MINUTE ITEM
This Calendar Item No. C34 was approved as Minute Item No. 34 by the State Lands Commission by a vote of 3 to Ø at its 5/26/94 meeting.

CALENDAR ITEM

C34

A 8, 11

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05/26/94
W 25085
Maricle

PRC 7771

ADOPTION OF NEGATIVE DECLARATION AND AUTHORIZATION TO OFFER, FOR COMPETITIVE BID, A MINERAL EXTRACTION LEASE

PARTY:

State Lands Commission
1807 - 13th Street
Sacramento, California 95814

AREA, TYPE LAND AND LOCATION:

Tide and submerged lands, approximately 369 acres, Carquinez Strait, Contra Costa and Solano Counties.

LAND USE:

Extraction of a maximum 150,000 cubic yards of sand and gravel resources.

TERMS OF PROPOSED LEASE:

Initial period: Five (5) years.

Consideration:

Rent: $2 per acre annually.

Royalty:

Royalty shall be according to the following schedule:
R = (0.10 W [Y]) B
Where R = Royalty in dollars and cents paid to the State, and
W = Weighted average lease quarter sales price, f.o.b. the dock, per cubic yard, and
Y = Total lease quarter cubic yardage sold.
B = Bid factor which shall be not less than 1.0. The minimum royalty per cubic yard shall not be less than $0.55, and the minimum annual royalty shall not be less than $62,000.

BASIS FOR CONSIDERATION

Pursuant to 2 Cal. Code Regs. 2003.

STATUTORY AND OTHER REFERENCES:

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

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

AB 884:

N/A

OTHER PERTINENT INFORMATION:

1. Staff seeks authorization to offer, through competitive public bid, a lease for the extraction of sand and gravel resources within Carquinez Strait, hereafter referred to as the "project".

2. The areas to be offered for bid contain commercially valuable sand and gravel deposits.

3. In accordance with P.R.C. Section 6818, the Director of Parks and Recreation was notified of the proposed lease and has determined that the potential project will not interfere with recreational use of the littoral lands.

4. Following approval of the recommended findings below, the staff will call for competitive bids and, pursuant to Commission authorization provided in Minute Item No. C59 on March 8, 1994, will award a mineral extraction lease, substantially in the form shown on Exhibit "D" hereof, to the highest qualified bidder.

   In accordance with established procedure, the competitive bids will be opened in Sacramento. The bid factor to be applied to the royalty formula will be the bid submitted by the highest qualified bidder; the factor operates as a multiplier to the lease royalty formula, and will result in the payment of royalties at an acceptable percentage of the lessee's weighted average sales prices.

5. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 15025), the staff has prepared a Proposed Negative Declaration identified as EIR ND 643, State Clearinghouse No. 94033018. Such Proposed Negative Declaration was prepared and circulated for public review pursuant to the provisions of CEQA.

Based upon the Initial Study, the Proposed Negative Declaration, and the comments received in response thereto, there is no substantial evidence that the project will have a significant effect on the environment. (14 Cal. Code Regs. 15074(b))

6. This activity involves lands identified as possessing significant environmental values pursuant to P.R.C. 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

FURTHER APPROVALS REQUIRED:

United States Army Corps of Engineers, San Francisco Bay Conservation and Development Commission (SFBCDC), Department of Fish and Game, United States Fish and Wildlife Service, and National Marine Fisheries Service (NMFS).

EXHIBITS:

A. Site Map and Description.
B. Negative Declaration.
C. Notice to Bidders.
D. Form of Mineral Extraction Lease.

IT IS RECOMMENDED THAT THE COMMISSION:

1. CERTIFY THAT A NEGATIVE DECLARATION, EIR ND 643, STATE CLEARINGHOUSE NO. 94033018, WAS PREPARED FOR THIS PROJECT PURSUANT TO THE PROVISIONS OF THE CEQA AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

2. ADOPT THE PROPOSED NEGATIVE DECLARATION AND DETERMINE THAT THE PROJECT, AS APPROVED, WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.

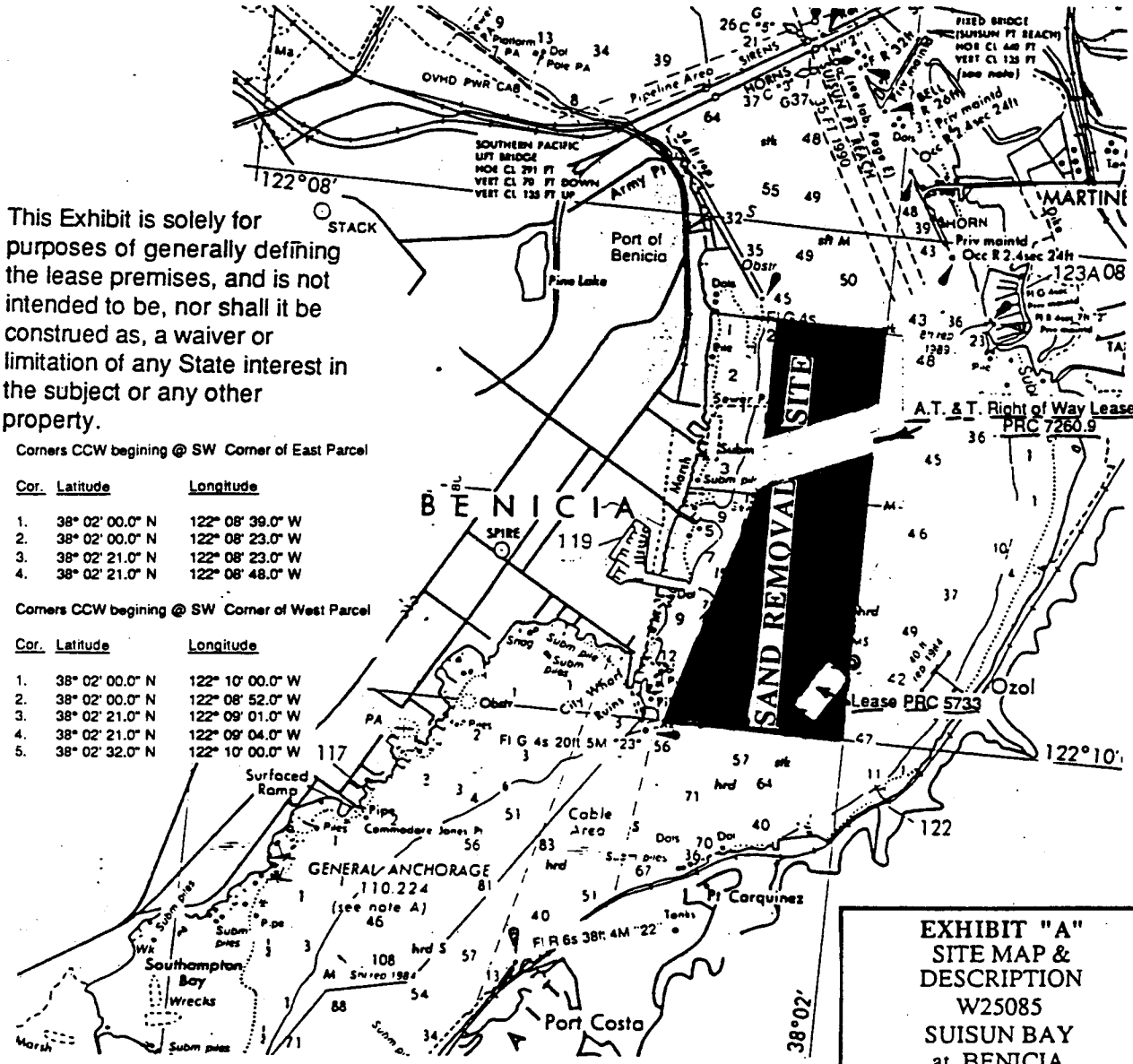
3. FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED FOR THE LAND PURSUANT TO P.R.C. 6370, ET SEQ.

4. DETERMINE THAT THE ACTION PROPOSED IN THE SUBJECT PROJECT DOES NOT UNREASONABLY INTERFERE WITH THE MAINTENANCE OR USE OF THE LAND INVOLVED FOR RECREATIONAL PURPOSES OR PROTECTION OF SHORE PROPERTIES.

5. CLASSIFY THE LANDS SHOWN IN EXHIBIT "A" AS LANDS CONTAINING COMMERCIALLY VALUABLE MINERAL DEPOSITS.

6. AUTHORIZE THE OFFERING AND AWARD TO THE HIGHEST QUALIFIED BIDDER, PURSUANT TO PUBLIC COMPETITIVE BID, OF SUBMERGED LANDS SITUATED IN CARQUINEZ STRAIT, IN CONTRA COSTA AND SOLANO COUNTIES, AS SHOWN IN EXHIBIT "A" ATTACHED HERETO, FOR A LEASE TO EXTRACT COMMERCIAL QUANTITIES OF SAND AND GRAVEL THEREFROM UNDER THE TERMS AND CONDITIONS SET OUT SUBSTANTIALLY IN EXHIBIT "D", ATTACHED HERETO AND BY REFERENCE MADE A PART HEREOF.

ENLARGEMENT OF DREDGE SITE



This Exhibit is solely for purposes of generally defining the lease premises, 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.

