

**CALENDAR ITEM
C55**

A 14
S 7

06/19/14
PRC 4410.1
W. Hall

**TERMINATION AND ISSUANCE OF A
GENERAL LEASE- RIGHT-OF-WAY USE**

LESSEE:

General Chemical Corporation
501 Nichols Road
Pittsburg, California 94565-1098

APPLICANT:

Chemtrade West US LLC
501 Nichols Road
Bay Point, California 94565

AREA, LAND TYPE, AND LOCATION:

0.15 acre, more or less, of sovereign land in Suisun Bay, adjacent to 501 Nichols Road, near Bay Point, Contra Costa County.

AUTHORIZED USE:

Continued use and maintenance of an existing 12-inch diameter effluent discharge pipeline.

LEASE TERM:

20 years, beginning January 23, 2014.

CONSIDERATION:

\$910 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 \$5,000,000 per occurrence.

Surety:

Surety bond or other security in the amount of \$25,000.

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OTHER PERTINENT INFORMATION:

1. Applicant owns the upland adjoining the lease premises.
2. On April 24, 2001, the Commission authorized a General Lease - Right-of-Way Use with General Chemical Corporation for the 12-inch diameter effluent discharge pipeline. That lease will expire on December 31, 2014.
3. On January 23, 2014, Chemtrade West US LLC acquired the upland from General Chemical Corporation. Operations of the facility and the use of the right-of-way have not changed as a result of the acquisition. Industrial process water and storm water are currently discharged via the pipeline to Suisun Bay via a treatment lagoon. The Applicant is now applying for a General Lease – Right-of-Way Use. Chemtrade West US LLC has a current National Pollutant Discharge Elimination System (NPDES) permit with the Regional Water Quality Control Board. The pipeline was last inspected by CS Marine Constructors on June 5, 2013, with no significant operational or maintenance violations reported.
4. Staff recommends terminating the existing lease because the Lessee cannot be located for execution of a lease quitclaim deed.
5. **Termination of Lease:** The staff recommends that the Commission find that the subject termination of an existing lease and issuance of a new lease 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

6. **Issuance of Lease:** 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.

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- 7.. 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

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Termination of Lease: Find that the subject termination of an existing lease and issuance of a new lease 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.

Issuance of Lease: 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:

1. Authorize termination, effective January 22, 2014, of Lease No. PRC 4410.1, a General Lease – Right-of-Way Use, issued to General Chemical Corporation.
2. Authorize issuance of a General Lease – Right-of-Way Use to Chemtrade West US LLC beginning January 23, 2014, for a term of 20 years, for the continued use and maintenance of an existing 12-

CALENDAR ITEM NO. **C55** (CONT'D)

inch diameter effluent discharge pipeline, as described in Exhibit A and as shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; annual rent in the amount of \$910, 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 \$5,000,000 per occurrence; lease surety bond or other security in an amount no less than \$25,000.

EXHIBIT A

PRC 4410.1

LAND DESCRIPTION

All that real property situate in Suisun Bay, County of Contra Costa, State of California, described as follows:

COMMENCING at the northeast corner of a certain 30 acre tract described in deed from James K. Wilson, et al, to Charles K. McIntosh, dated May 21, 1912, recorded in Book 182 of Deeds, Page 112, in the Office of the Recorder of said Contra Costa County; thence from said point of commencement, N 01° 13' 54" E 601.26 feet; thence N 75° 28' 06" W 23.28 feet to the TRUE POINT OF BEGINNING; thence continuing from said point of beginning

N 75° 28' 06" W 31.45 feet; thence
N 32° 00' 00" E 69.30 feet; thence
N 44° 00' 00" E 161.58 feet; thence
S 46° 00' 00" E 30.00 feet; thence
S 44° 00' 00" W 158.42 feet; thence
S 32° 00' 00" W 56.70 feet; to the
point of beginning.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark.

END OF DESCRIPTION

REVIEWED JULY 19, 1984 BY BOUNDARY AND TITLE UNIT.



