

MINUTE ITEM

This Calendar Item No. 25
was approved as Minute Item
No. 25 by the State Lands
Commission by a vote of 7
to 0 at its 5-28-81
meeting.

CALENDAR ITEM

▶ 25

5/81
W 22724
Louie
PRC 6010

GENERAL LEASE - RIGHT-OF-WAY USE

APPLICANT: Independent Valley Energy Company
P. O. Box 4437
Houston, Texas 77210

AGENT: Finis E. Carleton
2304 Huntington Drive
San Marino, California 91108

AREA, TYPE LAND AND LOCATION:
A 0.016-acre parcel of sovereign land in
Kern River at Bakersfield, Kern County.

LAND USE: Installation and maintenance of a 10-inch
diameter crude oil pipeline.

TERMS OF PROPOSED LEASE:

Initial period: 20 years from June 1,
1981.

Public liability insurance: Combined single
limit coverage of \$1,000,000.

CONSIDERATION: The public benefit with the State reserving
the right at any time to set a monetary
rental if the Commission finds such action
to be in the State's best interest.

BASIS FOR CONSIDERATION:

Pursuant to 2 Cal. Adm. Code 2005 & 2006.

PREREQUISITE TERMS, FEES AND EXPENSES:

Applicant is permittee of upland.

STATUTORY AND OTHER REFERENCES:

A. P.R.C.: Div. 6, Parts 1 & 2; Div. 13.

B. Cal. Adm. Code: Title 2, Div. 3;
Title 14, Div. 6.

A 33

S 16

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| CALENDAR PAGE | 089 |
| MINUTE PAGE | 1115 |

CALENDAR ITEM NO. 25 (CONTD)

OTHER PERTINENT INFORMATION:

1. Since the subject site involves lands over which conflicting claims of ownership exist, the Staff recommends the waiver of filing and processing fees. Lease consideration is based upon public interest in providing increased supplies of energy-producing substances to the public, assisting industry in implementing plans for increased energy production and establishing a means to monitor and protect potential public interests in the Kern River at this location. At such time as the full extent of the State's interest in the subject site is determined, the State shall have the right to review and revise the consideration and any other provision of the lease.
2. The applicant is constructing a heavy oil upgrading refinery north of Bakersfield in Kern County. In conjunction with that project, the applicant proposes to construct a pipeline approximately 28 miles in length to transport the upgraded crude oil from the refinery to Kelley Pump Station where it can enter a common carrier for ultimate distribution in the Los Angeles Basin. A portion of the pipeline will cross the Kern River.
3. A Negative Declaration was prepared by the City of Bakersfield pursuant to CEQA and the State EIR Guidelines. Mitigation measures imposed by the City are shown on Exhibit "C" attached.

FURTHER APPROVALS REQUIRED:

United States Army Corps of Engineers,
City of Bakersfield, State Reclamation
Board.

EXHIBITS:

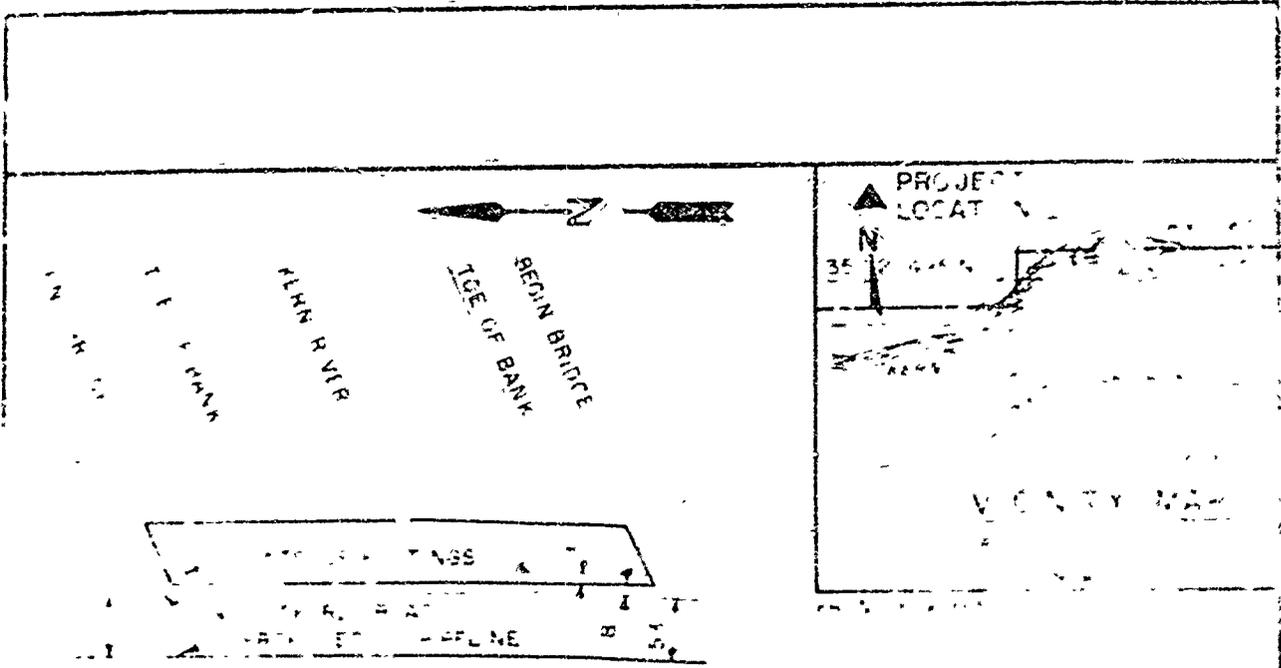
- A. Land Description.
- B. Location Map.

