USE, BEGINNING JUNE 14, 1999, FOR A TERM OF 25 YEARS, FOR CONTINUED USE AND MAINTENANCE OF AN EXISTING COOLING WATER INTAKE STRUCTURE AND APPURTENANCES, AND AN OFFLOADING BARGE DOCK ON THE LAND SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; IN CONSIDERATION OF \$13,140 PER YEAR, WITH THE STATE RESERVING THE RIGHT TO SET A DIFFERENT RENT PERIODICALLY DURING THE LEASE TERM, AS PROVIDED IN THE LEASE; LIABILITY INSURANCE WITH COVERAGE OF NO LESS THAN \$1,000,000; SURETY IN THE AMOUNT OF \$20,000.

Exhibit A Land Description

Lessee: Pacific Gas & Electric Company

A parcel of tide and submerged land in the bed of the San Joaquin River, in Section 16, T 2 N, R 2 E, MDM, Contra Costa County, California described as follows:

BEGINNING at a point in the northwesterly boundary line of the 15.172 acre parcel of land described and designated PARCEL TWO in the deed from American Securities Company to Pacific Gas and Electric Company dated September 28, 1948 and recorded in the office of the County Recorder of said County of Contra Costa in Book 1304 of Official Records at page 308 from which the southwesterly terminus of a course in the boundary line of said 15.172 acre parcel of land, which course has a bearing of South 73° 05' West and a length of 981.22 feet, said southwesterly terminus also being the southwesterly terminus of a course in the boundary line of the parcel of land designated Tide Land Location No. 271 on the map of the Survey of Lot 2 of Section 16, Twp. 2 N., R.2E., M.D.B. & M., Contra Costa County, California, filed for record in the office of said County Recorder in Book 16 of Surveys at page 21, said course is designated on said map as N. 73° 05' E, 981.22', bears South 73° 05' West 272.40 feet distant and running thence the following sixteen courses, namely:

1. N 73° 05' E, along the boundary line of said 15.172 acre parcel of land, 160.97 feet;
2. N 27.83 feet;
3. W 40.00 feet;
4. N 276.79 feet;
5. E 5.00 feet;
6. N 6.00 feet;
7. W 5.00 feet;
8. N 16.00 feet;
9. W 100.00 feet;
10. S 16.00 feet;
11. W 5.00 feet;
12. S 6.00 feet;
13. E 5.00 feet;
14. S 272.21 feet;
15. W 14.00 feet; and
16. S 79.26 feet, more or less, to the point of beginning; containing 0.870 acre.

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

END OF DESCRIPTION

CALENDAR PAGE 000027

MINUTE PAGE 005505

Exhibit B Land Description

A parcel of tide and submerged land in the San Joaquin River approximately two and one-half miles east of the City of Antioch, Contra Costa County, California, more particularly described as follows:

BEGINNING at a point in the northwesterly boundary line of the 15.172 acre parcel of land described and designated as "Parcel 2" in the deed from American Securities Company to Pacific Gas and Electric Company, dated September 28, 1948, and recorded in the office of the County Recorder of said Contra Costa County in Book 1304 of Official Records at page 308, from which the north-easterly terminus of the course in the boundary line of said 15.172 acre parcel of land which has a bearing of S 67°18'00"W and a length of 693.71 feet bears N 67°18'00"E 72.50 feet distant; thence along the following eight courses:

