

MINUTE ITEM

This Calendar Item No. C38 was approved as Minute Item No. 38 by the California State Lands Commission by a vote of 3 to 0 at its 06/26/06 meeting.

CALENDAR ITEM

C38

A 34

06/26/06

S 18

PRC 905.1

T. Lipscomb

CONSIDER ACCEPTANCE OF LEASE QUITCLAIM DEED AND ABANDONMENT AGREEMENT FOR A GENERAL LEASE-RIGHT-OF-WAY USE

LESSEE:

Southwest Gas Corporation
P. O. Box 98510
Las Vegas, NV 89193-8510

AREA, LAND TYPE, AND LOCATION:

0.57 acres, more or less, of sovereign lands in the Colorado River, near the city of Needles, San Bernardino County.

AUTHORIZED USE:

Natural gas pipeline right of way.

LEASE TERM:

49 years, beginning February 10, 1954.

CONSIDERATION:

\$50 one-time payment for the 49-year term.

SPECIFIC LEASE PROVISIONS:

\$5,000 surity bond.

OTHER PERTINENT INFORMATION:

1. Lessee had the right to use the uplands adjoining the lease premises.
2. On March 26, 1954, the Commission authorized a 49-year Right-of-Way Easement to Nevada Natural Gas Pipe Line Company for a natural gas pipeline easement crossing the Colorado River, north of the Needles. On June 28, 1962, the Commission approved an assignment of the lease from Nevada Natural Gas Pipe Line Company to Southwest Gas Corporation

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3. The natural gas pipeline was abandoned in 1964 and the metal suspension bridge structure that held the pipeline was removed in 1991. The precise location of the State's ownership boundary at the site has not been established. Since all structures potentially within the pipeline right-of-way, previously covered under Lease PRC 905.1, have been removed with the possible exception of a concrete foundation that sits near the west bank of the River, and since the foundation structure is considered to pose little potential for liability and poses less risk of environmental damage if left in place, staff is recommending that the lease be terminated effective February 9, 2003. An Abandonment Agreement, has been executed by Southwest Gas, which provides the State with additional protection and indemnification, and which requires removal of the foundation structure if determined by the Commission to be adverse to the public interest.

4. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, section 15060(c)(3)], the staff has determined that this activity is not subject to the provisions of the CEQA because it is not a "project" as defined by the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, sections 15060 (c)(3) and 15378.

EXHIBIT:

- A. Site plan and 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.