Suisun Bay

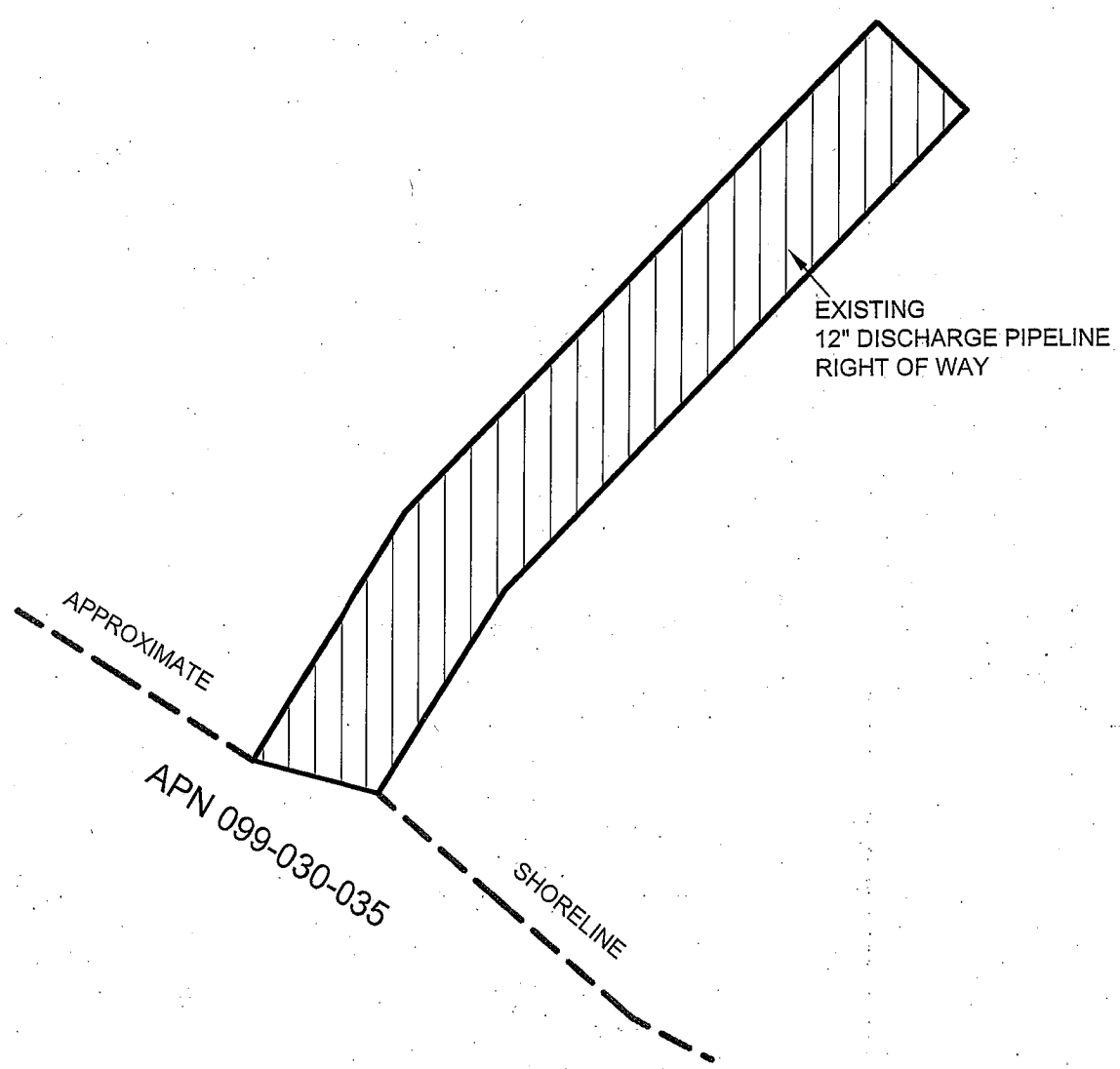


EXHIBIT A

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LAND DESCRIPTION PLAT
PRC 4410, CHEMTRADE WEST US LLC
CONTRA COSTA COUNTY