Corners CCW begining @ SW Corner of East Parcel

Cor.	Latitude	Longitude
1.	38° 02' 00.0" N	122° 08' 39.0" W
2.	38° 02' 00.0" N	122° 08' 23.0" W
3.	38° 02' 21.0" N	122° 08' 23.0" W
4.	38° 02' 21.0" N	122° 08' 48.0" W

Corners CCW begining @ SW Corner of West Parcel

Cor.	Latitude	Longitude
1.	38° 02' 00.0" N	122° 10' 00.0" W
2.	38° 02' 00.0" N	122° 08' 52.0" W
3.	38° 02' 21.0" N	122° 09' 01.0" W
4.	38° 02' 21.0" N	122° 09' 04.0" W
5.	38° 02' 32.0" N	122° 10' 00.0" W

Application By : Olin Jones Sand Company
1725 Marina Vista
Martinez, CA 94553
510-229-4800

Purpose: Sand Reclamation in Carquinez Strait near Benicia

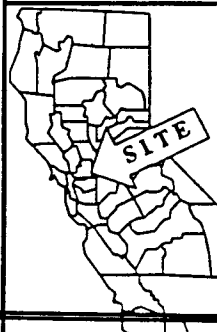
Datum: MLLW

rev. 1/10/94

Adjacent Property Owners: State of California

Scale 1:40,000

EXHIBIT "A"
SITE MAP & DESCRIPTION
W25085
SUISUN BAY
at BENICIA
CONTRA COSTA AND & SOLANO COUNTIES



CALENDAR PAGE 171.4
MINUTE PAGE 2097

CG 5/94

EXHIBIT B

STATE OF CALIFORNIA — PETE WILSON, Governor

STATE LANDS COMMISSION

LEO T. McCARTHY, *Lieutenant Governor*
GRAY DAVIS, *Controller*
THOMAS W. HAYES, *Director of Finance*

EXECUTIVE OFFICE
1807 - 13th Street
Sacramento, CA 958[illegible]

CHARLES WARREN
Executive Officer

March 3, 1994
File: W 25085
ND 643

NOTICE OF PUBLIC REVIEW OF A PROPOSED FINDING OF NO SIGNIFICANT IMPACT IN PLACE OF A NEGATIVE DECLARATION

(SECTION 15073 CCR)

A Finding of No Significant Impact (FONSI) in place of a Negative Declaration (ND) has been prepared pursuant to the requirements of the California Environmental Quality Act (Section 21000 et seq., Public Resources Code), the State CEQA guidelines (Section 15000 et seq., Title 14, California Code Regulations), and the State Lands Commission Regulations (Section 2901 et seq., Title 2, California Code Regulations) for a project currently being processed by the staff of the State Lands Commission.

The document is attached for your review. Comments should be addressed to the State Lands Commission office shown above with attention to the undersigned. All comments must be received by April 4, 1994.

Should you have any questions or need additional information, please call the undersigned at (916) 322-7822.

Herbert Maricle

HERBERT MARICLE
Division of Land Management

Attachment

CALENDAR PAGE	171.5
MINUTE PAGE	2098

STATE LANDS COMMISSION

LEO T. McCARTHY, *Lieutenant Governor*
GRAY DAVIS, *Controller*
THOMAS W. HAYES, *Director of Finance*

EXECUTIVE OFFICE
1807 - 13th Street
Sacramento, CA 95814

CHARLES WARREN
Executive Officer

PROPOSED FINDING OF NO SIGNIFICANT IMPACT (FONSI) IN PLACE OF A NEGATIVE DECLARATION (ND)

File: W 25085
ND 643

Project Title:	Sand Extraction from Submerged Lands for Commercial Sale
Project Proponent:	State Lands Commission
Project Location:	Carquinez Strait, between Benicia Point and the Port of Benicia, 396.169± acres, Solano and Contra Costa counties.
Project Description:	Hydraulically dredge sand at the rate of up to 150,000 cubic yards per year for a five-year period.
Contact Person:	Herbert Maricle Telephone: (916) 322-7822

This document is prepared pursuant to the requirements of the California Environmental Quality Act (Section 21000 et seq., Public Resources Code), the State CEQA Guidelines (Section 15000 et seq., Title 14, California Code Regulations), and the State Lands Commission regulations (Section 2901 et seq., Title 2, California Code Regulations).

Based upon the attached Initial Study, it has been found that:

/ X / this project will not have a significant effect on the environment.

/ __ / mitigation measures included in the project will avoid potentially significant effects.

CALENDAR PAGE	171.6
MINUTE PAGE	2099

INITIAL STUDY

INTRODUCTION

A nomination has been submitted to the State Lands Commission requesting that a portion of Carquinez Strait between Benicia Point and the Benicia Port Terminal, as shown on the attached exhibit, be offered for competitive bid leasing to extract up to 150,000 cubic yards of sand annually for a period of five years. The material will by hydraulically dredged from the site and off-loaded at an established receiving location by pump or conveyor belt.

The lease, when awarded, will require the lessee to obtain authorization from the SFBCDC, RWQCB and the U.S. Army, Corps of Engineers, prior to the commencement of the proposed project.

The project will be conducted in accordance with all Water Quality Control Board requirements and all onshore receiving operations will be restricted to existing industrial areas.

STATE LANDS COMMISSION

ENVIRONMENTAL IMPACT ASSESSMENT CHECKLIST – PART II

Form 13.20 (7/82)

File Ref.: W 25085

I. BACKGROUND INFORMATION

A. Applicant: Olin Jones Sand Company
1725 Marina Vista
Martinez, CA 94553

B. Checklist Date: 02/17/84.

C. Contact Person: Herbert Maricle - Public Land Management Specialist
Telephone: (916) 322-7822

D. Purpose: Extract sand for commercial sale.

E. Location: Submerged lands located in Carquinez Strait, Contra Costa and Solano Counties, between Benicia Point and Benicia Port Terminal.

F. Description: Hydraulically dredge sand at the rate of 150,000 cubic yards per year, which will be either pumped or conveyor-belted to an established onshore receiving site. The area is adjacent to submerged land which has been dredged in the past. The state-owned lands involved herein will be leased pursuant to competitive public bid for a period of five years.

G. Contacts: SFBCDC, Coast Guard, Department of Fish and Game, and National Marine Fisheries Service

II. ENVIRONMENTAL IMPACTS. *(Explain all "yes" and "maybe" answers)*

A. *Earth.* Will the proposal result in:

	Yes	Maybe	No
1. Unstable earth conditions or changes in geologic substructures?	☐	☐	☒
2. Disruptions, displacements, compaction, or overcovering of the soil?	☒	☐	☐
3. Change in topography or ground surface relief features?	☒	☐	☐
4. The destruction, covering, or modification of any unique geologic or physical features?	☐	☐	☒
5. Any increase in wind or water erosion of soils, either on or off the site?	☐	☐	☒
6. Changes in deposition or erosion of beach sands, or changes in siltation, deposition or erosion which may modify the channel of a river or stream or the bed of the ocean or any bay, inlet, or lake?	☒	☐	☐
7. Exposure of all people or property to geologic hazards such as earthquakes, landslides, mudslides, ground failure, or similar hazards?	☐	☐	☒

CALENDAR PAGE 171.8
MINUTE PAGE 2101

	Yes	Maybe	No
B. *Air.* Will the proposal result in:			
1. Substantial air emmissions or deterioration of ambient air quality?	☐	☐	☒
2. The creation of objectionable odors?	☐	☐	☒
3. Alteration of air movement, moisture or temperature, or any change in climate, either locally or regionally?	☐	☐	☒
C. *Water.* Will the proposal result in:			
1. Changes in the currents, or the course or direction of water movements, in either marine or fresh waters?	☐	☐	☒
2. Changes in absorption rates, drainage patterns, or the rate and amount of surface water runoff?	☐	☐	☒
3. Alterations to the course or flow of flood waters?	☐	☐	☒
4. Change in the amount of surface water in any water body?	☐	☐	☒
5. Discharge into surface waters, or in any alteration of surface water quality, including but not limited to temperature, dissolved oxygen or turbidity?	☐	☐	☒
6. Alteration of the direction or rate of flow of ground waters?	☐	☐	☒
7. Change in the quantity of ground waters, either through direct additions or withdrawals, or through interception of an aquifer by cuts or excavations?	☐	☐	☒
8. Substantial reduction in the amount of water otherwise available for public water supplies?	☐	☐	☒
9. Exposure of people or property to water-related hazards such as flooding or tidal waves?	☐	☐	☒
10. Significant changes in the temperature, flow or chemical content of surface thermal springs?	☐	☐	☒
D. *Plant Life.* Will the proposal result in:			
1. Change in the diversity of species, or number of any species of plants (including trees, shrubs, grass, crops, and aquatic plants)?	☐	☐	☒
2. Reduction of the numbers of any unique, rare or endangered species of plants?	☐	☐	☒
3. Introduction of new species of plants into an area, or in a barrier to the normal replenishment of existing species?	☐	☐	☒
4. Reduction in acreage of any agricultural crop?	☐	☐	☒
E. *Animal Life.* Will the proposal result in:			
1. Change in the diversity of species, or numbers of any species of animals (birds, land animals including reptiles, fish and shellfish, benthic organisms, or insects)?	☐	☒	☐
2. Reduction of the numbers of any unique, rare or endangered species of animals?	☐	☐	☒
3. Introduction of new species of animals into an area, or result in a barrier to the migration or movement of animals?	☐	☐	☒
4. Deterioration to existing fish or wildlife habitat?	☐	☒	☐
F. *Noise.* Will the proposal result in:			
1. Increase in existing noise levels?	☐	☐	☒
2. Exposure of people to severe noise levels?	☐	☐	☒
G. *Light and Glare.* Will the proposal result in:			
1. The production of new light or glare?	☐	☐	☒
H. *Land Use.* Will the proposal result in:			
1. A substantial alteration of the present or planned land use of an area?	☐	☐	☒
I. *Natural Resources.* Will the proposal result in:			
1. Increase in the rate of use of any natural resources?	☐	☐	☒
2. Substantial depletion of any nonrenewable resources?	☐	☐	☒

CALENDAR PAGE 171.9
MINUTE PAGE 2102

	Yes	Maybe	No
J. *Risk of Upset.* Does the proposal result in:			
1. A risk of an explosion or the release of hazardous substances (including, but not limited to, oil, pesticides, chemicals, or radiation) in the event of an accident or upset conditions?	☐	☐	☒
2. Possible interference with emergency response plan or an emergency evacuation plan?	☐	☐	☒
K. *Population.* Will the proposal result in:			
1. The alteration, distribution, density, or growth rate of the human population of the area?	☐	☐	☒
L. *Housing.* Will the proposal result in:			
1. Affecting existing housing, or create a demand for additional housing?	☐	☐	☒
M. *Transportation/Circulation.* Will the proposal result in:			
1. Generation of substantial additional vehicular movement?	☐	☐	☒
2. Affecting existing parking facilities, or create a demand for new parking?	☐	☐	☒
3. Substantial impact upon existing transportation systems?	☐	☐	☒
4. Alterations to present patterns of circulation or movement of people and/or goods?	☐	☒	☐
5. Alterations to waterborne, rail, or air traffic?	☐	☒	☐
6. Increase in traffic hazards to motor vehicles, bicyclists, or pedestrians?	☐	☐	☒
N. *Public Services.* Will the proposal have an effect upon, or result in a need for new or altered governmental services in any of the following areas:			
1. Fire protection?	☐	☐	☒
2. Police protection?	☐	☐	☒
3. Schools?	☐	☐	☒
4. Parks and other recreational facilities?	☐	☐	☒
5. Maintenance of public facilities, including roads?	☐	☐	☒
6. Other governmental services?	☐	☐	☒
O. *Energy.* Will the proposal result in:			
1. Use of substantial amounts of fuel or energy?	☐	☐	☒
2. Substantial increase in demand upon existing sources of energy, or require the development of new sources?	☐	☐	☒
P. *Utilities.* Will the proposal result in a need for new systems, or substantial alterations to the following utilities:			
1. Power or natural gas?	☐	☐	☒
2. Communication systems?	☐	☐	☒
3. Water?	☐	☐	☒
4. Sewer or septic tanks?	☐	☐	☒
5. Storm water drainage?	☐	☐	☒
6. Solid waste and disposal?	☐	☐	☒
Q. *Human Health.* Will the proposal result in:			
1. Creation of any health hazard or potential health hazard (excluding mental health)?	☐	☐	☒
2. Exposure of people to potential health hazards?	☐	☐	☒
R. *Aesthetics.* Will the proposal result in:			
1. The obstruction of any scenic vista or view open to the public, or will the proposal result in the creation of an aesthetically offensive site open to public view?	☐	☐	☒
S. *Recreation.* Will the proposal result in:			
1. An impact upon the quality or quantity of existing recreational opportunities?	☐	☐	☒

