

EXHIBIT C

PROPOSED LEASE AMENDMENT SUBMITTED BY CITY

RECORDED AT THE REQUEST OF  
AND WHEN RECORDED MAIL TO:  
STATE OF CALIFORNIA  
State Lands Commission  
Attn: Title Unit  
100 Howe Avenue, Suite 100-South  
Sacramento, CA 95825-8202

STATE OF CALIFORNIA  
OFFICIAL BUSINESS

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SPACE ABOVE THIS LINE FOR RECORDER'S USE

A.P.N.  
County:

STATE OF CALIFORNIA  
STATE LANDS COMMISSION

EIGHTH AMENDMENT OF LEASE PRC 8079.9

**WHEREAS**, the State of California, acting through the State Lands Commission, hereinafter called Lessor, and, the City of Los Angeles Department of Water and Power, hereinafter called the Lessee, have heretofore entered into an agreement designated as Lease PRC 8079.9 (Lease), authorized by the State Lands Commission on June 14, 1999 and executed July 21, 1999, whereby the Lessor granted to said Lessee a General Lease – Public Agency Use covering certain State Land situated in the dry lakebed of Owens Lake, Inyo County; and

**WHEREAS**, on June 27, 2000, the Lessor amended the Lease in order for the Lessee to construct and operate a shallow flooding project located on 13.5 square miles on the North Sand Sheet area of the dry lakebed of Owens Lake; and

**WHEREAS**, on November 26, 2001, the Lessor amended the Lease in order for the Lessee to construct and operate the South Zone Dust Control Project; and

**WHEREAS**, on May 2, 2002, the Lessee adopted an Addendum for the Mitigated Negative Declaration previously adopted by the Lessee and the Lessee is required to implement the Mitigation Measures outlined in the Mitigated Negative Declaration and Mitigation Monitoring Program; and

**WHEREAS**, on June 18, 2002, the Lessor amended the Lease in order for the Lessee to construct and operate an additional 154 acres of shallow flooding at the South Zone Dust Control Project on the south end of Owens Lake; and

**WHEREAS**, on November 13, 2003, the Great Basin Air Pollution Control District certified

EIR SCH No. 2002111020, and the Lessee is required to implement the Mitigation Measures outlined in the EIR and Mitigation Monitoring Program; and,

**WHEREAS**, on September 23, 2005, Lessee adopted Mitigated Negative Declaration SCH No. 2005061068 and Mitigation Monitoring Program and the Lessee is required to implement the Mitigation Measures outlined in the Mitigated Negative Declaration and Mitigation Monitoring Program; and,

**WHEREAS**, on April 17, 2006, Lessor amended the Lease in order for the Lessee to construct, operate, maintain and monitor additional acreage of shallow flooding, including construction of drain pipeline, conveyance pipelines, control valve facilities, pump stations, and high voltage power cables, and water monitoring wells for Phases IV and V of the Owens Lake Dust Control Project; and,

**WHEREAS**, on February 1, 2008, the Great Basin Air Pollution Control District approved the 2008 Owens Valley PM<sub>10</sub> Planning Area Demonstration of Attainment State Implementation Plan (2008 SIP) and certified EIR SCH No. 2007021127 (EIR) and its associated Mitigation Monitoring Program and the Lessee is required to implement the requirements of the 2008 SIP, as well as the Mitigation Measures outlined in the EIR and Mitigation Monitoring Program; and,

**WHEREAS**, the 2008 SIP contains Board Order #080128-01 Requiring the City of Los Angeles to Undertake Measures to Control PM<sub>10</sub> Emissions From the Dried Bed of Owens Lake; and,

**WHEREAS**, on August 22, 2008, Lessor amended the Lease in order for the Lessee to construct, operate, maintain and monitor additional acreage of shallow flooding improvements, on the dry bed of Owens Lake known as Phase VII of the Owens Lake Dust Control Project; and,

**WHEREAS**, on June 1, 2009, Lessor amended the Lease in order for the Lessee to construct, operate, maintain and monitor Channel improvements; and,

**WHEREAS**, on September 15, 2009, Lessee certified the Supplemental Environmental Impact Report (SEIR) SCH No. 2008121074 for the Owens Lake Revised Moat and Row Dust Control Measures and adopted the Findings of Fact and Statement of Overriding Considerations and the Mitigation Monitoring and Reporting Plan (MMRP) for the Owens Lake Revised Moat and Row Dust Control Measures; and,

**WHEREAS**, Lessee is required to implement the mitigation measures contained in the SEIR and MMRP.

**WHEREAS**, Section 4, Paragraph 15(e) provides that the Lease may be terminated and its terms, covenants and conditions amended, revised or supplemented only by mutual written agreement of the parties; and

**WHEREAS**, the Lessee now desires to **amend the Land Use or Purpose, Authorized Improvements, Special Provisions, and Description of the Lease Premises (Section 3)** of the Lease, as amended, in order to construct, operate, maintain and monitor 3.5 square miles of Moat and Row dust control improvements on seven sites.