CALIFORNIA STATE
LANDS COMMISSION



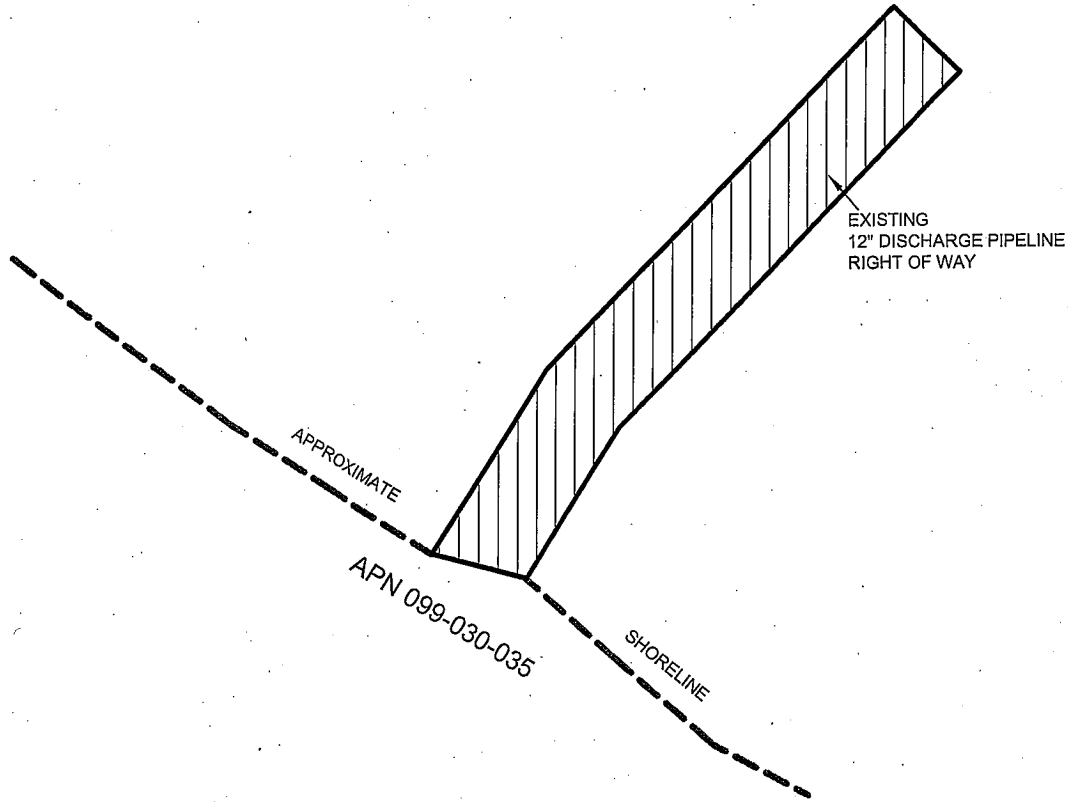
NO SCALE

SITE



Suisun

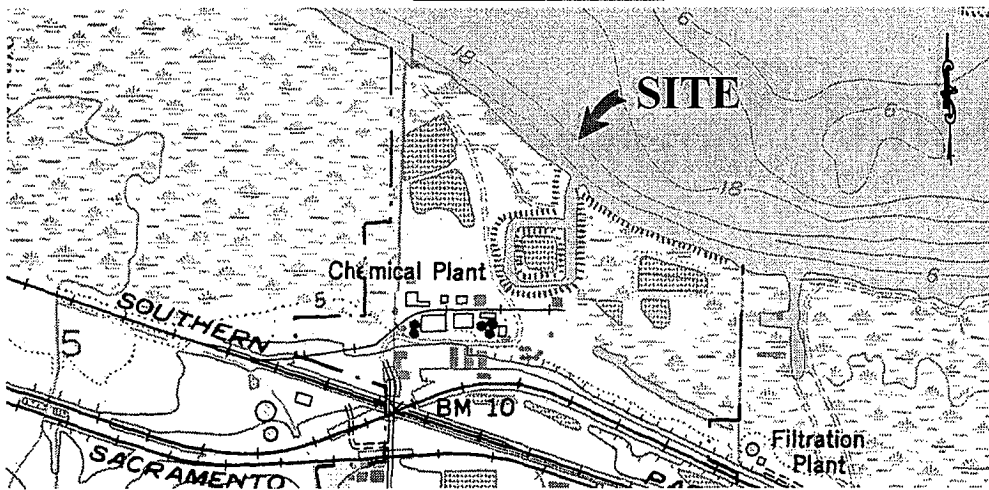
Bay



501 NICHOLS ROAD, BAY POINT

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 B

PRC 4410.1
 CHEMTRADE WEST US LLC
 APN 099-030-035
 GENERAL LEASE -
 RIGHT OF WAY
 CONTRA COSTA COUNTY



MJJ 6/09/2014