CALENDAR PAGE 171.10
MINUTE PAGE 2103

T. *Cultural Resources.*

	Yes	Maybe	No
1. Will the proposal result in the alteration of or the destruction of a prehistoric or historic archeological site?	☐	☐	☒
2. Will the proposal result in adverse physical or aesthetic effects to a prehistoric or historic building, structure, or object?	☐	☐	☒
3. Does the proposal have the potential to cause a physical change which would affect unique ethnic cultural values?	☐	☐	☒
4. Will the proposal restrict existing religious or sacred uses within the potential impact area?	☐	☐	☒

U. *Mandatory Findings of Significance.*

1. Does the project have the potential to degrade the quality of the environment, reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	☐	☐	☒
2. Does the project have the potential to achieve short-term, to the disadvantage of long-term, environmental goals?	☐	☐	☒
3. Does the project have impacts which are individually limited, but cumulatively considerable?	☐	☐	☒
4. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	☐	☐	☒

III. DISCUSSION OF ENVIRONMENTAL EVALUATION *(See Comments Attached)*

The questions identified in Section II (Environmental Impacts), are marked yes, no, or maybe, as deemed appropriate. Further discussion of each question will be found on the accompanying sheets.

The potential adverse effects on fish habitat will be avoided by suspension of dredging operations during periods identified by the State Department of Fish and Game.

Available information indicates that the proposed sand mining will not cause unacceptable turbidity. Further discussion on this subject may be reviewed in in the attached remarks, with reference to Section II, Item C(5).

IV. PRELIMINARY DETERMINATION

On the basis of this initial evaluation:

☒ I find the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

☐ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described on an attached sheet have been added to the project. A NEGATIVE DECLARATION will be prepared.

☐ I find the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is requied.

Date: 02 / 17 / 94

Herbert A. Marick

For the State Lands Commission

CALENDAR PAGE 171.11

MINUTE PAGE 2104

Form 13.20

DISCUSSION OF ENVIRONMENTAL EVALUATION
OLIN JONES SAND COMPANY NOMINATION
SAND AND GRAVEL EXTRACTION
VICINITY OF POINT BENICIA
CARQUINEZ STRAIT

W25085

II. ENVIRONMENTAL IMPACTS

A. Earth

1. No. The project will not alter or cover any ground features or create unstable conditions because the dredging will be offshore.

2. Yes. The disruption and displacement of the bay bottom as a result of the dredging will be minimal due to the dynamic natural system of shoaling and eroding from natural flows and currents. Periodic testing will be conducted to monitor the rate of replenishment.

3. Yes. The extraction will temporarily alter the topography of the site. However, the transitory effects of the periodic removal of sand from this dynamically complex area is believed to be minor, local, and to have insignificant adverse impacts as sand continues to migrate into the area. Periodic testing will be conducted to monitor the replenishment rate.

4. No. There are no known unique geologic or physical features on the bay bottom at the project site.

5. No. The project is underwater so there will be no soil erosion due to wind action. Soil erosion occurs at the site due to natural wave action, however, natural siltation also occurs.

6. Yes. Modification to the bay bottom will be minimal due to the dynamic natural sand migration into the project area.

7. No. The project location is offshore.

B. Air

1. No. The equipment to be used is in operation at other bay locations subject to Bay Area Air Pollution District regulations and will be relocated to the project site. The dredged material will be barged rather than trucked to the upland offloading/processing site thus minimizing air quality impacts.

2. No. The project will not require the use of any hazardous material, however, some odor will be emitted from the equipment during dredging and barging.

3. No. The minimal size and scope of the project will not change the local or regional air movement, temperature or climate.

C. Water

1. No. The project does not include any intake or discharge of any foreign fluids or materials into bay waters.

2. No. The project is located offshore.

3. No. The offshore extraction activities will not alter the course or flow of flood waters.

4. No. No change in the amount of surface water will occur due to the offshore extraction activity.

5. No. Water quality impacts of the project have been addressed in a study and determined to be minimal by the SFBCDC and the RWQCB in an adjacent sand mining area under lease to Bell Marine Company, Inc.

With regard to turbidity, it is noted that San Francisco Bay and conservation Development Commission (BCDC) Permit No. M78-114, which authorized sand extraction at Middle Ground Island (about 11 miles east of the submerged lands covered in this assessment), required the permittee to submit annual reports summarizing each year's sand extraction activities. The reports included information on any changes in the results of sediment tests required by the California Regional Water Quality Control Board under Regional board Order 90-45 and NPDES Permit No. CA0028321. The permittee submitted all the annual reports required under BCDC permit No. 78-114, and reported no adverse effects on water quality associated with its operations in Carquinez Strait.

6. No. The offshore location of the project will not impact groundwater. The offloading of material is not a new use to upland offloading/processing sites.

7. No. The offshore location of the project will not impact groundwater.

8. No. The project does not propose the consumption of any public water supply.

9. No. See C.7 above.

10. No. No thermal springs have been identified within the project site.

D. Plant Life

1. No. Natural siltation inhibits the permanent growth of plantlife at the site.

2. No. There are no known unique, rare or endangered species of aquatic plants at the project site.

3. No. The offshore location of the project does not require landscaping or other types of plant introduction at the project site.

4. No. The offshore location of the project does not involve any agricultural land.

E. Animal Life

1. Maybe. The project has the potential for impacting juvenile winter-run chinook salmon and Delta smelt (listed under the Endangered Species Act) and herring spawning. However, the project does not include in-bay disposal and the dredging activity will observe all time windows and operation restrictions established by the NMFS and the Department of Fish and Game the potential for impact is minimal. According to a Study by Dr. Charles Hanson, it is indicated that there will be minimal effect on smelt. Said study is under review by the Corps of Engineers and the National Marine Fisheries Services.

2. No. Time and activity limitations established by the NMFS and Fish and Game will be adhered to.

3. No. See No. E2 above.

4. Maybe. See No. E1 above.

In addition to the above, and as indicated elsewhere, the proposed dredging will be carried out in accordance with the recommendations of the Department of Fish and Game to avoid interference with nearby popular fishing areas. At the request of SLC staff observers, including staff members of the Department of Fish and Game, will be

allowed to board the dredge to observe the operations and to gather information on any effects dredging may have on aquatic resources.

F. Noise

1. No. The noise level at the site will be increased by the diesel engines on the tug and barge, however; since the equipment will be relocated to the site from other in-bay locations the regional noise level will not be increased. The noise level at the site is considered to be minimal in comparison to noise and other impacts that would be created by trucking rather than barging the sand.

2. No. the noise level created by the proposed activity is not considered to be severe. furthermore, the offshore location of the project limits the number of people to be exposed to even the minimal noise level.

G. Light and Glare

1. No. The proposed activities will be limited to daylight hours (approximately 3/day). Any lighting required will have minimal impact due to the offshore location and will be in compliance with the U. S. Coast Guard requirements.

H. Land Use

1. No. The temporary changes in the sandy bay bottom will not be substantial, and will be offset by normal sand replenishment.

I. Natural Resources

1. No. The site will be continually replenished as part of the natural bay system. Periodic testing will be conducted to monitor the natural replenishment rate.

2. See No. I. 1. above.

J. Risk of Upset

1. No. Explosives will not be used in the project. There is the minimal potential for a minor fuel spill in the event of catastrophic sinking of the tug. All tug and barge operations will be in compliance with U. S. Coast Guard regulations.

2. No. The offshore activity will not interfere with the existing emergency response or evacuation plan for the area.

K. Population

1. No. The offshore project will not influence human population trends.

L. Housing

1. No. The offshore project will not affect existing housing or create a demand for additional housing.

M. Transportation/circulation

1. No. The extracted sand will be transported by barge rather than trucked to the offloading/processing site. Trucking from the upland site already occurs and the daily trips will not increase as a result of this project.

2. No. The project will not require the need for additional parking areas.

3. No. The number of loads trucked from the processing site daily is determined by market demand not the volume of sand extracted from a particular site.

4. Maybe. Waterborne traffic at the site will be minimal because of the large capacity barge size to be used. The traffic at the site will decrease traffic at other in-bay sites because the same equipment will be used. Activity will take place on weekdays approximately three hours per day.

   As elsewhere indicated, SLC authorization for the proposed dredging will require compliance with operating procedures of the United States Coast Guard to assure that there will be no hazard to navigation.

5. Maybe. See No. M4 above.

6. No. See No. M1 above.

N. Public Services

1. No. The project will not require additional public services beyond that which exists for the project area.

2. No. See No. N1 above.

3. No. See No. N1 above.

4. No. See No. N1 above.

5. No. See No. N1 above.

6. No. See No. N1 above.

O. Energy

1. No. Fuel will be required for tug operation but not beyond that required for operation of the tug at other in-bay sites. Tug and barge fuel consumption is more efficient than what would be required for trucking.

2. No. The size and scope of the project will not require development of new energy sources.

P. Utilities

1. No. The size and scope of the project will not require development of new or altered public utility systems.

2. No. See No. P1 above.

3. No. See No. P1 above.

4. No. See No. P1 above.

5. No. See No. P1 above.

6. No. See No. P1 above.

Q. Human Health

1. No. The equipment and process to be used will not create any hazard to human health.

2. No. The equipment to be used will be maintained in an acceptable state or repair as required by the U. S. Coast Guard.

