

MINUTE ITEM:

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2  
3/6/86

CALENDAR ITEM

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03/06/86  
PRC 5439  
Lipphardt

ADDENDUM NO. 2 TO SOUTHERN PACIFIC PIPE LINES, INC.  
MASTER LEASE PRC 5439

APPLICANT: Southern Pacific Pipe  
Lines, Inc.  
Attention: Thane Atherstone  
610 South Main Street  
Los Angeles, California 90014

AREA, TYPE LAND AND LOCATION:  
An approximate 0.064-acre parcel of sovereign  
land in the Bear River, Placer County.

LAND USE: Installation, operation and maintenance of one  
eight inch pipeline for transportation of  
refined petroleum products.

TERMS OF ORIGINAL LEASE:

Initial period: 20 years beginning January 1,  
1978.

Renewal options: Two successive periods of  
ten years each.

Public liability insurance: \$1,000,000 per  
occurrence for bodily injury  
and \$2,000,000 for property  
damage.

Consideration: \$15,000 per annum; ten-year  
rent review.

TERMS OF PROPOSED AMENDMENT:

This amendment modifies Lease PRC 5439 to  
provide for one additional crossing of State  
land totalling approximately 0.064-acres.

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CALENDAR ITEM NO. 1 (CONT'D)

CONSIDERATION: The annual rental shall remain the same.

BASIS FOR CONSIDERATION:  
Pursuant to 2 Cal. Adm. Code 2003.

APPLICANT STATUS:  
Applicant is permittee of upland.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:  
Processing costs have been received.

STATUTORY AND OTHER REFERENCES:  
A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.  
B. Cal. Adm. Code: Title 2, Div. 3; Title 14,  
Div. 6.

AB #84: 09/24/86.

OTHER PERTINENT INFORMATION:

1. Lessee contacted staff on February 24, 1986 asking for permission to install a pipeline under the Bear River. The pipeline had previously been located on a Southern Pacific Railroad crossing, a portion of which collapsed during the recent storms and resulting floods in Northern California. The California Department of Transportation gave Lessee permission to temporarily place the pipeline on the highway crossing of the Bear River. Lessee now wishes to remove the exposed pipeline from the highway and install it under the riverbed as soon as possible. This pipeline system starts in the San Francisco Bay area and serves various distribution points in Northern California and Nevada. This particular portion is the only pipeline source of refined petroleum products to the Northern Sacramento Valley area.
2. Governor Deukmejian has proclaimed a state of emergency in Placer County pursuant to the California Emergency Services Act as of February 20, 1986.

CALENDAR ITEM NO. 7 (CONT'D)

3. On January 26, 1978, by Calendar Item No. 25, the State Lands Commission approved Master Lease PRC 5439, whereby 19 SPPL petroleum pipeline leases were consolidated into one lease to streamline them into a systemwide approach. Rental was determined using the proration procedure contained in the Commission's general leasing regulations in 2 Cal. Adm. Code 2007. Changes, alterations or amendments to the lease can be made by mutual agreement of the parties. The proposed amendment adds only 0.064 acres to the master lease and would only effect a minimal change in rental. Staff recommends maintaining the current annual rent until the next rent review which is due January 1, 1983.
  
4. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a statutory exempt project. The project is exempt because it involves a project undertaken, carried out, or approved by a public agency to maintain, repair, restore, demolish, or replace property or facilities damaged or destroyed as a result of a disaster in a disaster-stricken area in which a state of emergency has been proclaimed by the Governor pursuant to Chapter 7 (commencing with Section 8550) of Division 1, Title 2 of the Government Code.  
  
Authority: P.R.C. 21080(b)(3) and 14 Cal. Adm. Code 15269(a).
  
5. This activity involves lands identified as possessing significant environmental values pursuant to P.R.C. 6370, et seq. but will not affect those significant lands.

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CALENDAR ITEM NO. 1 (CONT'D)

APPROVALS OBTAINED:

California Department of Fish and Game, Water  
Quality Control Board, and United States Army  
Corps of Engineers.