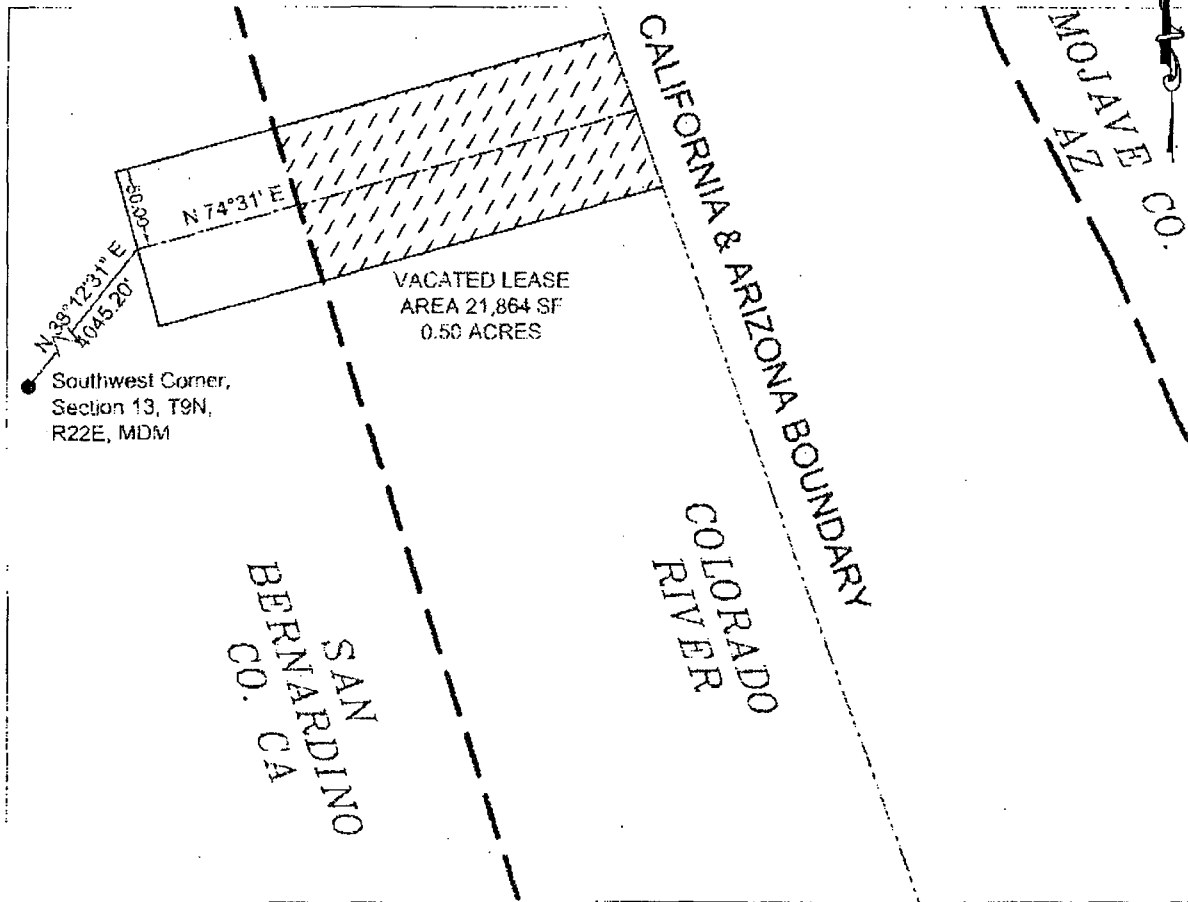
CALENDAR ITEM NO. C38 (CONT'D)

AUTHORIZATION:

AUTHORIZE ACCEPTANCE OF A LEASE QUITCLAIM DEED AND ABANDONMENT AGREEMENT FOR GENERAL LEASE-RIGHT-OF-WAY USE, PRC 905.1 SOUTHWEST GAS CORPORATION, EFFECTIVE FEBRUARY 9, 2003.

NO SCALE

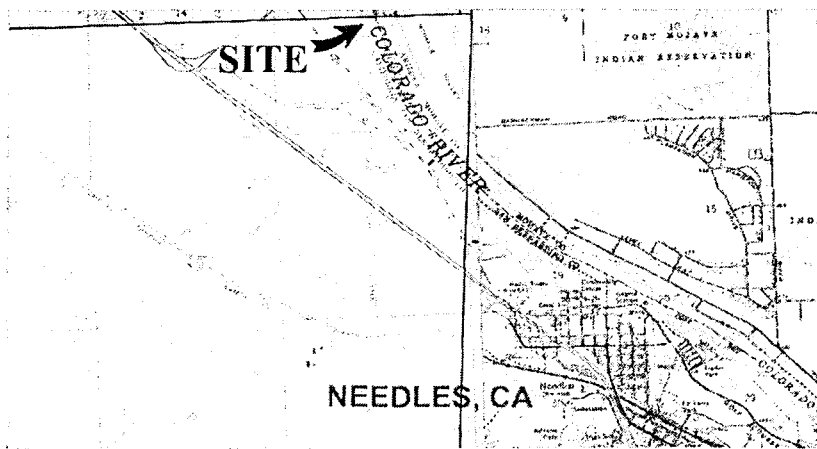
SITE



COLORADO RIVER 2 MILES NORTH OF NEEDLES,
CALIFORNIA IN SAN BERNARDINO COUNTY

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

PRC 905.1
SOUTHWEST GAS
GENERAL LEASE R/W
ABANDONMENT
SAN BERNARDINO CO.



MIT 12/29/05

000169

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This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties 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.