R. Aesthetics

1. No. The sand extraction activity will not create any new aesthetic impact to the area.

S. Recreation

1. No. Interference with recreation will be minimized by the restriction to weekday operations. Removal of reoccurring sandbars created by natural silting will benefit navigation of recreational vessels.

The project area is a popular Striped Bass fishing area. Modifications in topography may temporarily alter fish schooling and feeding in the area and thereby reduce fishing success. Therefore, the proposed operations will not be carried out on weekends or holidays so as not to interfere with recreational boating and fishing.

T. Cultural Resources

1. No. There are no identified prehistoric or historic archeological sites within the proposed sand mining area.

2. No. The project is located offshore.

3. No. See No. T1 above.

4. No. See No. T2 above.

U. Mandatory Finding of Significance

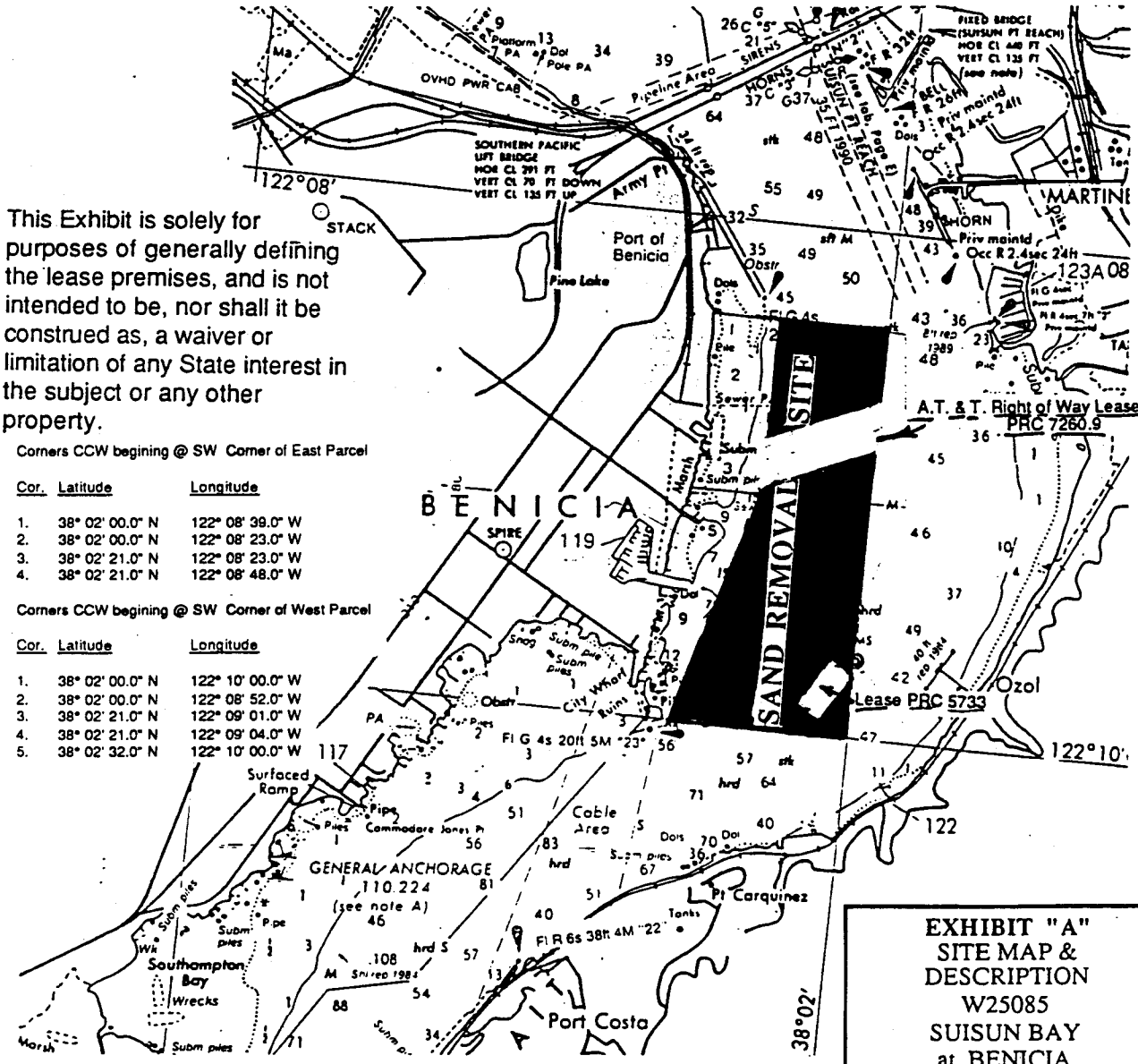
1. No. Periodic testing will occur to monitor the natural rate of replenishment. Time and operating restrictions established by the MNFS and Fish and Game will be adhered to in order to protect known fishery resources at the site.

2. No. The extraction of naturally replenished sediment will not increase environmental impacts at the site.

3. No. The proposed individual dredging activities will have only minimal effects which will not be cumulatively considerable.

4. No. The project will not cause substantial adverse effects on human beings.

ENLARGEMENT OF DREDGE SITE



This Exhibit is solely for purposes of generally defining the lease premises, 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.

Corners CCW begining @ SW Corner of East Parcel

Cor.	Latitude	Longitude
1.	38° 02' 00.0" N	122° 08' 39.0" W
2.	38° 02' 00.0" N	122° 08' 23.0" W
3.	38° 02' 21.0" N	122° 08' 23.0" W
4.	38° 02' 21.0" N	122° 08' 48.0" W

Corners CCW begining @ SW Corner of West Parcel

Cor.	Latitude	Longitude
1.	38° 02' 00.0" N	122° 10' 00.0" W
2.	38° 02' 00.0" N	122° 08' 52.0" W
3.	38° 02' 21.0" N	122° 09' 01.0" W
4.	38° 02' 21.0" N	122° 09' 04.0" W
5.	38° 02' 32.0" N	122° 10' 00.0" W

EXHIBIT "A"
SITE MAP & DESCRIPTION
W25085
SUISUN BAY
at BENICIA
CONTRA COSTA AND & SOLANO COUNTIES

NORTH

Application By : Olin Jones Sand Company
1725 Marina Vista
Martinez, CA 94553
510-229-4800

Purpose: Sand Reclamation in Carquinez Strait near Benicia

Datum: MLLW

rev. 1/10/94

Adjacent Property Owners: State of California

Scale 1:40,000

CALENDAR PAGE 17 .19
MINUTE PAGE 2112

CG 5/94

W25085

PROPOSAL OF THE STATE LANDS COMMISSION TO ENTER INTO A LEASE FOR THE EXTRACTION OF MINERALS OTHER THAN OIL AND GAS AND GEOTHERMAL FROM CERTAIN SUBMERGED LANDS OF THE STATE AT CARQUINEZ STRAIT, COUNTIES OF CONTRA COSTA AND SOLANO

In accordance with the Public Notice of Intention, the State Lands Commission, acting pursuant to the provisions of Division 6, of the Public Resources Code and Title 2, Division 3, Article 4 of the California Administrative Code, proposes to offer by competitive bid, a lease for the extraction of sand and gravel from approximately 396 acres of tide and submerged lands at Carquinez Strait, Counties of Contra Costa and Solano. The attached map (Exhibit "A") shows the location of the lands offered.

The activities to be bid upon are described in the lease form attached hereto as Exhibit "B".

The State makes no representations or warranties as to the quality, quantity, or nature of mineral resources offered herein; however, the State believes that the location shown in Exhibit "A" is a commercial source of sand and gravel deposits.

INSTRUCTION TO BIDDERS

1. NOTICE TO BIDDERS

Bidders must insure that bid packages are completely filled out and that the required supplemental data is attached. Failure to submit a complete bid package may result in the rejection of any bid as non-responsive.

2. PREPARATION OF BIDS

Bidders shall duly execute and acknowledge two copies of the lease for the extraction of mineral resources, including the designation of the bid factor in Section 2 of the lease form attached hereto (Exhibit "B").

In case of a joint bid, or a bid by a partnership, each bidder shall execute the lease.

Corporations executing a bid shall submit with the bid, a certificate of the officer or officer's authority to execute the bid on behalf of the corporation and shall affix the corporate sale upon the lease. Evidence of an officer's authority to execute the lease cannot be certified by the same officer executing the bid.

All documents executed by an agent are to be accompanied by evidence of the agent's authority to act on behalf of the bidder (e.g. a duly executed Power of Attorney). The lease may be executed in the form of counterparts.

CALENDAR PAGE 171.20
MINUTE PAGE 2113

3. SUBMISSION OF BIDS

All bids made pursuant to this proposal shall be addressed to the State Lands Commission, sealed and delivered to the State Lands Commission Executive Conference Room at 1807 - 13th Street, Sacramento, California 95814 on or before 10:30 a.m. (_____).

The sealed envelope containing the bid shall be marked on the outside "RE: Bid of (Name of Bidder) made pursuant to the Notice of Proposal to enter into a Lease for the extraction of mineral resources from Carquinez Strait, Counties of Contra Costa and Solano, State of California. Not to be opened prior to _____." Each bid package shall contain the name and address of the bidder in the upper left hand corner. Each bidder will be advised of the specific bid opening date by written notice.

Each bid package shall contain the following:

a. Two (2) fully executed copies of the lease, including the designation of a bid factor in Section 2 of the lease form.

b. Proof of each bidder's qualification under Public Resources Code Section 6801 to hold a lease from the Commission.

c. A certified or cashier's check drawn on a responsible bank in California and made payable to the State of California in the amount of Five Thousand Dollars ($5,000.00); which, except in the case of the successful bidder, will be returned to the respective bidders.

d. The bidder's financial statements in the form as specified herein.

e. A statement which designates an agent who is authorized to give or receive any notices respecting the bid and to receive any refund of sums accompanying an unsuccessful bid together with address of said agent.

f. The agents, officers, and corporate authorizations as specified in paragraph 2 of Instructions to Bidders.

g. Each bidder shall present with its bid, evidence satisfactory to the Commission of the bidder's plan to obtain all necessary approvals and permits for operations to be conducted under the lease. At a minimum, this should include a mailing list of the appropriate agencies, State, Federal, or local, who may issue approvals for the intended lease operations.

h. A plan of development for the extraction and disposal of the mineral resources, including a listing of all necessary equipment owned by the bidder and/or evidence (e.g., letter of intent from prospective equipment lessor) of

CALENDAR PAGE 171.21
MINUTE PAGE 2114

the bidder's ability to lease or otherwise obtain use thereof, as well as proposals for sale or disposition of minerals extracted. The plan must also identify the bidder's onshore site or evidence of the bidder's ability to lease or otherwise obtain use thereof, where the extracted material will be stockpiled and processed for sale.

i. A statement regarding the method by which the lessee plans to finance the plan of development during the term of the lease.