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| CALENDAR PAGE | 090 |
| MINUTE PAGE | 1116 |

- C. Negative Declaration.
- D. Notice of Determination.

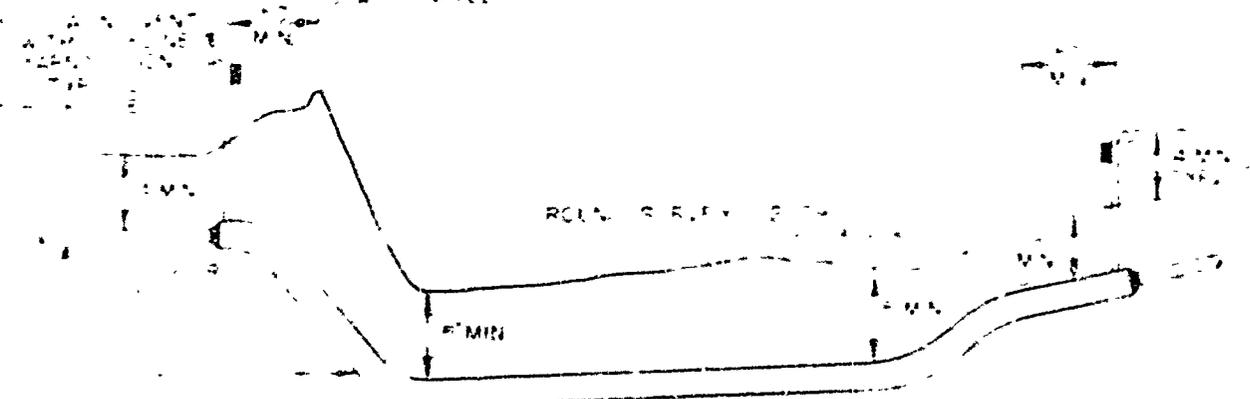
IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT A NEGATIVE DECLARATION HAS BEEN PREPARED FOR THIS PROJECT BY CITY OF BAKERSFIELD.
2. CERTIFY THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED IN THE NEGATIVE DECLARATION.
3. DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. FIND THAT ADEQUATE PROVISIONS HAVE BEEN MADE FOR THE PERMANENT PROTECTION OF THE SIGNIFICANT ENVIRONMENTAL CHARACTERISTICS IDENTIFIED PURSUANT TO SECTION 4370.1, OF THE P.R.C.
5. AUTHORIZE ISSUANCE TO INDEPENDENT VALLEY ENERGY COMPANY OF A 20-YEAR GENERAL LEASE - RIGHT-OF-WAY USE, FROM JUNE 1, 1981, ON FILE IN THE PRINCIPAL OFFICE OF THE STATE LANDS COMMISSION; IN CONSIDERATION OF THE PUBLIC BENEFIT WITH THE STATE RESERVING THE RIGHT AT ANY TIME TO SET A MONETARY RENTAL IF THE COMMISSION FINDS SUCH ACTION TO BE IN THE STATE'S BEST INTEREST; PROVISION OF PUBLIC LIABILITY INSURANCE FOR COMBINED SINGLE LIMIT COVERAGE OF \$1,000,000 FOR INSTALLATION AND MAINTENANCE OF A 10-INCH DIAMETER CRUDE OIL PIPELINE ON THE LAND SUBSTANTIALLY AS SHOWN ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.
6. AUTHORIZE WAIVER OF THE FILING AND PROCESSING FEES IN THAT THE LEASE INVOLVES LANDS OVER WHICH CONFLICTING CLAIMS OF OWNERSHIP EXIST.



