

**STAFF REPORT  
C48**

A 14  
S 3

08/17/17  
PRC 5040.1  
N. Lavoie

**REVISION OF RENT**

**LESSEE:**

San Pablo Bay Pipeline Company LLC

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

Sovereign land in Pacheco Slough and Hastings Slough, near Martinez, and filled sovereign land in the town of Crockett, Contra Costa County.

**AUTHORIZED USE:**

Continued maintenance of an existing non-operational 16-inch-diameter steel pipeline.

**LEASE TERM:**

15 years, beginning October 19, 2005.

**CONSIDERATION:**

This lease provides that the Commission 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 rent be revised from \$8,359 per year to \$9,559 per year, effective October 19, 2017.

**OTHER PERTINENT INFORMATION:**

1. On May 5, 2008, the Commission authorized a General Lease – Right-of-Way Use to San Pablo Bay Pipeline Company LLC ([Item C24, May 5, 2008](#)). The lease will expire on October 18, 2020.
2. Commission staff requested burial depth surveys, cathodic protection results, any leak or repair history, and any other reports demonstrating the integrity of the pipeline. Staff will review the reports and based on the results take any and all actions necessary to ensure the safety of the pipeline consistent with the Commission’s jurisdiction and authority.
3. This action is consistent with Strategy 2.2 of the Commission’s Strategic Plan to ensure timely receipt of revenues and royalties from the use and development of State lands and minerals.

STAFF REPORT NO. **C48** (CONT'D)

4. Approving the revision of rent is not a project as defined by the California Environmental Quality Act because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15378, subdivision (b)(5).

**EXHIBIT:**

- A. Site and Location Map

**RECOMMENDED ACTION:**

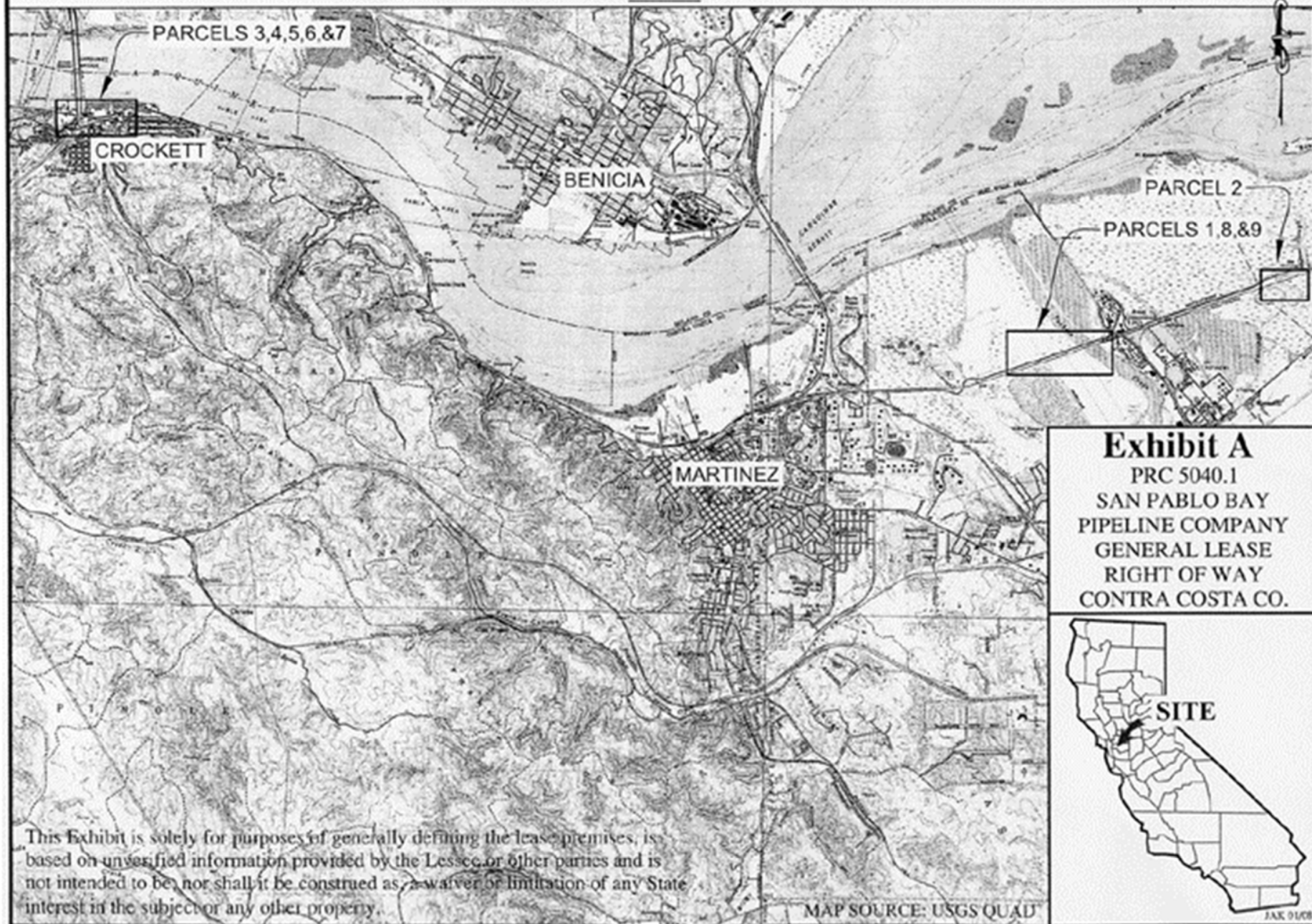
It is recommended that the Commission:

**AUTHORIZATION:**

Approve the revision of rent for Lease No. PRC 5040.1 from \$8,359 per year to \$9,559 per year, effective October 19, 2017.

NO SCALE

# SITE



**Exhibit A**  
PRC 5040.1  
SAN PABLO BAY  
PIPELINE COMPANY  
GENERAL LEASE  
RIGHT OF WAY  
CONTRA COSTA CO.



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.

MAP SOURCE: USGS QUAD