4. FINANCIAL DATA REQUIRED

Each bidder shall submit with a bid, a certified financial statement establishing to the satisfaction of the Commission such bidder's financial ability to undertake and fulfill all obligations under the prospective lease. Said financial statements shall be certified as to their truth and accuracy by each bidder, or by the person by whom or under whose direction the statements were prepared. Said financial statements shall be accurate as of the date of certification which date shall not be earlier than the date the Notice of Intention herein was first published. Previously prepared financial statements and/or annual reports may be used by bidders provided that (a) such statements and/or reports are certified as aforesaid, and (b) the bidder submits a certified statement by the bidder or a responsible financial officer of the bidder that there has been no material change in the financial or other condition of the bidder since the date of preparation of said statement and/or report that would impair the bidder's financial ability to undertake and fulfill all obligations of the bidder under the prospective lease. The certification of such financial statement must be signed by the individual or firm by whom the statement was prepared, as well as by the bidder.

5. EXPLANATION TO BIDDERS

Any explanation desired by a bidder regarding the meaning or interpretation of the bid offering, specifications, etc., must be requested in writing with sufficient time allowed for reply to reach bidders before the submission of their bids. Oral explanation or instructions given before the award of the lease will not be binding. Any additional written information given to a prospective bidder will be furnished to all prospective bidders as an amendment of the bid offering, if such information is deemed necessary to bidders in submitting bids on the lease offering, or if the lack of information would be deemed prejudicial to uninformed bidders.

6. MODIFICATION TO BID PACKAGE

No modification, insert of additional condition, qualification, or provisions or deviation from any requirements or provisions included within the form of the bid lease or from the requirements or provisions which are specifically set forth herein shall be permitted; provided, however, that the State Lands Commission may, in its

discretion, waive any technical defects which do not give the bidder any substantial advantage over other bidders.

7. LATE BIDS

No bids submitted or received after the date and time specified herein for receipt of bids shall be accepted or considered for any reason whatsoever.

EVALUATION PROCEDURES FOR AWARD

1. METHOD OF AWARD

The State Lands Commission shall be the sole judge as to whether the bids conform to this bid proposal and as to the qualifications of the bidder. In selecting a successful bidder, the State Lands Commission shall consider the bid factor, the financial responsibility of the bidder, the bidder's ability to comply with the terms of the lease, the lease proposal and other factors which the Commission, in its sole discretion, may deem pertinent, advantageous to the State and in the public interest. Bidding a higher bid factor, will not necessarily insure a bidder that his bid will be accepted. In connection therewith, the State Lands Commission reserves the right to demand and receive additional evidence from the successful bidder prior to the awarding of the lease by the Commission of the bidder's financial ability and/or ability to perform any or all of the conditions of this lease.

After the sealed bids have been opened and the highest bidder has been identified, any lower bidder may request the refund of the deposit of Five Thousand Dollars ($5,000.00) submitted with the bid. The request for a refund shall be submitted on the form provided by the Commission and shall be executed by the person designated to give or receive any notice with respect to such bidding and to receive refunds, as herein provided. Such request for refund shall be deemed a withdrawal of bidder's offer and a waiver of all rights the bidder may have in connection with or by virtue of said bid. Should the highest bidder, for any reason, withdraw its bid prior to the award of the lease by the Commission, the deposit of Five Thousand Dollars ($5,000.00) shall be forfeited to the State. Otherwise, the Five Thousand Dollars ($5,000.00) shall be applied toward the royalty due after the first lease quarter and to defray any costs of advertising for bids.

2. RESERVATIONS

Award of the lease will be made pursuant to approval by the State Lands Commission. The State Lands Commission reserves the right, in its discretion, at any stage of these proceedings, to withdraw this offer to receive bids and upon such withdrawal there shall be returned all deposits accompanying all bids. The State Lands Commission reserves the right, in its discretion, at any stage of these

proceedings, to reject any and all bids and upon such rejection, there shall be returned all deposits accompanying any rejected bid or bids.

3. PERFORMANCE BOND AND COSTS

The successful bidder shall furnish, within thirty (30) days after notice of acceptance and approval of the bid by the State Lands Commission, security for the faithful performance of its obligations under the lease. The performance bond shall be in the amount of seventy-two thousand dollars ($72,000) as is specified in the bid lease package.

4. ENVIRONMENTAL DOCUMENTATION

Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 10525), the staff has prepared a Negative Declaration identified as ND No. 643, State Clearinghouse No. 94033018. Such Negative Declaration was prepared and circulated for public review pursuant to the provisions of CEQA.

Lessee shall comply with all environmental conditions and regulations of Federal, State and local agencies including but not limited to the U.S. Army, Corps of Engineers, Coast Guard, Regional Water Quality Control Board, National Marine Fisheries Service, U.S. Fish and Wildlife Service, California Department of Fish and Game and S.F. Bay Conservation and Development Commission. Pursuant to the Negative Declaration, monitoring of aggregate replenishment shall be conducted, at Lessee's expense, as specified in the Lease (Exhibit B).

5. STAFF PROCESSING AND ENVIRONMENTAL REVIEW COSTS

The successful bidder shall be responsible for staff lease costs required for the bidding and issuance of the lease.

Lease Processing Costs:

a. Staff has prepared a CEQA document for this project. Total costs for this document are Two Thousand Dollars ($2,000.00).

b. The Department of Fish & Game reviewed the environmental document and is eligible for reimbursement of its costs under Fish and Game Code. This amounts to Twelve Hundred and Fifty Dollars ($1,250.00).

c. The State Lands Commission costs for preparation of bid packages and lease negotiations are estimated to be Four Thousand Eight Hundred and Fifty Dollars ($4,850.00).

Total Costs: Eight Thousand One Hundred Dollars ($8,100.00). Each bidder shall deposit a check in the amount of Eight Thousand One Hundred Dollars ($8,100.00) to compensate the Commission for the above costs. (Unsuccessful bidders shall be refunded their deposits.)

ENLARGEMENT OF DREDGE SITE

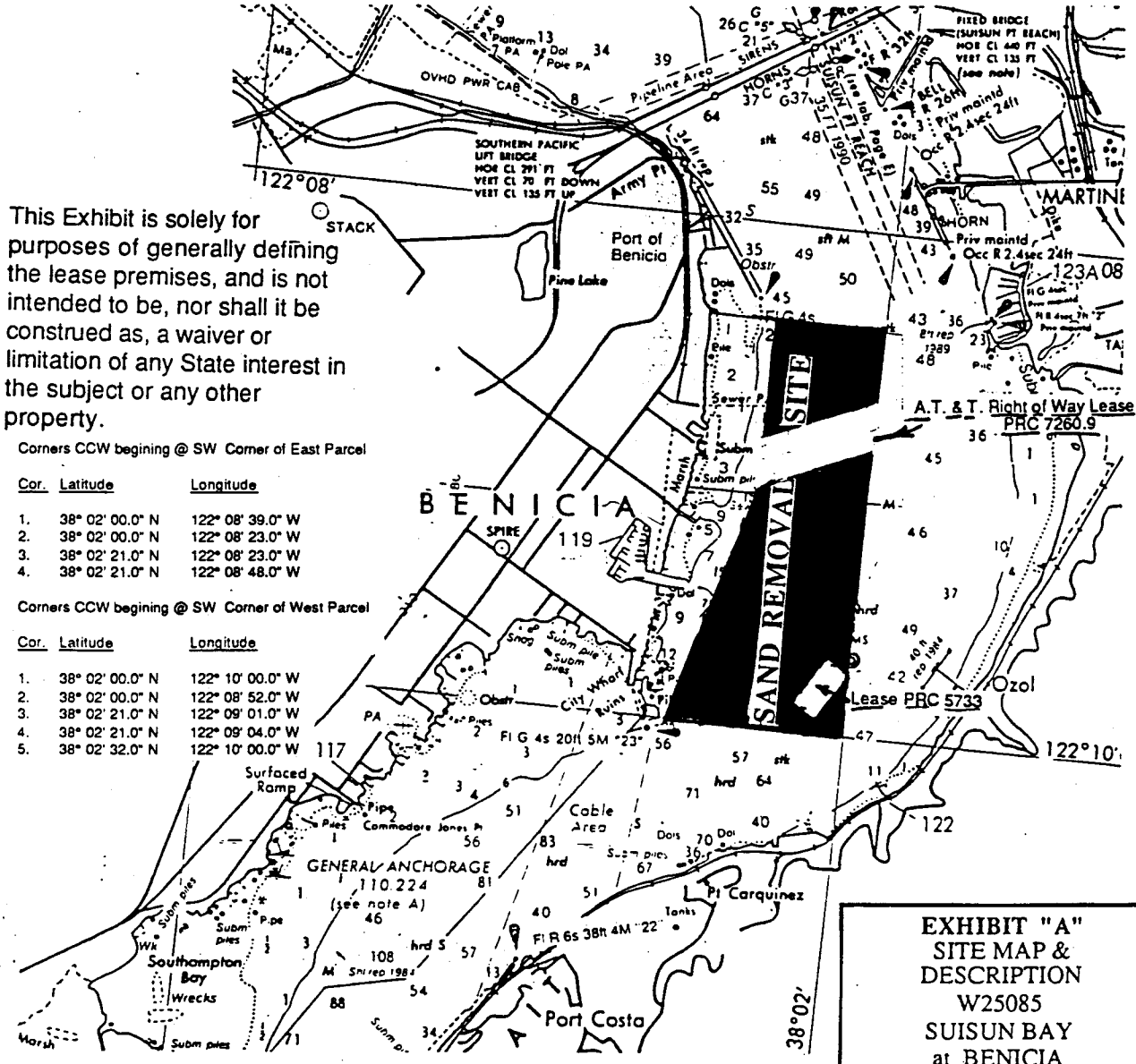


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EXHIBIT "A"
SITE MAP & DESCRIPTION
W25085
SUISUN BAY
at BENICIA
CONTRA COSTA AND & SOLANO COUNTIES

Application By : Olin Jones Sand Company
1725 Marina Vista
Martinez, CA 94553
510-229-4800

NORTH

Purpose: Sand Reclamation in Carquinez Strait near Benicia

Datum: MLLW

rev. 1/10/94

Adjacent Property Owners: State of California

Scale 1:40,000

CALENDAR PAGE 171.26
MINUTE PAGE 2119

CG 5/94

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STATE LANDS COMMISSION
STATE OF CALIFORNIA

LEASE FOR EXTRACTION OF SAND AND GRAVEL
PRC ____.

