

MINUTE ITEM
This Calendar Item No. C03
was approved as Minute Item
No. 03 by the State Lands
Commission by a vote of 3
to 0 at its 2-5-01
meeting.

CALENDAR ITEM
C03

A 8
S 4

02/05/01
PRC 7906.1
L. Burks

REVISION OF RENT

LESSEE:

Delta Gas Gathering, Inc.
2981 Gold Canal Drive
Rancho Cordova, California 95670

AREA, LAND TYPE, AND LOCATION:

0.62 acres, more or less, of sovereign lands in the Sacramento River, near the town of Courtland, Yolo and Sacramento counties.

AUTHORIZED USE:

Continued use and maintenance of an existing six-inch diameter welded steel natural gas pipeline extending DGG's gas gathering system in Yolo County next to the Hudson #1 well (off South River Road) on Merritt Island to a point on Randall Island in Sacramento County.

LEASE TERM:

20 years, beginning August 15, 1996.

CONSIDERATION:

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent under this lease, and recommends that the rent be revised from \$139.50 per year to \$160 per year, effective August 15, 2001.

The recommended rent is based on adjustment of the prior rent by application of the Consumer Price Index (CPI). The adjustment does not obligate the Commission to use the CPI to adjust future rents.

EXHIBITS:

- A. Land Description
- B. Location Map

CALENDAR ITEM NO. C03 (CONT'D)

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 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

AUTHORIZATION:

APPROVE THE REVISION OF RENT FOR LEASE NO. PRC 7906.1 FROM \$139.50 PER YEAR TO \$160 PER YEAR, EFFECTIVE AUGUST 15, 2001.

LAUGENOUR AND MEIKLE
CIVIL ENGINEERS

1757-16
January 26, 1996
P. J. A.

DESCRIPTION
for
CALIFORNIA ENERGY EXCHANGE CORPORATION
PROPOSED BORE LOCATION
RANDALL ISLAND
SACRAMENTO COUNTY, CALIFORNIA

A portion of projected Section 28, Township 6 North, Range 4 East, Mount Diablo Meridian, Yolo and Sacramento Counties, California, being more particularly described as follows:

A strip of land fifty (50) feet wide, lying twenty-five (25) feet on each side of the following described centerline:

Beginning at a point in the center of the levee road known as the South River Road (also known as County Road No. 140) on the Northwesterly or right bank of the Sacramento River in Yolo County, said point being distant South $80^{\circ}20'05''$ West 77.78 feet from the most Southerly Southwest corner of Parcel 1 as said Parcel appears on Parcel Map No. 3405, filed September 24, 1985, in Book 7 of Parcel Maps, at Page 89, Yolo County Records; thence, from said POINT OF BEGINNING, leaving said levee road South $20^{\circ}25'44''$ East 8.32 feet; thence South $13^{\circ}01'11''$ East 653.86 feet to a point on the levee road on the Southeasterly or left bank of the Sacramento River in Sacramento County on Randall Island and being the end of this strip of land.

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EXCEPTING THEREFROM any portion lying above the ordinary high water marks of the Sacramento River.

Exhibit A
PRC 7906.1

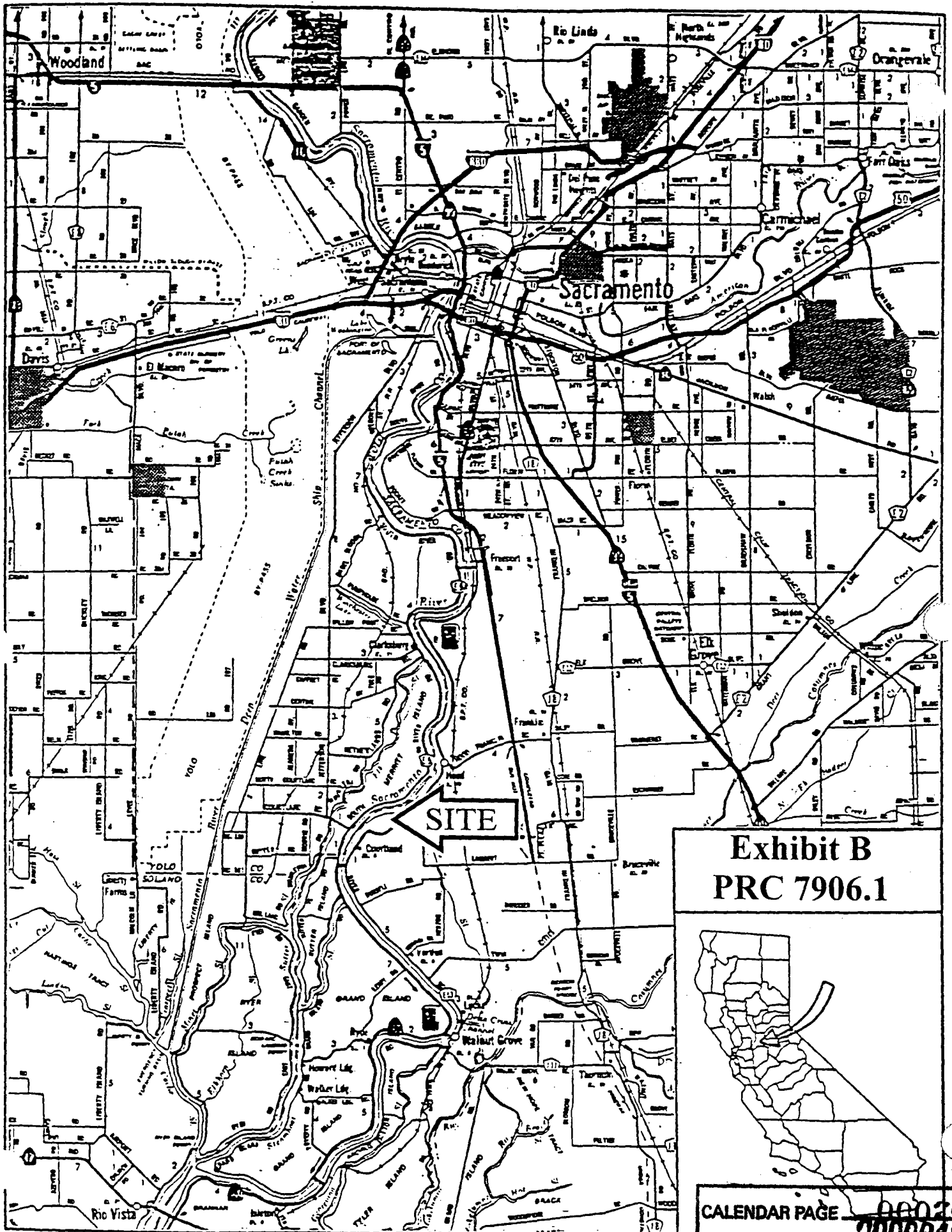


Exhibit B
PRC 7906.1