

MINUTE ITEM

This Calendar Item No. 27  
was approved as Minute Item  
No. 27 by the State Lands  
Commission by a vote of 3  
to 0 at its 3-25-76 MINUTE ITEM  
meeting.

3/25/76  
HAM

27. 25-YEAR INDUSTRIAL RIGHT OF WAY, TIDE AND SUBMERGED LAND  
IN PACHEGO CREEK, AKA WALNUT CREEK, CONTRA COSTA COUNTY;  
PHILLIPS PETROLEUM COMPANY - W 20395, PRC 331.1.

During consideration of Calendar Item 27, Mr. William F.  
Northrop, Executive Officer, stated that Chairman Kenneth  
Cory (absent from this meeting) raised the question of why,  
if Phillips is divesting itself from all pipelines, are they  
now applying for a pipeline permit.

Mr. Richard S. Jensen, attorney representing Phillips,  
appeared in support of the item. He stated that Phillips is  
applying for the renewal to protect its interest in the  
event the action, as presently contemplated, fails to close.

Mr. Northrop indicated Mr. Jensen's answer was satisfactory.  
With the foregoing in mind, the Commission unanimously  
approved the resolution as presented in Calendar Item 27  
attached.

Attachment:

Calendar Item 27 (5 pages)

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CALBNDAR ITEM

27

INDUSTRIAL RIGHT OF WAY

3/76  
HAM  
W 20305

APPLICANT: Phillips Petroleum Company  
155 Bovey Road, Suite 675  
San Mateo, California 94402

AREA, TYPE LAND AND LOCATION:  
Parcel 1: 14,000 square feet, and Parcel 2:  
6,400 square feet; both in Pacheco Creek, also  
known as Walnut Creek, east of Martinez, in  
Contra Costa County.

LAND USE: For the use and maintenance of a telephone  
cable line and pipelines.

TERMS OF EXPIRED LEASE:  
Initial period: 10 years from August 19, 1961.  
Surety bond: \$2,000.  
Consideration: \$201.96 full term.

TERMS OF PROPOSED LEASE:  
Initial period: 25 years from August 19, 1972.  
Renewal options: 2 successive periods of 10  
years each.  
Surety bond; \$10,000.  
Public liability insurance; \$1,000,000 per  
occurrence for bodily injury  
and property damage.  
Special: Lessee to complete all valve installation  
in the pipeline network, as  
required by the State Lands  
Division, on or before December  
31, 1976.

CONSIDERATION: \$124.96 per annum, from August 19, 1972 through  
June 29, 1975; and \$257.44 per annum effective  
June 30, 1975, with the State reserving the  
right to fix a different rental on each fifth  
anniversary of the lease, and the right to  
charge rental on a through-put basis, in lieu  
of the currently proposed rental, retroactive  
to March 25, 1976, provided that the State  
Lands Commission adopts changes in the California  
Administrative Code for such changed rent on  
or before March 25, 1977.

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S 7

CALENDAR ITEM NO. 27 (CONTD)

BASIS FOR CONSIDERATION - PARCEL 1 - CABLE LINE:  
\$20 minimum rental from August 19, 1972  
through June 29, 1975 and \$100 minimum rental  
from June 30, 1975.

BASIS FOR CONSIDERATION - PARCEL 2 - PIPELINES:  
\$.01 per diameter inch of pipeline, per lineal  
foot, from August 19, 1972, through June 29,  
1975; 1 1/2¢ per diameter inch of pipeline, per  
lineal foot, from June 30, 1975.

PREREQUISITE TERMS, FEES AND EXPENSES:  
Applicant is owner of upland.

STATUTORY AND OTHER REFERENCES:

- A. Public Resources Code: Div. 6, Parts 1 & 2.
- B. Administrative Code: Title 2, Div. 3,  
Arts. 1, 2, 10 & 11.
- C. Administrative Code: Title 14, Div. 6,  
Sec. 15100 et seq.

OTHER PERTINENT INFORMATION:

1. An Environmental Impact Report is not required. This transaction is within the purview of 2 Cal. Adm. Code 2907(a) which exempts an existing structure or facility that is in an acceptable state of repair and that is in an acceptable state of repair and there is no evidence of record to show injury to adjacent property, shoreline erosion, or other types of environmental degradation.
2. This project is situated on land identified as possessing environmental values in that the State Lands Commission stated all waterways under the Commission's jurisdiction have environmental significance. Staff finds this project to be compatible with Division policy in that it pre-existed the finding and no adverse comments have been received.

