

**CALENDAR ITEM
C51**

A 12
S 5

06/19/14
PRC 2854.1
G. Asimakopoulos

GENERAL LEASE – RIGHT-OF-WAY USE

APPLICANT:

Califia, LLC, a California Limited Liability Company

AREA, LAND TYPE, AND LOCATION:

Sovereign land located in the San Joaquin River, adjacent to 250 Sadler Oak Drive, near the city of Lathrop, San Joaquin County.

AUTHORIZED USE:

Continued maintenance of an existing non-operational 20-inch-diameter pipeline/drainage outlet.

LEASE TERM:

25 years, beginning June 19, 2014.

CONSIDERATION:

\$450 per year, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

SPECIFIC LEASE PROVISIONS:

Insurance:

Liability insurance in an amount no less than \$3,000,000 per occurrence.

Surety:

Surety bond or other security in the amount of \$20,000.

OTHER PERTINENT INFORMATION:

1. Applicant owns the upland adjoining the lease premises.

2. On February 27, 1962, the Commission authorized a 49-year Right-of-Way Lease, PRC 2854.1, to Libbey-Owens-Ford Glass Company (LOFGC), beginning February 27, 1962, for the construction of a 20-inch-diameter pipeline/drainage outlet. That lease expired on February 26, 2011.

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3. In 2000, LOFGC changed its name to Pilkington North America, Inc., a Delaware Corporation (Pilkington). On April 3, 2006, Pilkington transferred ownership of the 20-inch pipeline/drainage outlet easement to Califia, LLC, a California Limited Liability Company (Califia). Califia is now applying for a General Lease – Right-of-Way Use.

4. The pipeline/drainage outlet was constructed for the purpose of storm water drainage and discharging water from an upland manufacturing facility. The pipeline/drainage outlet discharged to the San Joaquin River within a dedicated easement and public rights of way. The pipeline/drainage outlet has not been utilized by Califia, and was not utilized by Pilkington for at least 10 years. Califia will not be placing the pipeline/drainage outlet back into service at this time. However, sometime in the future, it is anticipated that the intended use of the pipeline would be for discharge of tertiary treated recycled water effluent created by the city of Lathrop's Water Recycling Plant No.1, or possibly storm water. Since the approval of recycled water or storm water discharge can be a lengthy process, Califia will apply for an amendment to the Lease at that time to allow the pipeline to be put back into service. All necessary approvals and permits will then be obtained.

5. The staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, Title 14, section 15300 and California Code of Regulations, Title 2, section 2905.

6. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

EXHIBITS:

- A. Land Description
- B. Site and Location Map

CALENDAR ITEM NO. **C51** (CONT'D)

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

SIGNIFICANT LANDS INVENTORY FINDING:

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

AUTHORIZATION:

Authorize issuance of a General Lease – Right-of-Way Use to Califia, LLC, a California Limited Liability Company beginning June 19, 2014, for a term of 25 years, for continued maintenance of an existing non-operational 20-inch pipeline/drainage outlet as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; annual rent in the amount of \$450 with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease; liability insurance in an amount no less than \$3,000,000 per occurrence; and surety bond or other security in the amount of \$20,000.

EXHIBIT A

PRC 2854.1

LAND DESCRIPTION

A PARCEL OF TIDE AND SUBMERGED LAND SITUATE IN THE BED OF THE SAN JOAQUIN RIVER, LYING ADJACENT TO SECTION 3, TOWNSHIP 2 SOUTH, RANGE 6 EAST, M.D.M, CITY OF LATHROP, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT A FOUND 2-1/2 INCH DIAMETER BRASS DISK STAMPED "L.S. 6186", AT THE INTERSECTION OF SADLER OAK DRIVE AND SCHUMARD OAK ROAD, AS SAID MONUMENT AND STREETS ARE SHOWN AND SO DESIGNATED ON THAT CERTAIN TRACT MAP NO. 3438 FILED NOVEMBER 15, 2006, IN BOOK 41 OF MAPS AND PLATS, AT PAGE 20, IN THE OFFICE OF THE COUNTY RECORDER OF SAN JOAQUIN COUNTY;

THENCE, SOUTH 88°17'01" WEST 324.35 FEET, ALONG THE MONUMENT LINE OF SAID SADLER OAK DRIVE TO THE WESTERLY TERMINUS THEREOF, TO A FOUND 2-1/2 INCH DIAMETER BRASS DISK STAMPED "L.S. 6186", ALL AS SHOWN ON SAID TRACT MAP NO. 3438;

THENCE, LEAVING SAID MONUMENT LINE, SOUTH 86°03'01" WEST 359.23 FEET TO THE MOST SOUTHWESTERLY CORNER OF PARCEL 'A', AS SAID PARCEL 'A' IS SHOWN AND SO DESIGNATED ON SAID TRACT MAP NO. 3438, SAID POINT ALSO BEING THE POINT OF BEGINNING FOR THIS DESCRIPTION;

THENCE FROM SAID POINT OF BEGINNING, SOUTH 01°46'25" EAST 10.00 FEET TO THE SOUTHERN LINE OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN THE GRANT AND RIGHT OF WAY DEED TO ANTONIO QUEIROLO, ET AL, RECORDED JULY 19, 1960, IN BOOK 2319, AT PAGE 207, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY;