**NOW THEREFORE**, the parties hereto agree as follows:

1) **Section 1** of the Lease is amended as follows:

- a) The **“Land Use or Purpose”** provision is hereby amended to include authorization of the following activities: Construct, install, operate and monitor 3.5 square miles of new Moat and Row dust control measures on seven sites on the land depicted on the attached Exhibit “A”, and described on the attached Exhibit “B”.
- b) The **“Authorized Improvements”** provision of Section 1 of the Lease is hereby amended to include authorization of the following:
  - i. Moat & Row with Sand Fences: 20.8 miles of earthen berms (rows) five feet high with 1.5:1 side slopes. Three inches of base course will be applied to the tops of the berms to prevent erosion. A moat measuring 17 feet wide across the top with 1.5:1 side slopes will be constructed on each side of the berm. Sand fence five feet high will be mounted on wooden fence posts measuring 8-inches or 10-inches square.
  - ii. Moat & Row without Sand Fences: 42.3 miles of earthen berms five feet high with 1.5:1 side slopes. Six inches of base course will be applied to the tops of the berms to prevent erosion. A moat measuring 16 feet across the top with 1.5:1 side slopes will be constructed on each side of the berm.
  - iii. Sand Fence Only: 3.8 miles of sand fence five feet high will be installed in area T1A-1 using wooden fence posts measuring 8-inches or 10-inches square.
  - iv. Maintenance Access: up to 190,673 cubic yards of crushed rock will be applied between the moats and rows for maintenance vehicle access to the moats, rows, and fences.
  - v. Culvert Crossing: One culvert crossing will be constructed in T37-2 using 14 high density polyethylene (HDPE) culvert pipes measuring 24-inches in diameter and approximately 60 feet long.
  - vi. Barrier Gate: One galvanized steel Barrier Gate (cattle guard) measuring 40 feet will be installed in T32-1.
  - vii. Outlets: Three outlets will be installed in T1A-1. Each outlet will consist of a HDPE riser, with diameters ranging from 8 to 12 inches, surrounded by a 40 foot square area of riprap.
  - viii. Riprap Berms: Two berms made of riprap, each measuring approximately 1,000 feet long, 1.5 feet high, and 6.5 feet wide will be installed adjacent to T1A-1 and T1A-3.
  - ix. T1A-1 Submains: 2,015 feet of 16-inch, 415 feet of 12-inch, 2,540 feet of 10-inch, and 1,410 feet of 8-inch HDPE submain pipe will be installed along with various valves for control of irrigation water.
  - x. T1A-1 Turnout Facility: A concrete equipment pad measuring 30 feet x 6 feet x 2 feet thick will be poured to support various valves (flow control, pressure control, and air release valves), a flow meter, stainless steel piping, and various appurtenances.
  - xi. Irrigation Extensions: Two irrigation extensions, each 12-inch diameter HDPE pipe and approximately 700 feet in length will connect to 12-inch butterfly valves each surrounded by 2 cubic yards of riprap.

- xii. Temporary construction fencing: Approximately 2,550 feet of temporary construction sand fencing will be installed at T32-1 and T37-1 prior to start of other construction activities.

2) **Section 2 (Special Provisions)** of the Lease is hereby amended to include the following:

- a) Prior to construction of the Moat and Row dust control design within the Lease premises, Lessee shall provide:
  - i. Documentation showing that the Moat and Row areas are designed to meet the Minimum Dust Control Efficiencies (MDCE) as stated in the 2008 SIP, Section 7.3.2.;
  - ii. a detailed written program for the maintenance of the Moat and Row design that will minimize impacts to public trust lands and wildlife resources

b) Should Great Basin Unified Air Pollution Control District determine that any Moat and Row areas or portions thereof contribute to shoreline PM10 exceedances as specified in the 2008 SIP, the Lessee will remediate the areas causing exceedances as described in Section 7.3.2 of the 2008 SIP. The Lessee shall develop a Remedial Action Plan for conversion of Moat and Row as described in Section 21 of the 2006 Settlement Agreement.

c) Submittal of as-builts of, and compliance and monitoring reports for, all of the improvements for Moat and Row portion of Phase VII of the Owens Lake Dust Control Project as described in Section 1 of this Lease Amendment, not less than 180 days upon completion of Phase VII.

d) Lessee shall not construct or implement any other improvements within the Lease premises except as described in Section 1 of the Lease.

e) Lessee acknowledges that future implementation of additional dust control measures may be necessary, as determined by the Great Basin Unified Air Pollution Control District, that may require amendment to this Lease.

3) **Section 3 (Description of the Lease Premises)** of the Lease is hereby modified to include the lands described in the attached Exhibit "B" and as depicted on the attached Exhibit "A", which by reference are made a part hereof.

The effective date of this Amendment to the Lease shall be December \_\_, 2009.

This Amendment, containing a total of \_\_ pages, is a portion of document number PRC 8079.9, with a beginning date of May 1, 1999, consisting of four (4) sections with a total of (92) pages.

All other terms and conditions of the Lease shall remain in full force and effect.

This Amendment will become binding on the Lessor only when duly executed on behalf of the State Lands Commission of the State of California.

**IN WITNESS WHEREOF**, the parties hereto have executed this Lease as of the dates indicated.

**LESSEE:**  
CITY OF LOS ANGELES  
DEPARTMENT OF WATER AND POWER

**LESSOR:**  
STATE OF CALIFORNIA  
STATE LANDS COMMISSION

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

(Please attach Notary Acknowledgement) Execution of this document was authorized  
By the State Lands Commission on \_\_\_\_\_.

DRAFT