EXHIBITS: A. Land Description. B. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL IMPACT REPORT NEED NOT BE PREPARED FOR THIS ACTIVITY AS SUCH REPORT IS NOT REQUIRED UNDER THE PROVISIONS OF PRC 21085; 14 CAL. ADM. CODE 15100 ET SEQ., AND 2 CAL. ADM. CODE 2907.

CALENDAR ITEM NO. 27 (CONTD)

2. FIND THAT THE GRANTING OF THE LEASE WILL HAVE NO SIGNIFICANT EFFECT UPON ENVIRONMENTAL CHARACTERISTICS IDENTIFIED BY THE COMMISSION AT ITS DECEMBER 1, 1975, MEETING.
3. AUTHORIZE ISSUANCE TO PHILLIPS PETROLEUM COMPANY OF A 25-YEAR LEASE FROM AUGUST 19, 1972, WITH LESSEE'S OPTION TO RENEW FOR TWO SUCCESSIVE PERIODS OF TEN YEARS EACH, IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$124.96 FROM AUGUST 19, 1972, THROUGH JUNE 29, 1975; AND \$257.44 PER ANNUM THEREAFTER, WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENTAL ON EACH FIFTH ANNIVERSARY OF THE LEASE, AND WITH THE RIGHT TO FIX A DIFFERENT RENTAL DURING THIS LEASE, RETROACTIVE TO MARCH 25, 1976, PROVIDED THAT ANY CHANGE IN THE RENTAL SHALL BE TO THE APPLICABLE RATE, OR BY FOLLOWING THE PROCEDURE FOR DETERMINING THE APPLICABLE RATE OF RENTAL SET FORTH IN TITLE 2, DIVISION 3 OF THE CALIFORNIA ADMINISTRATIVE CODE AND FURTHER PROVIDED THAT THERE SHALL BE NO SUCH RETROACTIVE RENTAL UNLESS CHANGES IN SAID CALIFORNIA ADMINISTRATIVE CODE ARE ADOPTED BY THE STATE LANDS COMMISSION ON OR BEFORE MARCH 25, 1977; PROVISION OF A \$10,000 SURETY BOND; PROVISION OF PUBLIC LIABILITY INSURANCE IN AMOUNTS OF \$1,000,000 PER OCCURRENCE FOR BODILY INJURY AND PROPERTY DAMAGE; PROVISION THAT LESSEE SHALL COMPLETE ALL VALVE INSTALLATION IN ACCORDANCE WITH PREVIOUSLY DELIVERED INSTRUCTIONS FROM THE STATE LANDS DIVISION, NO LATER THAN DECEMBER 31, 1976; FOR THE USE AND MAINTENANCE OF A TELEPHONE CABLE AND TEN PIPELINES ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

Attachment: Exhibit "A"

EXHIBIT "A"

W 20395

Two parcels of tide and submerged land in the State owned bed of Pacheco Slough (Creek), Contra Costa County, California, more particularly described as follows:

PARCEL 1

A strip of land 100 feet wide, lying 50 feet on each side of the following described centerline:

BEGINNING at a point on the centerline of the Southern Pacific Railroad's mainline which bears S  $18^{\circ} 09' 20''$  E, 50.00 feet from a brass cap monument stamped "AVON", said monument having California Coordinate System Zone 3 coordinates of  $X=1,545,386.26$  and  $Y=561,570.34$ ; thence from said point of beginning, S  $71^{\circ} 20' 30''$  W, 140 feet along the centerline of said mainline.

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

PARCEL 2

A strip of land 50 feet wide lying 25 feet on each side of the following described centerline:

COMMENCING at a brass cap monument stamped "AVON" having California Coordinate System Zone 3 coordinates of  $X=1,545,386.26$  and  $Y=561,570.34$ ; thence N  $65^{\circ} 18' 49''$  W, 300.13 feet to a point where the ordinary high water mark of the easterly bank of Pacheco Slough as described in that boundary agreement recorded in Volume 1732, at Page 35, Official Records of Contra Costa County, intersects

a line parallel with and 256 feet northerly of the Southern Pacific Railroad's mainline and being the point of beginning of the herein described centerline; thence S 71° 20' 30" W, parallel with said mainline, 129.17 feet to the ordinary high water mark of the westerly bank of Pacheco Slough as described in that boundary agreement recorded in Volume 1732, at Page 37, Official Records of Contra Costa County.

Bearings are based on the California Coordinate System Zone 3.

END OF DESCRIPTION

Prepared R. L. Blake Checked John K. Hering  
Reviewed A. D. Zussnecke Date 3/3/76  
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