THENCE, ALONG THE SOUTHERN LINE OF SAID QUEIROLO PARCEL (2319 OR 207), NORTH 88°17'01" EAST 110.75 FEET TO THE ORDINARY HIGH WATER MARK OF THE SAN JOAQUIN RIVER;

THENCE, LEAVING SAID SOUTHERN LINE, ALONG A MEANDER LINE FOR THE ORDINARY HIGH WATER MARK OF SAID SAN JOAQUIN RIVER, NORTH 22°37'47" WEST 10.71 FEET TO A POINT ON THE NORTHERN LINE OF SAID QUEIROLO PARCEL (2319 OR 207), SAID POINT ALSO BEING ON THE SOUTHERN LINE OF AFORESAID PARCEL 'A';

THENCE, LEAVING SAID MEANDER LINE, ALONG THE LINE COMMON TO SAID PARCEL 'A' AND SAID QUEIROLO PARCEL), SOUTH 88°17'01" WEST 106.94 FEET TO THE POINT OF BEGINNING.

BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM (CCS83), ZONE 3.

END OF DESCRIPTION

3/28/14
DATE: Paul Kittredge
PAUL KITTRIDGE
P.L.S. NO. 5790
EXPIRES: JUNE 30, 2014

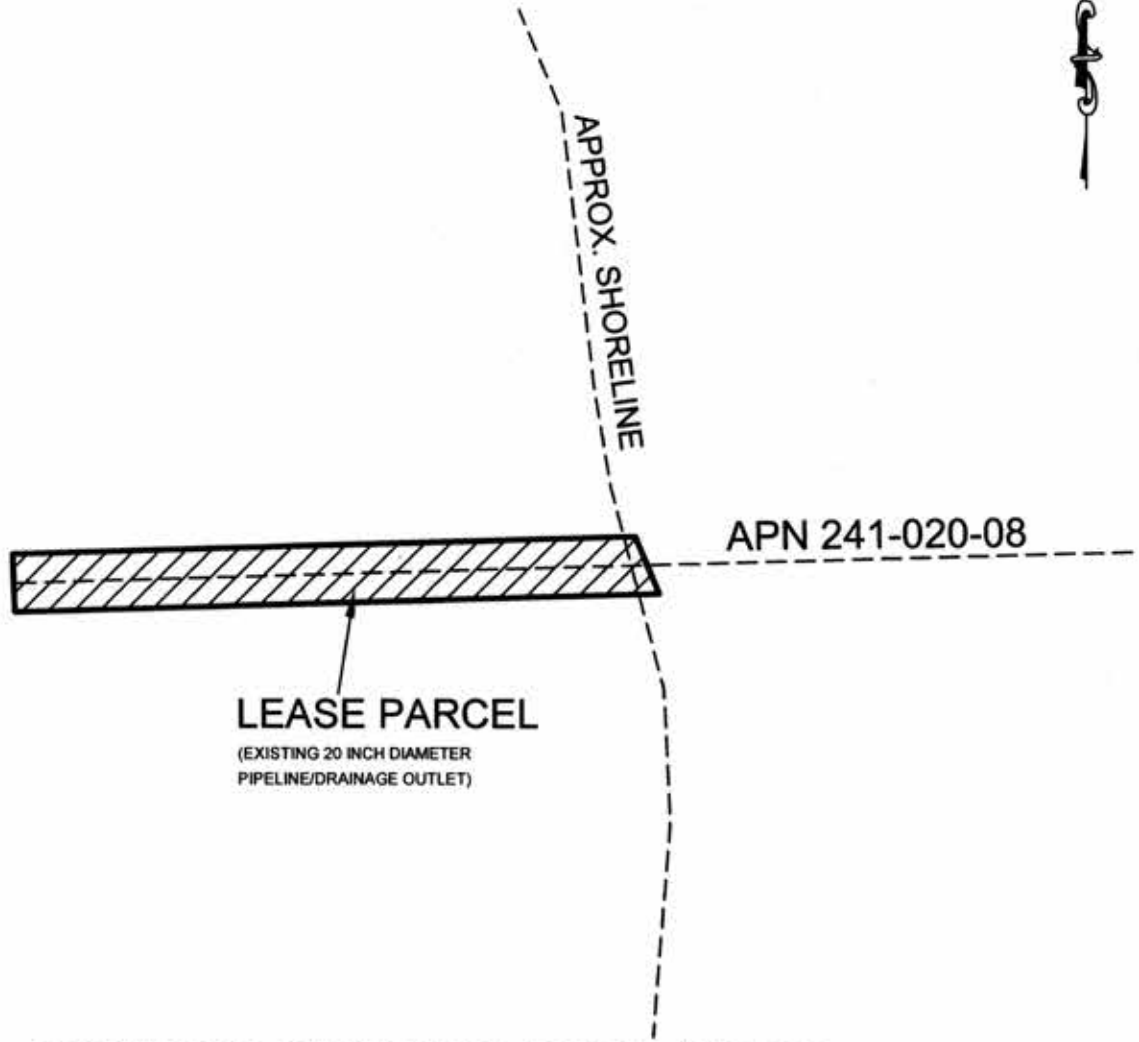


NO SCALE

SITE



SAN
JOAQUIN
RIVER



250 SADLER OAK DRIVE, NEAR LATHROP

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B
 PRC 2854.1
 CALIFIA, LLC
 APN 241-020-08
 GENERAL LEASE -
 RIGHT-OF-WAY USE
 SAN JOAQUIN COUNTY



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.

TS 03/24/14