FURTHER APPROVALS REQUIRED:

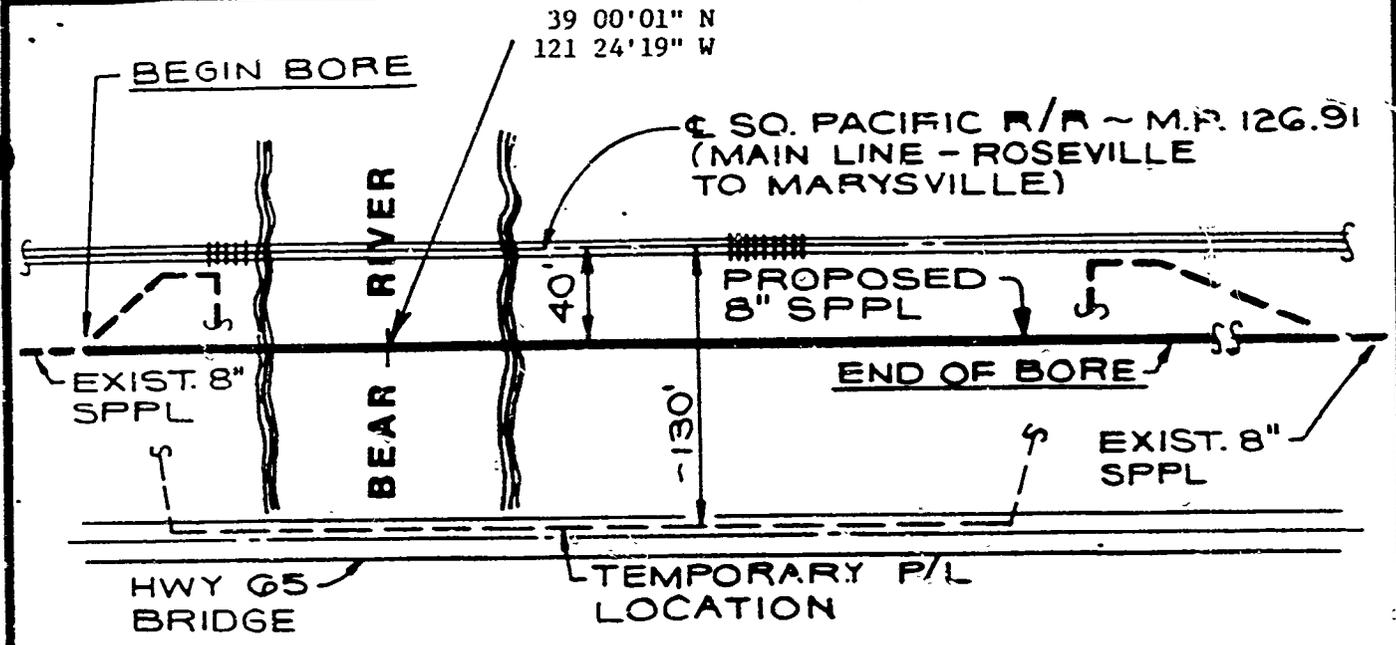
State Reclamation Board.

EXHIBITS:

- A-2. Project Description.
- B-2. Location Map.