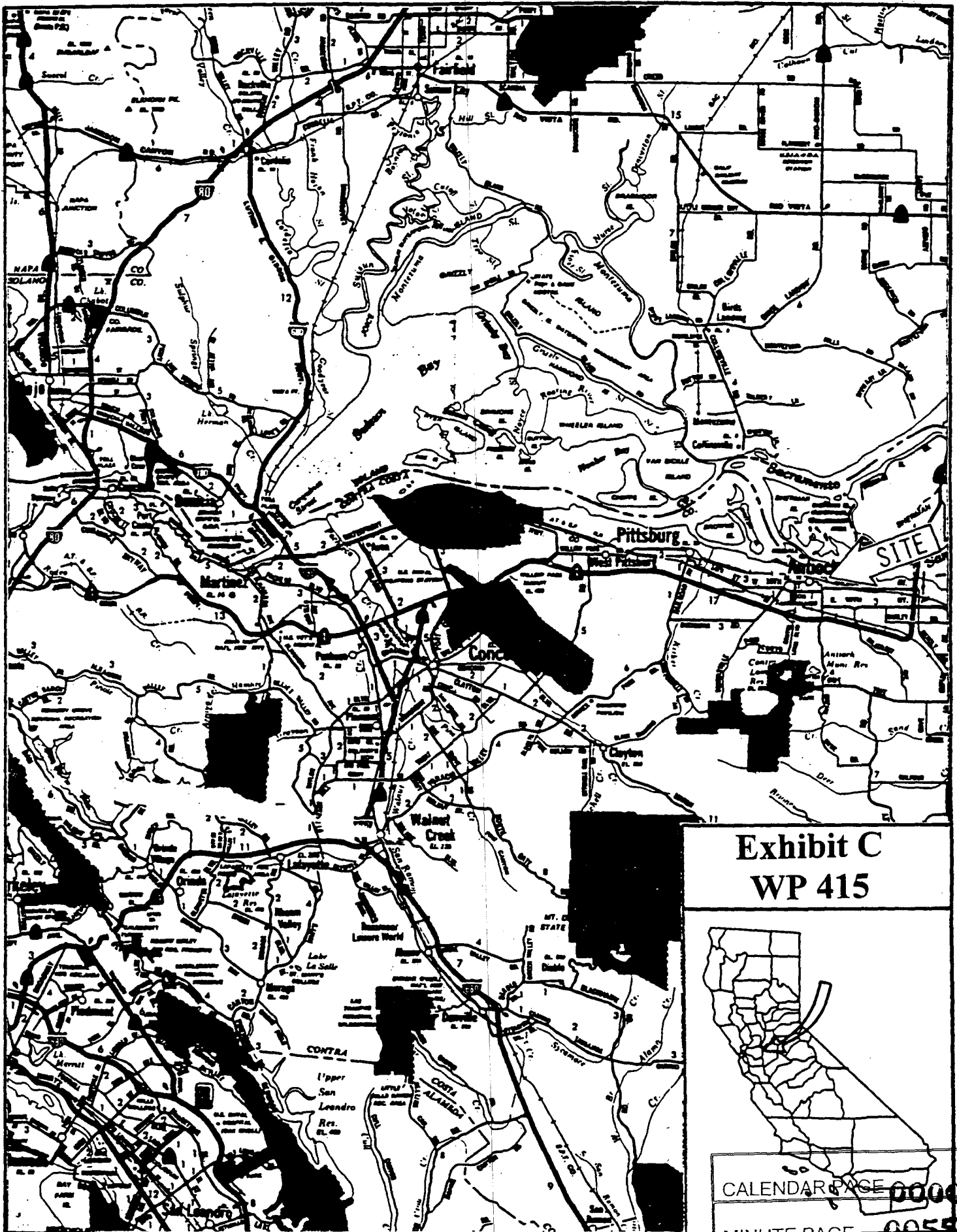
1. N 13°23'00"W 239.10 feet;
2. N 76°37'00"E 74.00 feet;
3. N 13°23'00"W 60.00 feet;
4. S 76°37'00"W 208.00 feet;
5. S 13°23'00"E 60.00 feet;
6. N 76°37'00"E 74.00 feet;
7. S 13°23'00"E 248.90 feet to a point on the north-westerly boundary of said 15.172 acre parcel of land;
8. N 67°18'00"E along last-mentioned boundary line 60.80 feet to the true point of beginning.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark of said San Joaquin River.

END OF DESCRIPTION

REVIEWED JUNE 12, 1980 BY TECHNICAL SERVICES UNIT, ROY MINNICK, SUPERVISOR.

CALENDAR PAGE 000028
MINUTE PAGE 005506



**Exhibit C
WP 415**



CALENDAR PAGE 000029
MINUTE PAGE 005807