PLAN

SCALE: 1" = 100' FEET



SECTION

SCALE: 1" = 100' FEET HORIZ

SCALE: 1" = 10' FEET VERT

PROPOSED FOR PROCESSED CRUDE TO
 FOUR CORNERS PIPELINE COMPANY
 NEAR WHEELER ROSE, THE COUNTY
 OF KERN, CALIFORNIA

ATLW U.S. & G.S. L-825, 1947 CONCRETE
 POST WITH STANDARD DISK STAMPS
 409 510

LAND PROPERTY OWNER
 CITY OF BAKERSFIELD
 COUNTY OF BAKERSFIELD

PROPOSED COMPRESSED CRUDE OIL
 PIPELINE

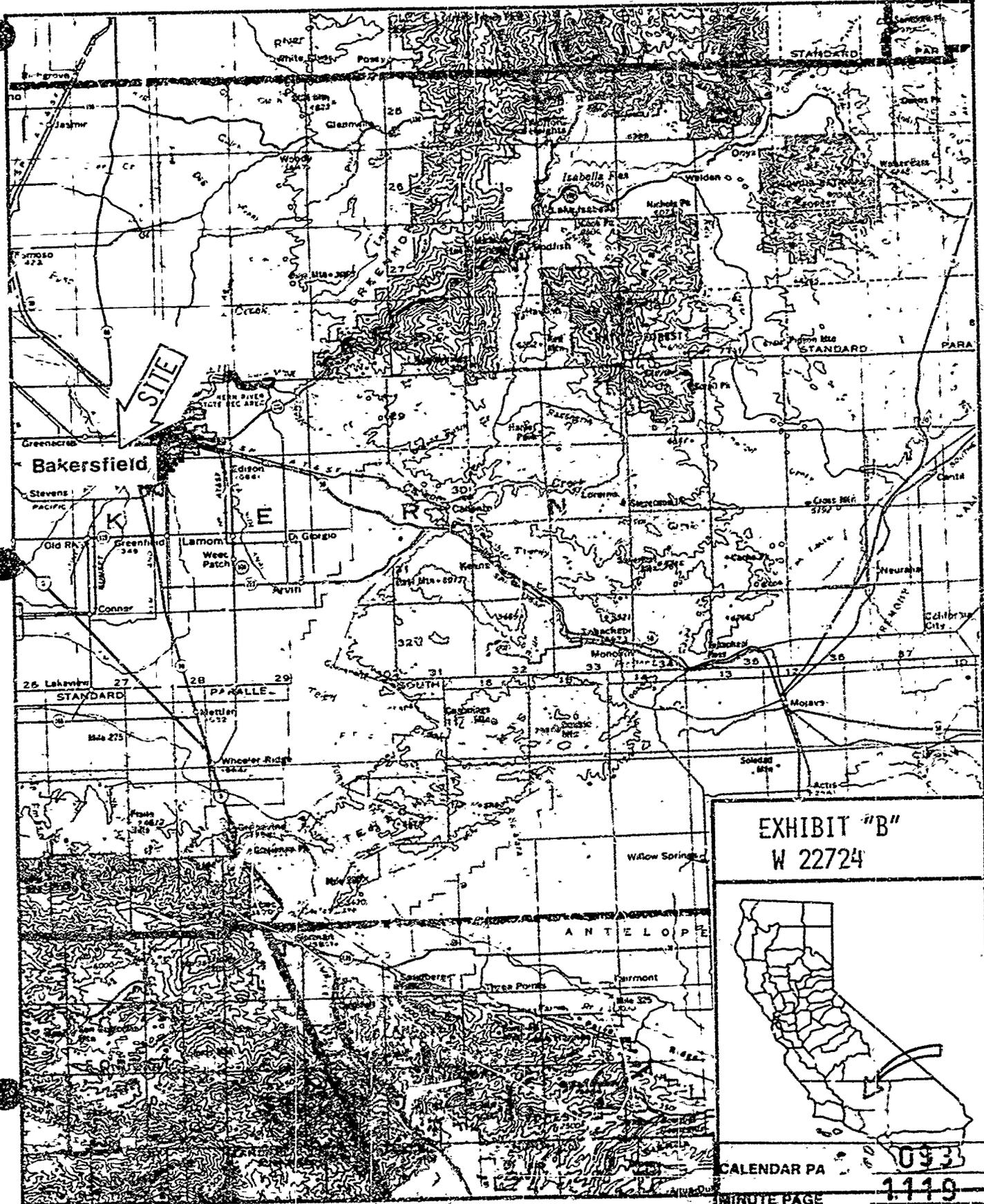
IN KERN RIVER
 AT BAKERSFIELD, CALIFORNIA
 COUNTY OF KERN STATE CALIFORNIA

APPLICATION BY INDEPENDENT VALLEY
 ENERGY COMPANY

SHEET 1 OF 7 DATE 8/24/01

**EXHIBIT "A"
 LAND DESCRIPTION**

CALENDAR PAGE 052
 MINUTE PAGE 1118
 W 22724



Bakersfield

SITE

EXHIBIT "B"
W 22724



CALENDAR PA **093**
 MINUTE PAGE **1119**

EXHIBIT "C"

SUPPLEMENTAL
NEGATIVE DECLARATION
AND
NOTICE OF PUBLIC HEARING

NO. 1282

Our File No. _____

1. Name and address of Sponsor(s) of Project:

Independent Valley Energy Company
P. O. Box 4437
Houston, Texas 77210

2. Location of Project: City of Bakersfield and Kern County -

See project description attached

3. Description of Project as Proposed: Ten inch pipeline to trans-

port upgraded crude oil between proposed refinery located in unincor-
porated area of Kern County, Northwest Metro-Bakersfield and Kelly

Pump Station located at the extreme south end of San Joaquin Valley,

4. a distance of approximately 29 miles - SEE PROJECT DESCRIPTION ATTACHED
The undersigned, having considered the matters provided in
City Council Resolution No. 60-80, City of Bakersfield,
does hereby find and determine that the above described
project will not have a significant effect on the environ-
ment.

SEE ATTACHED MITIGATION MEASURES