Section 1

THIS LEASE is made and entered into pursuant to Division 6 of the Public Resources Code, Statutes of California, by and between the State of California, acting by and through the STATE LANDS COMMISSION, sometimes hereinafter called the State, as Lessor, and _____, hereinafter called the Lessee, whose mailing address is: _____

_____.

In consideration of the royalties provided for hereunder, as well as the covenants, conditions and agreements contained herein, Lessor hereby leases to Lessee, for the purposes stated in Section 1, Paragraph 2 below, that certain parcel of land hereinafter designated as the "Leased Lands" and situated at Carquinez Strait, Counties of Contra Costa and Solano, State of California and more particularly described in Exhibit "A" attached hereto and by reference made a part hereof as though set forth in full.

1. This lease shall commence on the first day of the month following execution by the parties, which date shall be hereinafter referred to as the "effective date of this lease" and shall continue for five (5) years, unless sooner terminated as provided below.

2. The Lessee shall have the exclusive right to annually remove up to 150,000 cubic yards of the following mineral deposits from the leased lands: Aggregate and fill material sand and gravel excepting and reserving all other minerals of any kind to Lessor.

3. Lessee or its Operator or its Subcontractor (See Section 3, Paragraph 22(b)) shall not conduct any sales in place, that is, Lessee or its Operator or its Subcontractor shall conduct all operations on the Leased Lands and shall not permit purchasers of its products to engage in the extraction of minerals.

4. The bond required pursuant to paragraph 15 of Section 3 is to be in the amount of Seventy-Two Thousand Dollars ($72,000).

5. This lease consists of three sections and an exhibit and attachment hereto, by reference made a part of the whole agreement.

CALENDAR PAGE 171.27
MINUTE PAGE 2121

Section 2
ROYALTY AND RENT

1. **Definitions:**

   (a) Sand and Gravel: Aggregate and fill material.

   (b) Outside sales: Sale of aggregate and fill material sand and gravel to third parties.

   (c) Inside sales: Transfer or sale of aggregate and fill material, sand and gravel to companies or business entities owned or controlled by Lessee.

   (d) Gross sales price: For outside sales, the gross sales price shall be the actual sales price to third parties. For inside sales, the gross sales price shall be calculated as the fair market value of the same material as sold in outside sales by Lessee but never less than the average retail fair market value of the same material sold by similar companies in Lessee's sales and marketing area.

2. Royalties for the mineral resources produced or extracted are to be determined according to the following formula:

$$R = [0.10\ W(Y)]\ B$$

Where R = Royalty in dollars and cents paid to the State.
B = Bid factor of _____ which shall be no less than 1.0.
W = Weighted average lease quarter gross sales price, F.O.B. the dock for sales of raw products (unprocessed materials) and F.O.B. the scale for finished products (washed and screened materials).
Y = Total lease quarter cubic yardage removed from the lease area.

The weighted average sales price (WASP) per lease quarter shall include consideration of wholesale and retail sales and is subject to approval and audit by the State. The royalty rate for a lease quarter shall be based upon the WASP for that quarter. In place sales shall not be permitted.

A nonrefundable minimum royalty of Sixty-Two Thousand Dollars ($62,000) shall be payable on the effective date of this lease and a minimum annual royalty of Sixty-Two Thousand Dollars ($62,000) shall be payable on the anniversary of the effective date of the lease year, whether or not material is extracted from the leased premises. Such minimum royalty shall be credited against royalties due sold during the lease year. In no event shall said royalty be less than Fifty-five cents ($0.55) per cubic yard of aggregate and fill material sand and gravel.

If Lessee sells its products by the ton, Lessee agrees to provide Lessor with the formula(s) it uses to convert yardage figures to tonnage for royalty determination purposes, said formulas to be approved in advance by Lessor.

CALENDAR PAGE 171.28
MINUTE PAGE 2122

The first lease quarter shall be the first three months following the effective date of the lease and every three-month period thereafter shall be a lease quarter. A lease year shall be the first twelve (12) consecutive months following the effective date of the lease and every twelve month period thereafter shall be a lease year.

All sales and production data are subject to audit by the State. The term "dock" as used herein is defined as the berthing facility commonly used by the lessee as the base of operations for the conduct of those operations permitted under the terms of this lease.

All royalties shall be due and payable to the State as provided in Section 3, Paragraph 2 hereof.

3. On execution of this Lease and annually, on the anniversary date of this Lease, Lessee shall pay a land rent of two dollars ($2.00) per acre for a total of Seven Hundred and Ninety-Two Dollars ($792.00) per year.

Section 3

STANDARD COVENANTS - STATE LANDS COMMISSION LEASE

1. **PURPOSE**

(a) Lessee shall have the right to remove only those mineral resource deposits from the Leased Lands as are specified in paragraph 2 of Section 1 hereof.

(b) Lessor shall have the right to go upon the Leased Lands for the purposes of conducting surveys, tests or experiments using any geological, geochemical, geophysical or other method, including core drilling, for determining the presence on or in the Leased Lands of any natural resources, including but not limited to, oil, hydrocarbon, gas, other hydrocarbons and geothermal resources, as well as other mineral deposits listed in Public Resources Code Section 6407, (hereinafter collectively "mineral resources") provided that such surveys, tests, or experiments do not unreasonably interfere with or endanger Lessee's operations pursuant to this Lease.

(c) Lessor shall have the right to issue additional nonexclusive rights to conduct surveys, tests or experiments using any geological, geochemical, geophysical or other method, including core drilling, for determining the presence on or in the Leased Lands of any mineral resource except those listed in Paragraph 2 of Section 1; provided that operations conducted pursuant to such rights do not unreasonably interfere with or endanger Lessee's operations pursuant to this Lease. Further, Lessee agrees to allow all persons authorized by Lessor to enter upon the Leased Lands in order to conduct such surveys, tests or experiments.

CALENDAR PAGE	171. 29
MINUTE PAGE	2123

(d) This lease is entered into with the agreement that its purposes are and its administration shall be consistent with the principle of multiple use of public lands and resources. This lease shall allow coexistence of other permits or leases of the same lands for deposits of mineral resources other than aggregate and fill, sand and gravel under applicable laws, and the existence of this lease shall not preclude other uses of this area covered hereby. However, operations under such other permits or leases or other such uses shall not unreasonably interfere with or endanger operations under this lease, nor shall operations under this lease unreasonably interfere with or endanger operations under any permit, lease, or other entitlement for use issued pursuant to the provisions of any other act. Nor shall this lease be construed as superseding the authority which the head of any state department or agency has with respect to the management, protection, and utilization of the Leased Lands and resources under its jurisdiction. Lessor may prescribe in its rules and regulations those conditions it deems to be necessary for the protection of other mineral resources.

(e) This lease does not confer upon the Lessee any other privilege or right not expressly given hereto.

2. CONSIDERATION:

Lessee agrees to pay to Lessor the following royalties without deduction, delay or offset and as further provided for herein:

(a) Royalties for the mineral resources produced or extracted based on the formula, rate, or in the amount specified in Section 2 hereof, which shall be due and payable on the 25th day of the month following the month of extraction or production.

(b) Lessee shall keep accurate books and records of the operations hereunder, including all minerals extracted from the Leased Lands, and those on the adjoining lands of Lessee, together with the cost of extraction of same and of mining, quarrying and shipping thereof and shall retain for a minimum of four years copies of all sales contracts for the disposition of any and all minerals extracted from the Leased Lands, and those on the adjoining lands of Lessee.

(c) On or before the 25th day of the month following the month of extraction or production, the Lessee shall deliver to Lessor statements in the form prescribed showing the work performed upon the Leased Lands and, at the request of Lessor, upon any other land necessary to make the determination of the amount, quality and value of all mineral resources extracted, produced, shipped or sold or whether any work was performed on the Leased Lands.

3. **INTEREST AND PENALTIES:**

(a) It is agreed by Lessee hereto that any royalties or other monetary considerations, arising under the provisions of the lease and not paid when due as provided for in this lease, shall bear interest from the day following the day upon which such monetary consideration was due at the rate of one and one-half percent (1½%) per month until the date of payment.

(b) It is agreed by Lessee hereto that any royalties or other monetary considerations arising under the provisions of this lease, and not paid when due as provide in this lease, shall be subject to a five percent (5%) penalty on the amount of any such royalties, rentals, or other monetary considerations arising under the provisions of this lease.

(c) It is agreed by Lessee hereto that, for the purposes of this Section, "royalties or other monetary considerations, arising under the provisions of this lease, and not paid when due" includes but is not limited to any amounts determined by Lessor to have been due to Lessor if, in the judgment of Lessor, an audit by Lessor of the accounting statement and records required by paragraphs by Lessor of the accounting statement and records required by paragraphs 2(b) and 2(c) of Section 3 hereof, shows that inaccurate, unreasonable or inapplicable information contained or utilized in the statement resulted in the computation and payment to the State of less royalties or rentals than actually were due to the State.

4. **ENVIRONMENTAL IMPACT:**

Lessee agrees to abide by the conditions, measures and restrictions set forth in the Environmental Document No. 94033018 on file in the office of the State Lands Commission and which Environmental Document is by reference made a part hereof as though set forth in full.

Lessee shall comply with any and all modifications of equipment and plans deemed necessary by the State, and other authorizing parties including the Regional Water Quality Control Board, and San Francisco Bay Conservation and Development Commission, California Department of Fish and Game, U.S. Coast Guard, National Marine Fisheries, U.S. Fish and Wildlife Service and the U.S. Army Corps of Engineers, to achieve the criteria and objectives set forth in the environmental documentation.

Fishery Resources

To minimize impacts on outmigrating juvenile salmon, all sand mining activities shall be restricted to areas deeper than twenty (20) feet.

5. **WASTE OF RESOURCES, DAMAGE, LOSS AND LIABILITY:**

Lessee shall use all reasonable precautions to prevent waste of, damage to, or loss of mineral resources and wildlife on or in the Leased Lands and shall be liable to Lessor for any such waste, damage or loss to the extent that such waste, damage, or loss is caused by (1) the intentional or negligent acts of Lessee, its employees, servants, agents or contractors; (2) the breach of any provision of this lease by Lessee, its employees, servants, agents or contractors; or (3) the noncompliance of the Lessee, its employees, servants, agents or contractors, with applicable statutes or rules and regulations of Lessor provided, however, that nothing herein shall diminish any other rights or remedies which Lessor may have in connection with any such negligence, breach or noncompliance. With respect to any other such damage or loss, Lessee agrees to indemnify, save Lessor harmless and, at the option of the State, defend, except in matters involving Lessor's title, Lessor against any and all losses, damages, claims, demands or actions caused by, arising out of, or connected with the operations of the Lessee hereunder as are more specifically provided under paragraph 16 of Section 3 hereof.

