

**CALENDAR ITEM**

**C39**

A 30, 31

04/06/10

S 16

PRC 7410.1

D. Simpkin

**CONTINUATION OF RENT**

**LESSEE:**

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

**AREA, LAND TYPE, AND LOCATION:**

Sovereign land in the bed of the San Joaquin River, near the town of Mendota, Fresno and Madera Counties.

**AUTHORIZED USE:**

The operation and maintenance of an existing six-inch diameter natural gas pipeline.

**LEASE TERM:**

30 years, beginning July 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 continued at \$100 per year, effective July 1, 2011.

**OTHER PERTINENT INFORMATION:**

1. On June 11, 1990, the Commission authorized a General Lease – Right of Way Use to California Gas Gathering, Inc., for a term of 30 years. The lease will expire on June 30, 2020.
2. The pipeline is inspected annually. A leak survey was conducted on November 12, 2010. No leaks were detected.

**EXHIBIT:**

- A. Site and Location Map

CALENDAR ITEM NO. **C39** (CONT'D)

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDING:**

Find that the activity is not subject to the requirements of 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 continuation of rent for Lease no. PRC 7410.1 at \$100 per year, effective July 1, 2011.