Dated: April 1, 1981

Posted: April 1, 1981

Dewey Stearns
DEWEY STEARNS
Planning Director

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| CALENDAR PAGE | <u>094</u> |
| MINUTE PAGE | <u>1120</u> |

MITIGATION MEASURES REQUIRED BY
THE CITY OF BAKERSFIELD

1. KERN RIVER CROSSING

The pipeline shall be installed in a casing within the exterior limits of the floodplain primary and secondary. Precise termination limits to be determined in the field by City of Bakersfield.

2. DUST CONTROL

Dust control shall be in accordance with Chapter 13.13.030(a)(i) of the Bakersfield Municipal Code (attached herewith).

3. SITE RESTORATION

Upon completion of the pipeline installation all areas of construction work shall be restored as reasonably practicable.

4. All backfill and compaction for the portion of the pipeline project within the City limits or within city owned lands shall meet the requirements of the City of Bakersfield STANDARD S-39 (attached herewith).

5. Safety posting of pipeline location as per requirements of the Fire Chief.

6. Provide the city with a complete set of as-built drawing at completion of project.

7. Cover pipeline as per project description as follows:

1. Forty-eight inch minimum
2. Sixty inch minimum - Kern River Floodplain
3. Seventy-two inch minimum - 2700 foot segment between the Southerly Arvin-Edison Canal crossing and White Lane as shown on map.

8. Construct pipeline as per maps submitted and on file and project description as amended by City of Bakersfield.

*By Dewey Stealer
Planning Director*

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| CALENDAR PAGE | 095 |
| MINUTE PAGE | 4121 |

Chapter 13.16
UNIFORM BUILDING CODE.