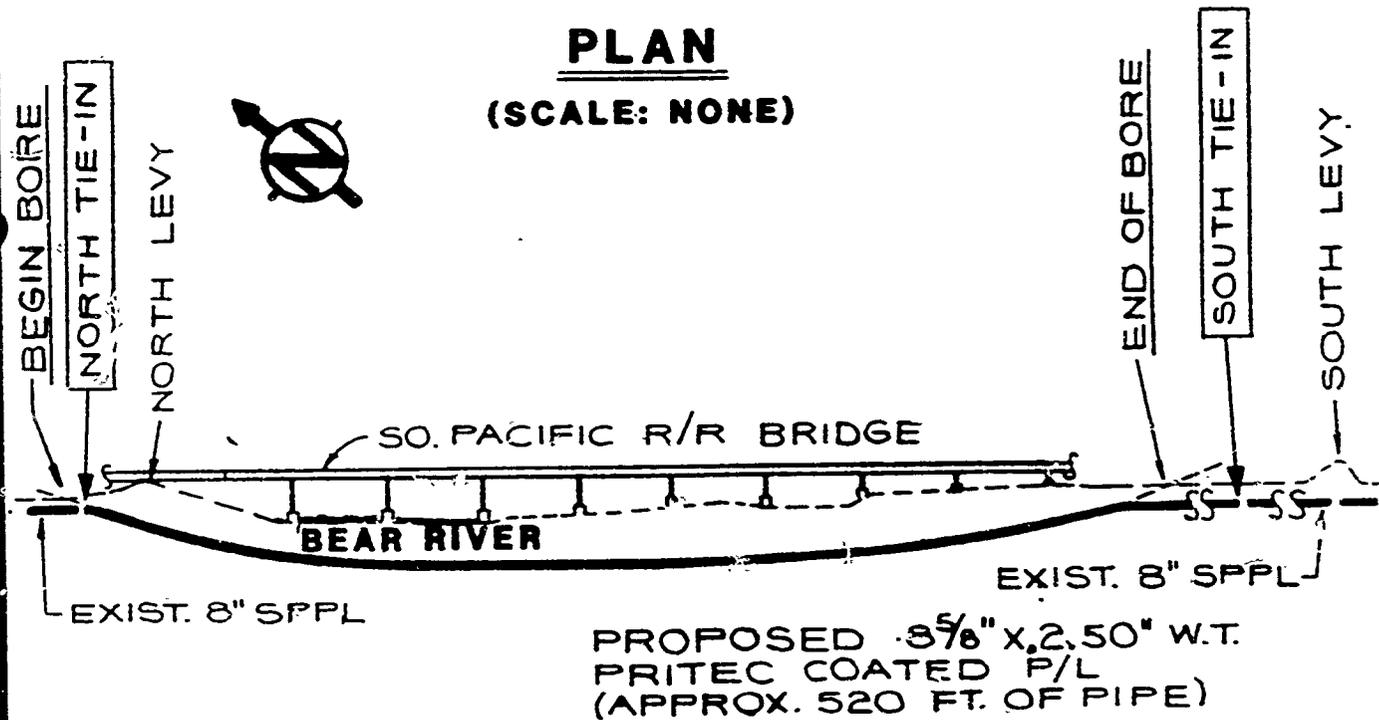
IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 AS A STATUTORY EXEMPT PROJECT PURSUANT TO P.R.C. 21080(b)(4) AND 14 CAL. ADM. CODE 15269(a), TO MAINTAIN, REPAIR, RESTORE, DEMOLISH, OR REPLACE PROPERTY OR FACILITIES DAMAGED OR DESTROYED AS A RESULT OF A DISASTER IN A DISASTER-STRICKEN AREA IN WHICH A STATE OF EMERGENCY HAS BEEN PROCLAIMED BY THE GOVERNOR.
2. FIND THAT THIS ACTIVITY WILL INVOLVE LANDS IDENTIFIED AS POSSESSING SIGNIFICANT ENVIRONMENTAL VALUES PURSUANT TO P.R.C. 6370, ET SEQ., BUT THAT SUCH ACTIVITY WILL HAVE NO DIRECT OR INDIRECT EFFECT ON SUCH LANDS.
3. AUTHORIZE ISSUANCE TO SOUTHERN PACIFIC PIPE LINES, INC. OF ADDENDUM NO. 2 OF LEASE PRC 5439, EFFECTIVE MARCH 1, 1986, SUBSTANTIALLY IN THE FORM ON FILE IN THE PRINCIPAL OFFICE OF THE STATE LANDS COMMISSION COVERING THE LAND DEPICTED ON EXHIBIT "A-2" ATTACHED AND BY REFERENCE MADE A PART HEREOF. ALL REMAINING TERMS AND CONDITIONS OF LEASE PRC 5439 REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.



