

MINUTE ITEM

This Calendar Item No. 13
was approved as Minute Item
No. 13 by the State Lands
Commission by a vote of 3
to 0 at its 2/23/81
meeting.

CALENDAR ITEM

13

7/81
W 22083
Article
PRC 6041

GENERAL LEASE - INDUSTRIAL USE

APPLICANT: Reidel International, Inc.
c/o 3D Sand and Rock Company,
a Division of Reidel
P. O. Box 1645
Pittsburg, California 94565
Attn: William R. Montgomery
General Manager

AREA, TYPE LAND AND LOCATION:
0.4932-acre of tide and submerged lands,
New York Slough, vicinity of Pittsburg,
Contra Costa County.

LAND USE: Bulkhead, barge unloading ramp, and two
7-pile timber dolphins.

TERMS OF PROPOSED LEASE:
Initial period: 25 years from January 16,
1980.
Surety bond: \$2,000.
Public liability insurance: \$1,000,000
for bodily injury and
property damage, combined
single limit coverage.

CONSIDERATION: Annual volumetric rental at 2.5 cents (\$0.025)
per dry long ton of 2240 pounds each, with
\$1400 per annum as the minimum rental,
with the State reserving the right to fix
a different rental on each fifth anniversary
of the lease. Volumetric rental not to
apply to sand and gravel taken by Reidel
International from approved mineral extraction
leases that it holds from the Commission.

BASIS FOR CONSIDERATION:
Volumetric rental pursuant to 2 Cal. Adm.
Code 2005 & 2006. Minimum rent at 8% of
estimated value of land.

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PREREQUISITE TERMS, FEES AND EXPENSES:

Applicant is owner of upland.

Filing fee and environmental costs have been received.

STATUTORY AND OTHER REFERENCES:

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

B. Cal. Adm. Code: Title 2, Div. 3.

AB 884:

8/12/81X(90).

OTHER PERTINENT INFORMATION:

1. The original applicant for a lease to use the State's land was 3D Sand and Rock Company. That company sold its interest in the upland property to Reidel International, the present applicant. The State's land is used to off-load sand and gravel for storage and sale.
2. Through its dredging division, Western Pacific Construction Materials Company, the applicant extracts sand from Middle Ground Island, Lease PRC 5991.1. The staff and the applicant have agreed that volumetric rental shall not apply if off-loaded sand and gravel are taken from Mineral Extraction Leases issued by the Commission in which Reidel or one of its divisions is the approved Lessee. To date, the materials off-loaded at Pittsburg by the applicant are all from Middle Ground Island.
3. The prior 3D Sand and Rock Company used the State's land without authorization. An earnest money deposit of \$1100 was received in 1979. The staff believes that the whole \$1100 should be retained by the State to cover rental for the unauthorized use period, and to partially cover environmental processing costs previously incurred.

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4. The present improvements, constructed previously by 3D Sand and Rock Company, before it was purchased by the applicant, consist of a repaired bulkhead, a metal loading ramp, which is lowered for use and raised from the slough during non-use, and two 7-pile dolphins. Although unauthorized by the Commission, these improvements have not met with opposition from other agencies, and there is no evidence that the improvements are an environmental hazard. The staff circulated a proposed negative declaration in 1979, and there were no adverse comments received. In February 1981, the staff again contacted concerned agencies, and could find no opposition to the continued use of the improvements.
5. Based on the foregoing, the staff believes that an EIR is not required. This transaction is within the purview of 2 Cal. Adm. Code 2907, Class 1(B), which exempts an existing structure or facility 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.
6. This project is situated on State land identified as possessing significant environmental values pursuant to P.R.C. 6370.1, and is classified in a use category, Class "C", which authorizes Multiple Use.

Staff review indicates that there will be no significant effect upon the identified environmental values. This is an existing facility for which no adverse comments have been received.

Staff has coordinated this project with those agencies and organizations which nominated the site as containing significant environmental values. They have found this project to be compatible with their nomination.

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APPROVALS OBTAINED:

City of Pittsburg, United States Army Corps
of Engineers, State Fish and Game, State
Water Quality Control Board.

FURTHER APPROVALS REQUIRED:

State Lands Commission.

EXHIBITS:

A. Land Description. B. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN EIR HAS NOT BEEN PREPARED FOR THIS ACTIVITY AS SUCH REPORT IS NOT REQUIRED UNDER THE PROVISION OF P.R.C. 21084, 14 CAL. ADM. CODE 15100 ET SEQ., AND 2 CAL. ADM. CODE 2907.
2. FIND THAT GRANTING OF THE LEASE WILL HAVE NO SIGNIFICANT EFFECT UPON ENVIRONMENTAL CHARACTERISTICS IDENTIFIED PURSUANT TO SECTION 6370.1, OF THE P.R.C.
3. AUTHORIZE ISSUANCE TO REIDEL INTERNATIONAL, INC., OF A 25-YEAR GENERAL LEASE - INDUSTRIAL USE, FROM JANUARY 16, 1980; IN CONSIDERATION OF AN ANNUAL VOLUMETRIC RENTAL OF \$0.025 PER LONG TON OF 2240 POUNDS EACH, WITH \$1400 PER ANNUM AS THE MINIMUM RENTAL, AND WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENTAL ON EACH FIFTH ANNIVERSARY OF THE LEASE; PROVISION THAT VOLUMETRIC RENTAL SHALL NOT APPLY WHERE THE MATERIALS CROSSING THE PREMISES HAVE BEEN HARVESTED BY REIDEL, OR ONE OF ITS DIVISIONS, AS LESSEE, FROM COMMISSION APPROVED EXTRACTIVE LEASES; PROVISION OF A \$2,000 SURETY BOND; PROVISION OF PUBLIC LIABILITY INSURANCE IN AMOUNTS OF \$1,000,000 FOR BODILY INJURY AND PROPERTY DAMAGE, COMBINED SINGLE LIMIT COVERAGE; FOR A BULKHEAD, LOADING RAMP, AND TWO 7-PILE DOLPHINS ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.
4. RETAIN THE \$1100 PREVIOUSLY RECEIVED FROM 3D SAND AND ROCK COMPANY TO COVER RENTAL AND STAFF COSTS INCURRED DURING THE PROCESSING OF THIS TRANSACTION.