Sections:

- 13.16.010 Uniform Building Code Adopted by Reference.
- 13.16.020 Certain Provisions of Uniform Building Code Deleted
- 13.16.030 Modifications of Uniform Building Code

13.16.010 Uniform Building Code Adopted by Reference. Except as hereinafter provided, that certain Building Code known and designated as the "Uniform Building Code," 1976 Edition, which Code was sponsored and copyrighted by the International Conference of Building Officials and 1976 Standards including the Appendix thereto, three copies of which are filed in the office of the City Clerk of the City of Bakersfield, for use and examination by the public and each person and provision thereof is hereby adopted by reference, modified and amended in this Chapter, and is hereby declared to be the Building Code of the City of Bakersfield for the purpose of regulating the erection, construction, enlargement, alteration, repair, moving, removal, demolition, reconstruction, occupancy and health and maintenance of all structures and certain provisions therein specifically regulated, within the incorporated limits of the City of Bakersfield, and providing for the issuance of permits and the collection of fees therefor.

13.16.020 Certain Provisions of Uniform Building Code Deleted. The following sections and chapter of the Uniform Building Code, 1976 Edition, including the Appendix thereto, are not adopted as part of this ordinance and are hereby deleted:

- Section 214, Board of Appeals
- Section 217, Violations and Penalty.
- Section 302(n), Retention of Plans
- Sections 5101 through 5104, Elevators, Dumbwaiters, Escalators, and Moving Walks, and
- Chapter 51 of the Appendix
- Section 706 g, Issuance.
- Section 707, Fees.

13.16.030 Modification of Uniform Building Code. The following sections of the Uniform Building Code, 1976 Edition, as adopted by reference, are amended as provided herein:

(a) Section 212 is Amended by adding paragraph (3) thereof as follows:
The Building Official shall have the authority to take any reasonable means, including the use of water, to prevent dust or other particles from entering the air and to prevent or abate any nuisance caused by a violation of any part of the building or work authorized by this Code. Any person engaged in the building or building such building or work to be done shall use any or water or other means approved by the Building Official, prevent dust or other particles from entering the air or becoming a nuisance.

- (b) Section 702 is amended by adding the following paragraphs:
- (1) Building permits for conversion of private garages shall not be issued until an easement creating and dedicating a new parking area has been accomplished and access has been provided thereto from a public street and such work has been approved by the Building Official.
 - (2) Building permits for construction, installation, or placement of any building for sale, lease, or financing or any other purpose, except for mobile homes, or to allow occupancy thereof for which a final map or parcel map is required by Title 16 of the Bakersfield Municipal Code, shall not be issued, until such map therefor is in compliance with said Title 16 and the Subdivision Map Act has been filed for record by the County Recorder.

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| CALENDAR PAGE | 096 |
| MINUTE PAGE | 1122 |

Finis E. Carlton
Consulting Engineer
2304 Huntington Drive
San Marino, California 91108
(213) 283-0434

May 5, 1981

Mr. Dewey Sceales, Planning Director
City of Bakersfield
1501 Truxton Avenue
Bakersfield, California 93301

Dear Mr. Sceales:

In response to your inquiry about seismic considerations in the design of Independent Valley Energy Company's (IVEC) heavy oil upgrading refinery and associated pipeline, I am enclosing letters from the two contractors involved in this project. Fluor Engineers and Constructors, Inc. is the contractor for the refinery proper. Williams Brothers Engineering Company is the contractor for the pipeline and the tank and receiving station at Kelley Pump Station. Each contractor cites the codes/specifications involved in the seismic aspects of the IVEC design. Please note that there is a typographical error in the Williams Brothers letter - IVEC is installing a 100,000 Bbl floating roof tank at Kelley Station - not a 1,000,000 Bbl as stated.

As pointed out in the letters, Harding Lawson Associates of Tustin, California performed thorough geotechnical investigations on both the refinery site and the Kelley Pump Station Receiving tank sites. Based on the results of these studies, the necessary seismic design criteria were formulated. The question of soil liquefaction was addressed. The foundations for all major structures in the refinery will be on pilings.

The pipeline itself does not require any foundations. Williams Brothers has extensive experience in the construction of pipelines in seismically active areas, and the criteria/codes used in establishing specifications for the IVEC design are cited.

Please call if you have any further questions.

Sincerely,



FEC:mc

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| CALENDAR PAGE | 098 |
| MINUTE PAGE | 1124 |

FLUOR ENGINEERS AND CONSTRUCTORS, INC.

