

MINUTE ITEM
This Calendar Item ~~№ 52~~ was approved as
Minute Item No. 57 by the California State Lands
Commission by a vote of 3 to 0 at its
06/18/02 meeting.

**CALENDAR ITEM
C57**

A Statewide 06/18/02
Bid Log 2001-22
S WP7509, WP7512, W30121, RA 31200
C. Oggins, D. Brown, A. Cueva

**REQUEST AUTHORITY FOR EXECUTIVE OFFICER TO SOLICIT PROPOSALS,
NEGOTIATE FAIR AND REASONABLE PRICE, AWARD AND EXECUTE
AGREEMENT FOR IMPLEMENTATION OF THE MITIGATION MONITORING
PROGRAM (MMP) FOR THE KERN RIVER 2003 EXPANSION PROJECT**

PARTY:

California State Lands Commission
100 Howe Avenue, Suite 100 South
Sacramento, CA 95825-8202

BACKGROUND:

The proposed project involves the construction and operation of a total of 717.5 miles of pipeline from Wyoming to southern California. Approximately 99% of the pipeline route would be located in or adjacent to existing rights-of-way, including about 88% that would be installed within 25 feet of an existing pipeline operated by the applicant (Kern River Gas Transmission Company). The proposed pipeline would cross into California at a location approximately 1.75 miles NW from where Interstate 15 crosses the State line. The California portion includes: 104 miles of 36-inch-diameter pipeline in San Bernardino County; 82.2 miles of 42-inch-diameter pipeline in San Bernardino and Kern Counties; modifications to an existing compressor station in San Bernardino County; and modifications to four existing meter stations (two each in San Bernardino and Kern Counties). The pipelines will transport up to 906,626 dekatherms per day of natural gas, which is projected to be used to serve existing and new power generation markets in California and Nevada. The applicant proposes to begin construction on the pipeline in Wyoming in Summer 2002 and in California in Fall 2002.

The Commission and the Federal Energy Regulatory Commission (FERC) are acting as Lead Agencies under the California Environmental Quality Act (CEQA) and National Environmental Policy Act, and are preparing an Environmental Impact Statement/Environmental Impact Report (EIS/EIR) for this project. A Draft EIS/EIR was released for public comment on February 22, 2002. The agencies anticipate that the Final EIS/EIR will be available at the end of June 2002. The EIS/EIR will include mitigation measures to avoid or reduce to a level of

CALENDAR ITEM NO. C57 (CONT'D)

insignificance the potentially significant environmental impacts of the proposed project. Pursuant to CEQA Guidelines, a Mitigation Monitoring Program (MMP) will be developed to implement the mitigation measures. The Commission will consider certification of the EIR and adoption of the MMP at a hearing following the release of the Final EIS/EIR.

PROPOSED ACTIVITY:

Under the direction of Commission staff, a consultant will be selected to implement the MMP. Consultant selection will be conducted consistent with procedures as specified in CSLC Regulations and in the State Contracting Manual on the basis of demonstrated competence and qualifications for the types of services to be performed and at a fair and reasonable price. All costs will be recovered from the project applicant.

STATUTORY AND OTHER REFERENCES:

- A. Public Resources Code Section 6106 (Delegation to execute written instruments)
- B. State Contracts Manual Section 11.00 (A & E method)
- C. Public Contract Code Section 6106
- D. Government Code Section 4526
- E. California Administrative Code Title 2 Article 13 Section 2980.0 - 2990.0

IT IS RECOMMENDED THAT THE COMMISSION:

- 1. FIND THAT THESE ACTIVITIES ARE EXEMPT FROM THE REQUIREMENTS OF CEQA PURSUANT TO 14 CAL CODE REGS. 15060(c)(3) BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND 14 CAL CODE REGS. 15378.
- 2. FIND THAT THE SELECTION OF CONSULTANT UNDER THIS PROCESS DOES NOT AFFECT SMALL BUSINESSES AS DEFINED IN GOVERNMENT CODE SECTION 11342, SUB. (H), BECAUSE THEY WILL BE ACCORDED EQUAL OPPORTUNITY TO SUBMIT STATEMENTS OF QUALIFICATIONS AND PERFORMANCE DATA.
- 3. AUTHORIZE THE EXECUTIVE OFFICER OR HIS DESIGNEE TO SOLICIT PROPOSALS, NEGOTIATE FAIR AND REASONABLE PRICE, AWARD AND EXECUTE CONTRACT IN ACCORDANCE WITH STATE POLICIES AND PROCEDURES.
- 4. AUTHORIZE THE EXECUTIVE OFFICER OR HIS DESIGNEE TO ENTER INTO AN AGREEMENT WITH PROJECT APPLICANT TO RECOVER ALL STATE COSTS INCURRED IN THE CONSIDERATION OF THIS PROJECT.