6. **ENTRY BY LESSOR**

Lessor, or persons authorized by Lessor, shall have the right, at all reasonable times, to go upon the Leased Lands for the purpose of inspecting the same, for the purpose of maintaining or repairing said premises, for the purpose of placing upon the property any usual or ordinary signs, for fire or police purposes, to protect the premises from any cause whatever, or for purposes of examining and inspecting at all times the operations, improvements, machinery, and fixtures used in connection therewith, all without any rebate of charges and without any liability on the part of Lessor, for any loss of occupation or quiet enjoyment of the premises thereby occasioned.

7. **NOTICES**

(a) All notices to Lessee or Lessor herein provided to be given shall be deemed to have been fully given when made in writing and deposited in the United States mail, return receipt requested and postage prepaid, addressed as follows:

To the Lessor: State Lands Commission
1807 13th Street
Sacramento, CA 95814

To the Lessee: As set forth in Section 1 hereof

The addresses to which the notices shall be mailed as aforesaid to either party may be changed by written notice given by such party to the other as hereinabove provided.

(b) All notices to Lessee herein provided to be given shall also be deemed to have been fully given if made in writing and personally served upon Lessee or any officer thereof.

(c) All payments specified in this lease shall be made to Lessor at the address provided in paragraph 7(a) above.

8. **EXAMINATION OF BOOKS:**

Lessee hereby waives any all rights and objections it may have to prevent an examination of the books and records at reasonable times of any individual, association, or corporation which has transported for, or received from Lessee, any minerals extracted or produced from the Leased Lands, or from lands of the Lessee that have been combined with the adjoining lands of Lessee. Further, Lessee waives any and all rights and objections it may have to prevent an examination and inspection of the books and records at reasonable times of the Lessee or of any such individual, association or corporation with respect to such individual's association's, or corporation's or to Lessee's operations, improvements, machinery and fixtures used or in connection with the Leased Lands, or from lands of the Lessee that have been combined with or adjoin the Leased Lands.

9. **WAIVER OF USE OF DATA:**

(a) Lessee does hereby waive any statutory or other right or objection to prevent disclosure to Lessor or a duly authorized employee or representative of Lessor of any information, reports, data, or studies of any kind, filed by Lessee with any public agency, federal, state or local, relating to the Leased Lands, or any operations carried out in connection with the lease, irrespective of whether such information, reports, data or studies of any kind contain sensitive or proprietary or confidential information or trade secrets. Any and all such information, reports, data, or studies of any kind filed by lessee with any public agency, federal, state or local, pursuant to any paragraph of this lease, shall be available at all times for the use of Lessor or its duly authorized representatives for any purpose. Notwithstanding any provisions hereof, however, any information, reports, data or studies obtained by Lessor from any public agency and which are not public records shall be deemed to have been "obtained in confidence" for purposes of Government Code Section 6254(e) and may be disclosed to other persons only with the written consent of Lessee or upon a determination by Lessor that such disclosure is in the public interest.

(b) Lessee agrees to supply to Lessor within thirty (30) days of Lessor's request, all physical and factual exploration results, logs, surveys and any other data in any form resulting from operations under this lease or from any surveys, tests, or experiments conducted on the Leased Lands by Lessee or any person or entity acting with the consent of Lessee or with information or data

provided by Lessee. Lessee agrees to supply to Lessor within thirty (30) days of Lessor's request, the results of all geological, geophysical or chemical experiments, tests, reports and studies, interpretive or factual, irrespective of whether the results of such tests, experiments, reports or studies contain sensitive, proprietary or confidential information or trade secrets. Lessee further agrees that any statutory or other rights or objections it might have to prevent disclosure of any such tests, experiments, reports or studies referred to in this paragraph 9 to Lessor are hereby waived. Notwithstanding any provisions hereof, however, all data and documents supplied by Lessee pursuant to this section shall be deemed to have been "obtained in confidence" for purposes of Government Code Section 6254(e) and may be disclosed to other persons only with the written consent of Lessee or upon a determination by Lessor that such disclosure is in the public interest.

10. **PRESERVATION OF PROPERTY, WASTE DISCHARGE:**

Lessee shall carry on all work hereunder with due regard for the preservation of the property covered by this lease with due regard to the environmental impact of its operations in accordance with the following terms and conditions:

(a) Pollution of rivers, lakes or other bodies of water, and all impairment of and interference with bathing, fishing or navigation in such waters is prohibited, and no refuse of any kind from any extraction or production activities shall be permitted to be deposited on or pass into waters of any rivers, lakes or other bodies of water without specific written State authorization.

(b) Access to extraction or production sites by the public shall be controlled by Lessee to prevent accidents or injury to persons or property.

(c) The above are in addition to, and not to be construed as limitations upon, all other rules, regulations, restrictions, mitigating measures and all other measures designed to restrict, limit, modify or minimize the environmental impact of operations carried out pursuant to this lease.

11. **EXISTING RIGHTS:**

(a) This lease is issued subject to all existing valid rights in the Leased Lands as of the date of execution hereof, and such rights shall not be affected by the issuing of this lease. In the event that the Leased Lands have been granted by the Legislature to a City, County, Port District or other public entity, subject to a mineral reservation in favor of the State, Lessee agrees to comply with any conditions and limitations, embodied in the grant, which affect Lessee's operations hereunder.

(b) Neither party, on behalf of themselves or any other party, waives any right or claim to fee title or other possessory interest in the real property that is subject to this Lease by the execution of this Lease.

12. **OTHER EASEMENTS AND INTERESTS:**

To the extent of the right, title and interest of the State of California in the Leased Lands, Lessor shall have the right at any time during the term of this lease, or any extension thereof, to grant to any person upon such terms as it may determine such easements, rights-of-way, permits, leases or other interests in the Leased Lands, including easements for tunnels or wells bored through or in the Leased Lands as Lessor may, in its discretion, determine to be necessary or appropriate, provided, however, interests which unreasonably interfere with or endanger Lessee's operations shall not be granted.

13. **COMPLIANCE WITH LAWS AND RULES:**

Lessee shall comply with all valid laws of the United States and of the State of California and with all valid ordinances of cities and counties applicable to Lessee's operations hereunder, including without limitation by reason of the specification thereof, Lessee's compliance with all provisions of the Public Resources Code, and the California Code of Regulations. Lessee further agrees without limitation by reason of the specification thereof to comply with all provisions of Division 2 and Division 6 of the Public Resources Code, applicable to Lessee's operations hereunder and with all permits, rules and regulations as may from time to time be issued by Lessor or by other federal, state and local agencies, applicable to the Lessee's operations hereunder. Lessee also agrees that, in its employment practices hereunder, it shall not discriminate against any person because of race, color, religion, sex, ancestry or national origin, physical disability, sexual orientation; AIDS or AIDS related condition, marital status or age.

14. **WORKER'S COMPENSATION INSURANCE:**

Lessee shall at all times in any and all operations under this lease and in any and all work in and upon the Leased Lands carry full and complete Worker's Compensation Insurance covering all employees.

15. **BOND:**

Lessee shall furnish at the commencement of this lease and shall thereafter maintain a bond in favor of the State of California in the sum specified in Paragraph 4 of Section 1 hereof to guarantee the faithful performance of Lessee of the requirements, terms, covenants and observance of the conditions of this lease and of the provisions of the Public Resources Code and the rules and regulations of the State. Said bond shall require the surety to give at least one hundred and twenty (120) days written notice of its intention to cease acting as guarantor. If a surety gives notice of its

CALENDAR PAGE	171.35
MINUTE PAGE	2129

intention to cease acting as guarantor, the Lessee shall provide to Lessor within sixty (60) days of such notice a replacement bond of equal value to become effective upon the expiration of the existing bond. Failure to provide such a replacement bond within the required time shall constitute a default entitling Lessor to levy against the entire amount of the existing bond. Lessee agrees that in no event shall the amount of the bond be construed as a limitation on its liability. In place of a Corporate Surety Bond, Lessee may post cash, pledge a deposit account or provide an irrevocable standby letter of credit from a State or nationally chartered bank or provide another financial instrument acceptable to Lessor.

16. **INDEMNIFICATION:**

To the extent hereafter provided, Lessee agrees to indemnify, save harmless and, at the option of Lessor, defend, except in matters involving title, the State of California, its officers, agents and employees against any and all claims, losses, demands, causes of action or liability of any kind which may be asserted against or imposed upon the State of California or any of its officers, agents or employees by any third person or entity arising out of or connected with operations hereunder, or the use by Lessee or its agents, employees or contractors of the Leased Lands. Without limiting the generality of the foregoing, such indemnification shall include any claim, loss, demand, cause of action or liability of any kind asserted against or imposed upon the State of California or any of its officers, agents or employees arising out of or connected with any alleged or actual violation by Lessee, its agents, employees or contractors of property or contractual rights of any third person or entity. This provision shall not be construed so as to require Lessee to indemnify the State for any alleged acts or negligence or other wrongful act of the State or any officer, agency or employee thereof, except to the extent that such negligence or other wrongful act is alleged to consist of the issuance of this lease or the adoption and enforcement of the provisions set forth in the lease or in the rules and regulations in effect at the time of the issuance of this lease or in the rules and regulations in effect at the time of the issuance of this lease, or in any alleged failure to the State to adequately enforce any such provisions, provided further that said indemnification shall be limited as follows:

(a) That the foregoing indemnity specified in the lease and regulations is not intended to nor shall it be construed to require the Lessee to defend Lessor's title to mineral resources and that, in the case of litigation involving the titles of the Lessee and Lessor, Lessee and Lessor will join in defending their respective interests, each bearing the cost of its own defense.

(b) For the purpose of satisfying any judgments, settlements, claims or liabilities for damages or trespasses to land or mineral resources resulting from a judicial determination that Lessor has no title to the land or mineral resources in the Leased Lands and that the owner thereof is entitled to payment for resources extracted under the lease, this indemnification will be limited to any Lessor liability in excess of the monies received by lessor in the form of

royalties or other payments, as owner of the mineral resources, including any interest actually earned thereon.