**PLAN**

(SCALE: NONE)



**PROFILE**

(SCALE: NONE)

REVISIONS:

SCALE: AS NOTED	ROSEVILLE TO CHICO 8" DIRECTIONAL BORE OF BEAR RIVER, WHEATLAND, CALIF.	DATE 2-26-86
DESIGNED <i>Jaa</i>		A-SK10-115
DRAWN <i>TJN</i>	Southern Pacific Pipe Lines LOS ANGELES, CALIFORNIA	SHT. 4 OF 4
CHECKED <i>llg</i>		
APPROVED <i>RW HW</i>		

EXHIBIT "A-2"

PRC5439

PROJECT DESCRIPTION

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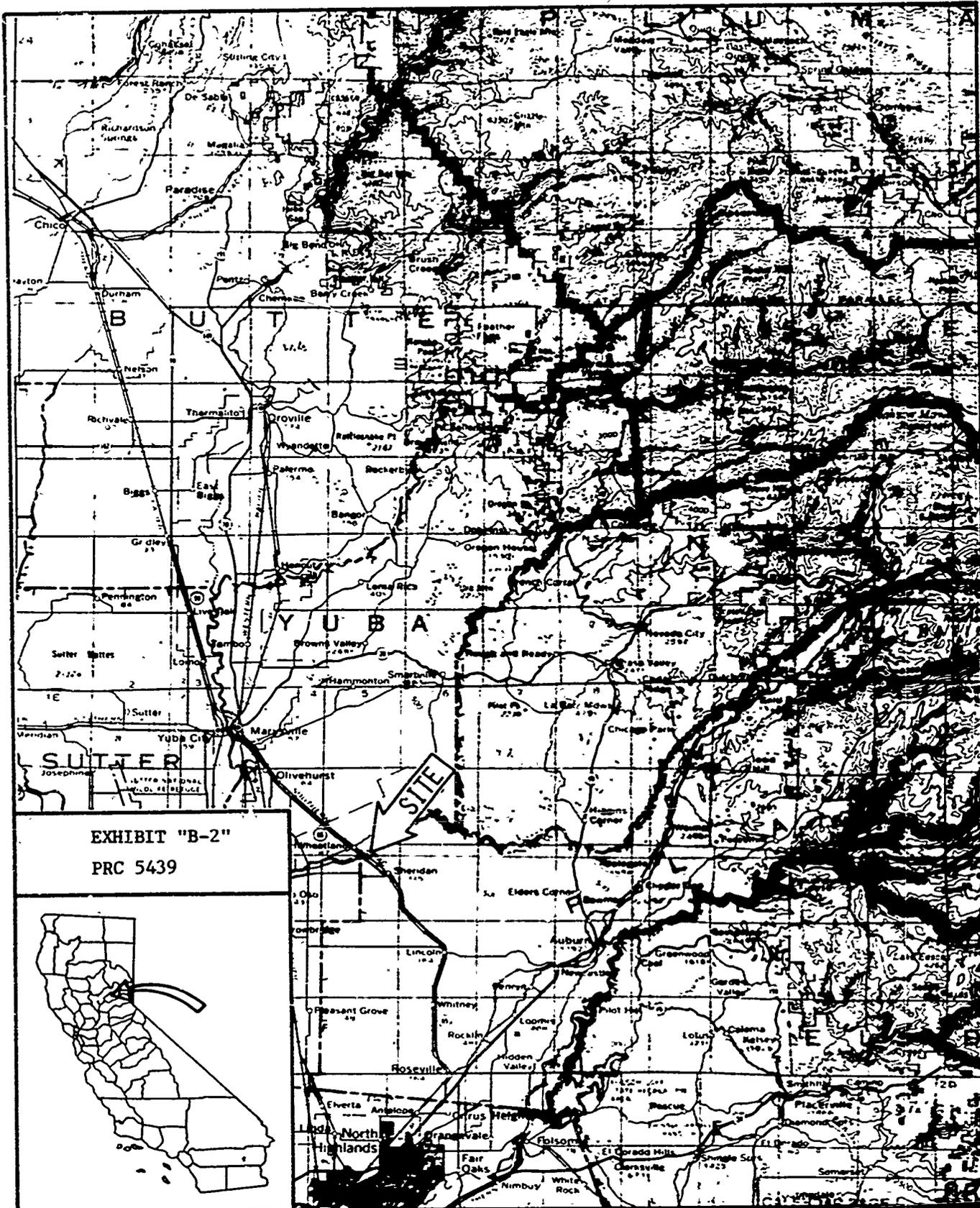


EXHIBIT "B-2"  
PRC 5439