EXHIBIT "A"

LAND DESCRIPTION

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A parcel of tide and submerged land situated in New York Slough, lying easterly of the City of Pittsburg, Contra Costa County, State of California, more particularly described as follows:

COMMENCING at a concrete monument at the intersection of the south line of the county road known as Third Street, leading east from the City of Pittsburg, with the east line of Harbor Street as said monument is described in deed recorded March 1, 1916, in Book 890, page 31 of Official Records, Contra Costa County; thence S 73° 15' E 520.00 feet along the south line of said Third Street to a point referred to as "Station A" in said deed; thence N 16° 45' E 653.70 feet to the POINT OF BEGINNING, thence N 16° 45' E 107.5 feet to the U.S. Engineers Pierhead Line as described in said deed, thence along said pierhead line S 65° 42' 32-1/2" E 201.74 feet; thence S 16° 45' W 107.36 feet; thence N 65° 44' 47" W 201.72 feet to the point of beginning.

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

END OF DESCRIPTION

Prepared *K. H. Runnbeck* Checked *Fred Lopez*
Reviewed *Gary A. Weldon* Date *12/6/79*



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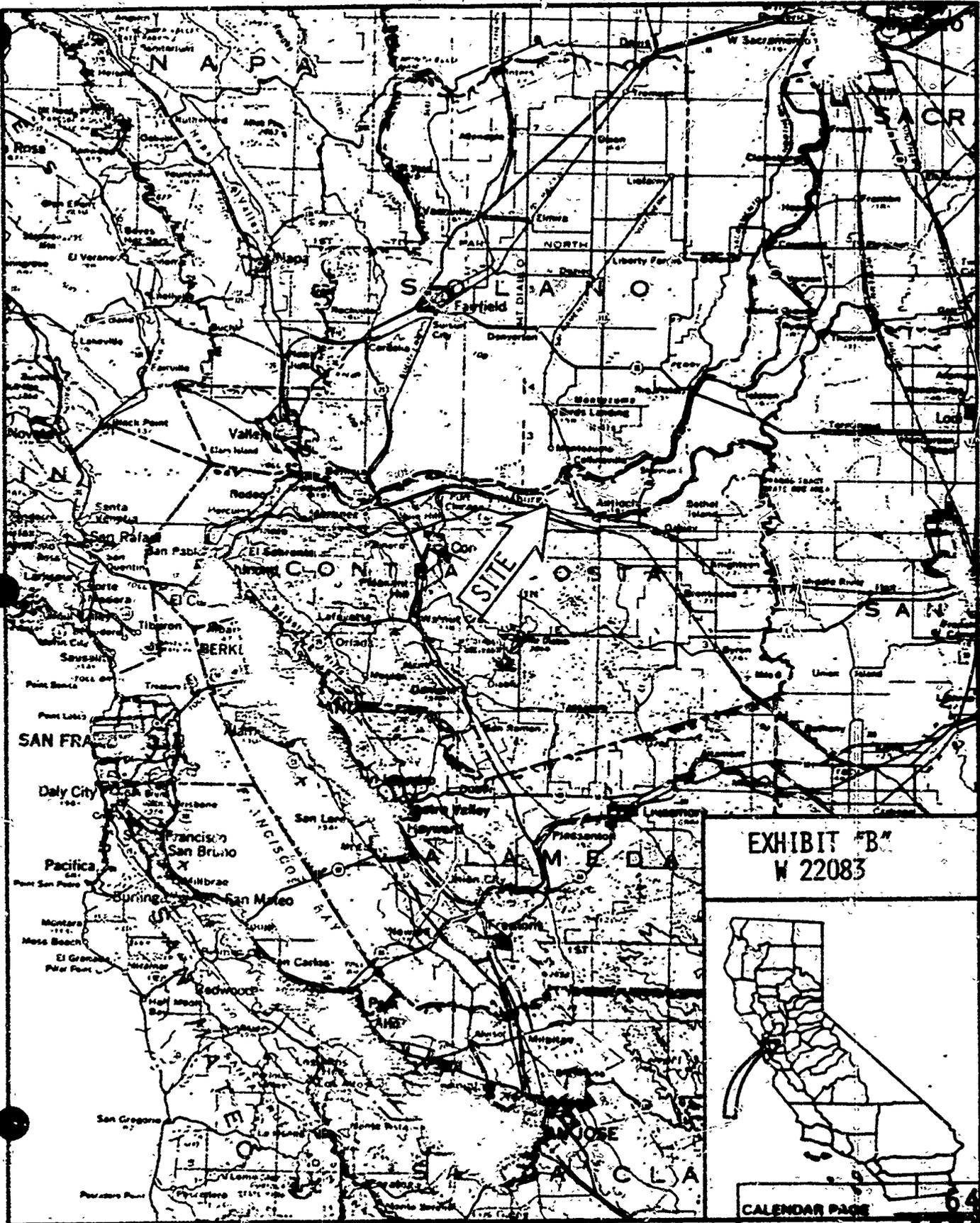


EXHIBIT "B"
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