SOUTHERN CALIFORNIA DIVISION
3333 MICHELSON DRIVE
IRVINE, CALIFORNIA 92733
TELEPHONE: (714) 975-2000
TELEX: 69-2486

May 1, 1981

Reference: Heavy Oil Upgrading Refinery
Bakersfield, California
Fluor Contract 468634

Letter No: FLI-208

Independent Valley Energy Company
c/o Fluor Engineers and Constructors, Inc.
3333 Michelson Drive
Irvine, California 92730

Attention: Mr. Graham D. Campbell

Gentlemen:

DESIGN BASIS FOR
SEISMIC CONSIDERATION

The seismic design for the structures and foundations is based on the criterias outlined in Uniform Building Code for Zone 4 and the recommendations outlined in the Geotechnical Investigation report dated August 27, 1980 by Harding Lawson Associates of Tustin, California. The liquefaction potential is considered due to the type of onsite soil and existing high ground water table. All heavily loaded or critical structures are founded on 12" square precast prestress concrete piles to give support by a combination of skin friction and end bearing from the underlying dense gravel layer. The lightly loaded and noncritical structures are supported on conventional spread foundations placed on the prepared ground.

Very truly yours,

H. L. Glenn

H. L. Glenn
Project Manager

HLG:PLF

cc: F. Carlton, Consulting Engineer

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| CALENDAR PAGE | 099 |
| MINUTE PAGE | 1125 |

**WILLIAMS
BROTHERS
ENGINEERING
COMPANY**

A Resource Sciences Company

50 BRIAR HOLLOW LANE SUITE 300 W HOUSTON TEXAS 77027
PHONE (713) 626-8070 TELEY 77-4244 WBEC HOU

May 4, 1981

Letter No. WLI-128

Mr. Grahame Campbell
c/o Fluor Engineers & Constructors, Inc. (IVEC-Project)
333 Michelson Drive
Room A1-20-107
Irvine, California 92730

SUBJECT: Construction of IVEC-Kelley Station and 30 mile
Bakersfield to IVEC-Kelley Station Pipeline

Dear Mr. Campbell:

Williams Brothers Engineering Company has designed the 30 mile pipeline system and pump station as described in the above referenced subject in accordance with our knowledge of the seismic activity in the area around Bakersfield, California.

Harding-Lawson Associates, an engineering, geology and geophysical consulting firm located in Tustin, California, was contacted to provide a geotechnical investigation at the Kelley Pump Station. The geotechnical investigation consisted of among other things the determination of the seismic design criteria as it relates to slope stability and liquefaction potential. All of the recommendations provided by Harding-Lawson Associates were followed in our design of the earthwork and foundation work at the IVEC-Kelley Station. Additionally, the 1000,000 barrel floating roof storage tank is being designed in accordance with American Petroleum Institute (API) Standard 2531 - Welded Steel Tanks for Oil Storage, Appendix E, Seismic Design of Storage Tanks.

The pipeline with associated bridge, river and canal crossings is being designed in accordance with the seismic criteria in the area. Williams Brothers Engineering Company is using its experience in the design of pipelines through areas of high seismic activity which we have gained through our design of the Standard Oil Company of Ohio (SOHIO) Project, the Getty Oil Company Hot Oil Line Project, and the Elk Hills Naval Reserve Project, all located in the California Area. Our designs meet or exceed the following codes and regulations:

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| CALENDAR PAGE | 100 |
| MINUTE PAGE | 1126 |

Page Two

1. Department of Transportation Code of Federal Regulations, Title 49, Part 195 - Transportation of Liquids by Pipeline.
2. American National Standard Institute (ANSI) B31.4, Liquid Petroleum Transportation Piping Systems.
3. American Association of State Highway Officials.
4. Uniform Building Code.

If you need further information regarding this subject please do not hesitate to contact me.

Very truly yours,

WILLIAMS BROTHERS ENGINEERING COMPANY

R. A. Harris

R. A. Harris

RAH/ji

cc: F. Carlton
S. Harrison
D. Crawford

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL VALLEY REGION

SAN JOAQUIN WATERSHED BRANCH OFFICE:
3374 EAST SHIELDS AVENUE, ROOM 18
FRESNO, CALIFORNIA 93726
PHONE: (209) 445-5116

RECEIVED

MAY 1981

CITY OF BAKERSFIELD
PLANNING DEPARTMENT

MAY - 1 1981

RECEIVED



27 April 1981

Ms. Sonia Binnendyke
State Clearinghouse
Office of Planning and Research
1400 Tenth Street
Sacramento, CA 95814

