

**CALENDAR ITEM
C16**

A 11
S 3

04/23/14
PRC 8077.1
D. Oetzel

REVISION OF RENT

LESSEE:

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

LAND TYPE AND LOCATION:

Sovereign land in Steamboat Slough, between Grand Island and Ryer Island, near Walnut Grove, Sacramento and Solano Counties.

AUTHORIZED USE:

Continued use and maintenance of a six-inch diameter, directionally-bored, welded steel, natural gas pipeline.

LEASE TERM:

20 years, beginning June 14, 1999.

CONSIDERATION:

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff conducted a review of the rent under this lease and recommends that rent be revised from \$187 per year to \$232 per year, effective June 14, 2014.

OTHER PERTINENT INFORMATION:

1. Lessee has the right to utilize the upland adjacent to the Lease Premises.
2. On June 14, 1999, the Commission authorized a General Lease – Right-of-Way Use to Delta Gas Gathering, Inc., for the construction, use, operation, and maintenance of a six-inch diameter, directionally-bored, welded steel natural gas pipeline. The lease will expire on June 13, 2019.
3. Staff conducted the rent review called for in the lease and recommends the rent increase.

CALENDAR ITEM NO. **C16** (CONT'D)

4. Staff recommends that the Commission find that the subject revision of rent does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

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

EXHIBIT:

- A. Site And Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

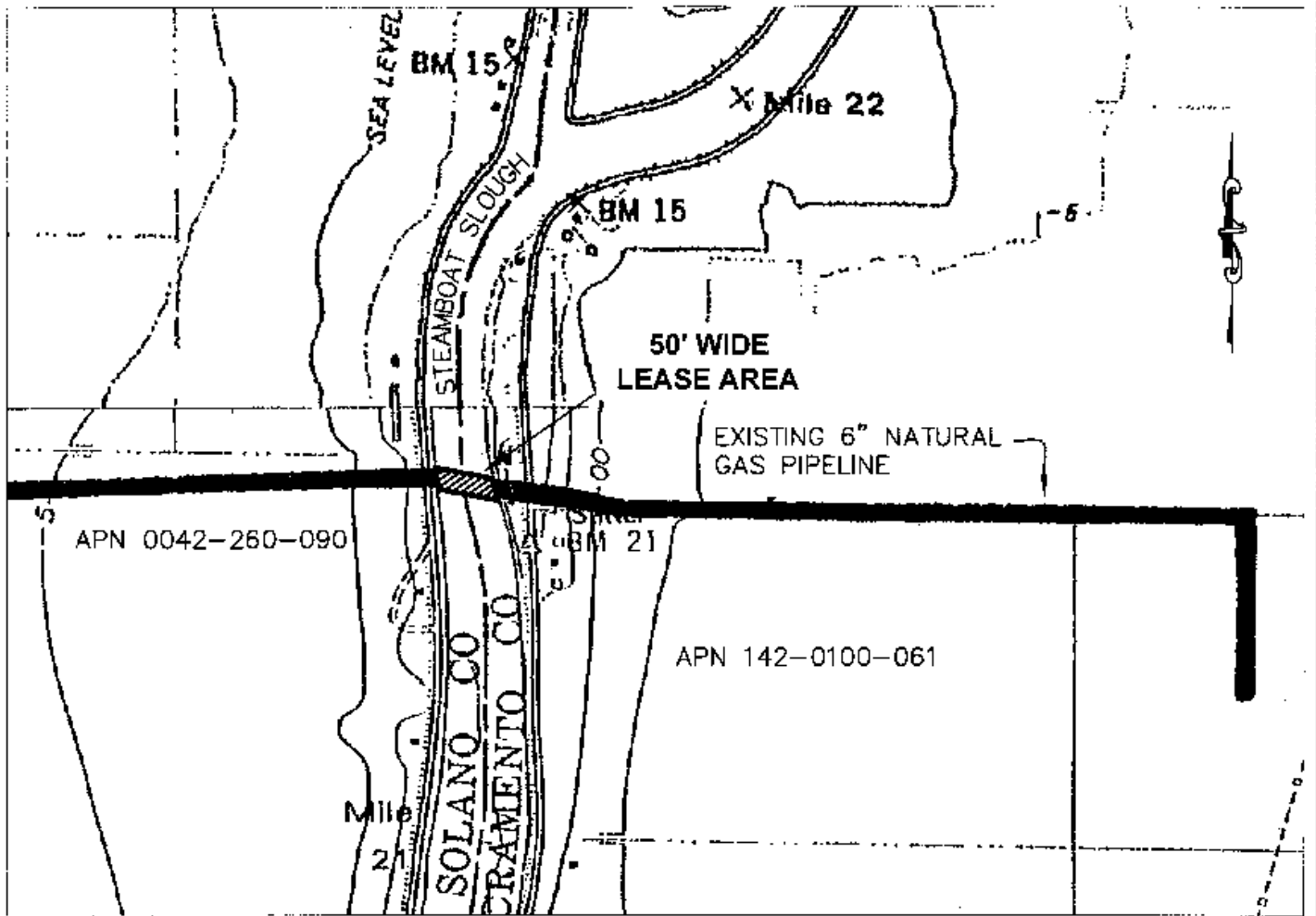
Find that the subject revision of rent is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 8077.1 from \$187 per year to \$232 per year, effective June 14, 2014.

NO SCALE

SITE



DELTA GAS GATHERING, INC. - GAS LINE

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

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.

Exhibit A

PRC 8077.1

Delta Gas Gathering, Inc.

APN 142-0100-061,

0042-260-090

General Lease -

Right - of - Way Use

Sacramento & Solano County

