

CALENDAR ITEM
C04

A) 11

08/19/03

S) 7

PRC 7390.1

R. Barham

REVISION OF RENT

LESSEE:

Pacific Custom Materials, Inc.
9000 Carquinez Scenic Drive
Port Costa, California 94569

AREA, LAND TYPE, AND LOCATION:

2.10 acres, more or less, of tide and submerged lands in the Carquinez Straits, at
Port Costa, Contra Costa County.

AUTHORIZED USE:

Continued use and maintenance of an existing dock and dolphins for loading and
off-loading of production materials.

LEASE TERM:

25 years, beginning May 1, 1990.

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 \$2,185 per year to
\$2,416 per year, effective May 3, 2000.

OTHER PERTINENT INFORMATION:

1. On May 20, 1990, the Commission authorized a 20-year General
Lease - Industrial Use to Port Costa Materials, Inc. On August 21, 1996,
the Commission authorized an assignment of General Lease - Industrial
Use to Pacific Custom Materials, Inc., a California Corporation. The dock
and dolphins are used for the loading and offloading of production
materials to the upland manufacturing plant owned by lessee.

CALENDAR ITEM NO. **C04** (CONT'D)

The manufacturing plant currently mixes expanded lightweight shale with concrete to create a lightweight concrete mixture used in the making of bridges and trusses. Currently, the material is transported offsite by truck. Lessee stated that the dock and dolphins have not been used continuously during the past three years but expect to begin using them continuously within the next 60 days.

2. The San Francisco Regional Water Quality Control Board (SFRWQCB) was contacted by CSLC staff regarding lessee's permit and/or violation status. Lessee is issued a "Statewide General Permit-Industrial Use". One violation was noted in September 2001 for storm water run-off caused by leaching shale oils at which time an Administrative Liability (fine) was assessed for \$100,000. Shale material is now being confined with plastic covers and barriers. Storm water run-off is continuously monitored by SFRWQCB with some high sampling results noted, but no new violations have been issued.

EXHIBIT:

- A. Location Map

RECOMMENDED ACTION:

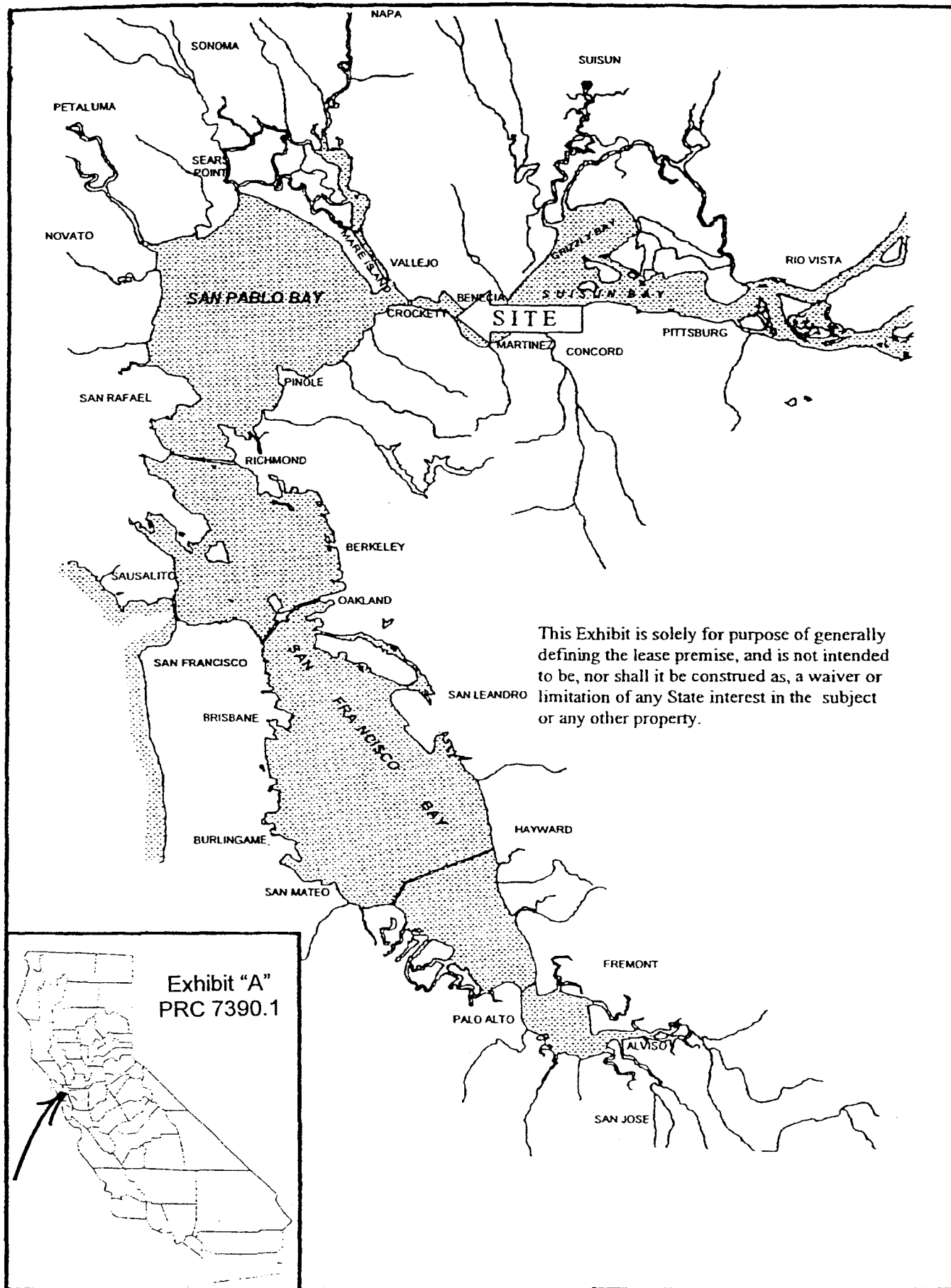
IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) 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 7390.1 FROM \$2,185 PER YEAR TO \$2,416 PER YEAR, EFFECTIVE MAY 3, 2000.



This Exhibit is solely for purpose of generally defining the lease premise, and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

Exhibit "A"
PRC 7390.1