INDEPENDENT VALLEY ENERGY COMPANY: SCR#81040261, REFINERY AND PIPELINE
PROJECT, KERN COUNTY

We have reviewed the subject Negative Declaration as prepared by Kern County
and the City of Bakersfield, and have developed the following comments:

1. The project includes a disposal well for refinery wastewater. The project
proponent has applied for waste discharge requirements with this office
and also has submitted sufficient information for us to write tentative
requirements. Subsequent to receipt of the final Negative Declaration, we
will present the proposed requirements to our Board for consideration.
2. The project also includes a crossing of the Kern River by a 10" pipeline
with a concrete and soil cover. The Kern River crossing should be designed
to withstand a 100-year frequency flood.

Thank you for the opportunity to review the subject Negative Declaration.

Sargeant J. Green

SARGEANT J. GREEN
Grants, Agriculture and Planning

TGS:sg

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| CALENDAR PAGE | 102. |
| MINUTE PAGE | 1128 |

Memorandum

Jim Burns
Assistant to the Secretary
Resources Agency

Date : April 7, 1982

Dewey Sceales, Planning Director
Planning Department
City of Bakersfield.
1501 Truxtun Avenue
Bakersfield, CA 93301

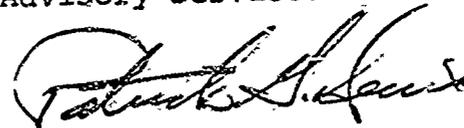
Subject: SCH No. 81040261:
Negative Declaration,
Independent Valley
Energy Company Pipeline
City of Bakersfield
and Kern County.

From - Department of Conservation—Office of the Director

The proposed project involves the laying of approximately 28 miles of petroleum pipeline between Bakersfield and the Kelly Pump Station southwest of Mettler in southwestern Kern County.

As the proposed project area may be subject to intense earthquake ground shaking (e.g., 1952 M 7.7 Kern County earthquake), a detailed foundation study for the proposed pipeline alignment, as well as for other structures involved in the project, should be undertaken to assess the potential for liquefaction and differential settlement, which would have the potential of adversely affecting structural integrity of project facilities.

This review was conducted by Lynn Jones of the Department's Division of Mines and Geology. For questions regarding these comments, contact Perry Amimoto, Advisory Services Officer, at (916) 322-3119.



Patrick G. Nevis
Environmental Program Coordinator

cc: Perry Amimoto
Lynn Jones
Marty Mefferd

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APR 28 1982

CITY OF BAKERSFIELD
PLANNING DEPARTMENT

XC given to Mr. Peacock

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| CALENDAR PAGE | 103 |
| MINUTE PAGE | 1129 |

EXHIBIT "D" FILED
 APPENDIX D
 NOTICE OF DETERMINATION

ENDORSED

TO: Secretary for Resources
 1416 Ninth Street, Room 1311
 Sacramento, California 95814

FROM: City of Bakersfield

County Clerk, County of Kern

SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

Ten-inch pipeline to transport upgraded crude oil between proposed refinery located in unincorporated area of Kern County, Northwest Metro Bakersfield, and Kelley Pump Station located at the extreme South end of San Joaquin Valley, distance of approx. 28 miles.

Project Title

| | | |
|--|----------------------------------|------------------|
| 81040261 | Dewey Sceales, Planning Director | (805) 861-2733 |
| State Clearinghouse # | Contact Person | Telephone Number |
| (If submitted to Clearinghouse) | | |
| Unincorporated area of Kern County, Northwest Metro Bakersfield, and Kelley Pump Station located at the extreme South end of San Joaquin Valley. | | |

Project Location

Ten-inch pipeline to transport upgraded crude oil between proposed refinery and Kelley Pump Station located at the extreme South end of San Joaquin Valley.

Project Description

This is to advise that the City of Bakersfield has approved the above described project and has made the following determinations regarding the above described project:

1. The project will, will not, have a significant effect on the environment.
2. An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA.
- A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.

The EIR or Negative Declaration and record of project approval may be examined at: _____

3. Mitigation measures were, were not, made a condition of the approval of the project.
4. A statement of Overriding Considerations was, was not, adopted for this project.

May 7, 1981

Date Received for Filing

Dewey Sceales
 Planning Director

CALENDAR PAGE

104

MINUTE PAGE

1130