17. **INSURANCE:**

Lessee shall procure and maintain personal liability, property damage or other insurance for the benefit of Lessor in the amount of One Million Dollars ($1,000,000) for the benefit of Lessor.

18. **SUSPENSION OF OPERATIONS:**

(a) The State may temporarily suspend production or any other operation by the Lessee under this lease whenever the State finds that the operation, unless suspended, would pose an immediate and serious threat to life, health, property or natural resources. The suspension shall be effective immediately upon either oral or written notice by the State to the Lessee. Any oral notice shall be followed by written confirmation from the State. The State shall lift the suspension when the State finds, on the basis of evidence submitted by the Lessee or otherwise available, that resumption of the suspended operation or operations would no longer pose an immediate and serious threat to life, health, property or natural resources. If the State orders suspension of operations because their continuation would or might cause or aggravate erosion of the leased lands or other properties, the operations shall be resumed only in compliance with a State approved program for erosion prevention.

(b) No suspension ordered or approved under this paragraph shall relieve the Lessee from any obligation under this lease unless specifically provided in the terms of the suspension.

19. **BREACH:**

In the event of Lessee's failure to comply with any of the provisions of this lease, or with any permit, regulation or laws applicable thereto and in force during the period of the lease, Lessor reserves the right, following a 90-day written notice of breach and opportunity to cure as provided by Paragraph 27 of Section 3, to declare a forfeiture and cancel this lease subject to Paragraph 25 of Section 3 thereof. In the event of the cancellation of this lease, Lessee shall comply with the restoration, reclamation and removal conditions specified in paragraphs 25, 26 and 30 of Section 3 hereof.

20. **WAIVER OF BREACH:**

The waiver by Lessor of any default or breach of any term, covenant or condition shall not constitute a waiver of any other default or breach whether of the same or of any other term, covenant or condition, regardless of Lessor's knowledge of such

CALENDAR PAGE 171.37
MINUTE PAGE 2131

other defaults or breaches. The subsequent acceptance of monies hereunder by Lessor shall not constitute a waiver of any preceding default or breach of any term, covenant or condition, other than the failure of Lessee to pay the particular monies so accepted, regardless of Lessor's knowledge of such preceding default or breach at the time of acceptance of such monies, nor shall acceptance of monies after termination constitute a reinstatement, extension or renewal of the lease or revocation of any notice or other act by Lessor.

21. SOLVENCY:

If at any time during the term hereof, a filing is made by or against the Lessee under the federal bankruptcy laws, the Lessor shall have all the rights to which it is entitled under the federal bankruptcy laws to protect its interest under this lease.

22. ASSIGNMENT, SUBLETTING AND OPERATORS:

(a) Lessee may assign or transfer this lease or any interest therein and may sublet said land or any part thereof, as provided in Public Resources Code Section 6804, to any person, association of persons, or corporation, who at the time of such assignment, transfer or sublease possesses the qualifications required of Lessees, subject to the prior written consent of the State. Such written consent to an assignment, transfer or sublease may be conditioned upon the altering, changing or amending of this lease, the acceptance of additional consideration or participation of Lessor in any consideration received by the Lessee or its successors in interest for such assignment, transfer or sublease, as is deemed to be in the best interest of Lessor. The consent to any transfer of any interest of this lease shall not be deemed a consent to any subsequent assignment, subletting or occupancy or use by another person. Any assignment, transfer or subletting without such consent, whether voluntary or by operation of law, shall be void and transfer no rights to the purported transferee; further, any such attempted transfer shall be a breach of the lease and shall at the option of Lessor terminate this lease. However, the above provision shall not prevent Lessee from subcontracting parts of the work to be performed without Lessor approval so long as Lessee remains responsible to Lessor. Upon approval of any assignment, transfer or sublease, the assignee, transferee or sublessee shall be bound by the terms of this lease to the same extent as if such assignee, transferee or sublessee were the original lessee, any conditions in the assignment, transfer or sublease to the contrary notwithstanding. Further, Lessee shall not be released from any liability under this lease arising after the effective date of the assignment and not associated with Lessee's use, possession or occupation of or activities on the Leased Lands without the express written release of Lessor.

(b) In the event that Lessee does not itself conduct operations as authorized by this Lease, but employs a third party operator (Operator) to do so, Lessee agrees to obtain the written approval of the Lessor prior to employment of

the operator or subcontractor. Such consent shall not be withheld unreasonably. The relationship between Lessee and operator or subcontractor shall not be considered an assignment or sublease.

23. SUCCESSOR:

The covenants and conditions herein contained shall, subject to the provisions of any assignment, apply to and bind all heirs, successors, executors, administrators and assigns of all of the parties hereto; and all of the parties hereto shall be jointly and severely liable hereunder.

24. MODIFICATION OF LEASE:

Whenever it appears to be in the public interest, the parties hereto by mutual agreement in writing, may alter or modify the terms of this lease, or may terminate the same, with such adjustments and for such considerations as may be fair and equitable in the circumstances.

25. QUITCLAIM:

Lessee may at any time make and file with Lessor a written quitclaim of all rights under this lease. Such quitclaim shall be effective as of the date of its filing, subject to the continued obligation of the Lessee and his surety to make all payments of all rentals and royalties theretofore accrued, and Lessee will immediately and, at its own expense and risk, restore the land to an environmentally safe and usable condition with due care to carry out all obligations imposed by this lease. No such quitclaim shall release Lessee or his surety from any liability for breach of any obligation of this lease with respect to which Lessee is in default at the time of the filing of such quitclaim or relinquishment.

26. SURRENDER OF PREMISES:

At the expiration of this lease, or sooner termination thereof, the Lessee shall deliver up and surrender possession of the Leased Lands with all improvements, structures and fixtures thereon in good order and condition.

27. **CANCELLATION:**

This lease may be forfeited and canceled upon the failure of the Lessee after ninety (90) days written notice and demand to comply with any of its provisions or with the laws, rules or regulations applicable thereto.

28. **HOLDING-OVER:**

Any holding-over by Lessee after the expiration of the Lease term, with or without the express or implied consent of Lessor, shall constitute a tenancy from month to month and not an extension or renewal of the lease term and shall be on the terms, covenants, and conditions of this Lease.

29. **PRODUCTION FROM ADJACENT PRIVATE LANDS:**

If at any time during the term of this lease or any renewal, lessee proposes to concurrently mine and extract the same minerals as those authorized by Section 1, Paragraph 2 of this Lease from private lands owned or leased by Lessee, Lessee agrees to notify the State ten (10) days prior to such operations. The Lessee's notice shall provide Lessor with a method for tracking and identifying the production from the State lands. All material removed from both private and State lands without notice will be considered to be removed form State lands for royalty purposes.

For purposes of this paragraph, Lessee agrees to allow Lessor to examine and audit any of its records pertaining to production on the private lands.

30. **SURFACE MINING AND RECLAMATION ACT OF 1975:**

Lessee agrees that any reclamation plan drafted under the Surface Mining and Reclamation Act (Public Resources Code Section 2770 et seq.) or any subsequently issued one shall be incorporated into this lease and that Lessee shall comply with its terms during Lessee's operations on the Leased Lands and upon any partial or total quitclaim, surrender, forfeiture or cancellation of this lease.

31. **MONITORING OF AGGREGATE REPLENISHMENT:**

Lessee shall at its own expense and at the commencement of this lease and at six-month intervals thereafter, conduct echo sounder surveys to determine the replenishment of aggregate materials. A final survey shall be conducted at the termination of the lease.

Prior to conducting any such survey, Lessee shall submit its plan of survey to the State for its approval. Data from the surveys shall be transmitted to the State within 30 days of completion of each survey. All data shall become property of the State and the State shall have the right to disclose such data to other parties so long as proprietary information and trade secrets of lessee are not disclosed.

CALENDAR PAGE	171.40
MINUTE PAGE	2134

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32. FORCE MAJEURE:

The obligations imposed upon Lessee by the provisions of this lease may be suspended during such time as Lessee is prevented form complying therewith by wars, riots, acute and unusual labor or material shortages, acts of God, laws, rules and regulations of any federal, state, county or municipal agency or by such other unusual conditions as are beyond the control of the Lessee.

33. TIME OF ESSENCE:

Time is of the essence in this lease.

34. RELATIONSHIP OF THE PARTIES:

In performing obligations arising under this lease, it is understood that this lease does not constitute, and the parties hereto do not intend it to create among the parties or their successors in interest a partnership, or joint venture or the relationship of master and servant, or principal and agent.

35. SEVERABILITY:

If any provision herein is judicially determined to be invalid, it shall be considered deleted herefrom and shall not invalidate the remaining provisions.

36. TAXES:

Lessee shall pay, when due, all taxes and assessments lawfully assessed and levied under the laws of the State of California or of any political subdivision thereof or the United States of America, against any and all improvements, property or assets of Lessee situate upon the Leased Lands or other rights of Lessee arising out of the lease. Such taxes include possessory interest taxes imposed by a city or county on the leasehold interest. The payment of any such taxes by the Lessee shall not reduce the amount of consideration due the Lessor under this lease.

37. POSSESSORY INTEREST:

Lessee recognizes and understands in accepting this lease that his interest created therein may be subject to a possible Possessory Interest Tax that the city or county may impose on such interest, and that such tax payment shall not reduce any rent or royalty due the Lessor hereunder and any such tax shall be the liability of and be paid by the lessee.

38. CAPTIONS:

The captions in this lease are for convenience only and are not a part of this lease and do not in any way limit or amplify the terms and provisions of this lease.

This agreement will become binding on the State only when approved by the State Lands Commission and when executed on the behalf of the Commission.

CALENDAR PAGE	171.41
MINUTE PAGE	2136

39. AT&T CABLE CLEARANCE:

Lessee, at all times, shall not conduct its activities within 500 feet of the centerline of an existing fibre optic cable operated by A.T. & T. Communications of California, Inc., (AT&T) on sovereign lands of the State under State Lands Commission Permit No. PRC 7260.9, the location of said cable being described and depicted in an AT&T transmittal dated April 1, 1994, consisting of a letter bearing that date and accompanying Exhibits A and B, all affixed as Attachment No. 1 hereto and by reference made a part of this agreement.

40. MINERAL EXTRACTION LEASE PRC 5733.1:

Lessee understands and agrees that this lease does not include the lands described in Mineral Extraction Lease No. PRC 5733.1, said lands being depicted on Exhibit "A" attached hereto, and that no excavations therein are authorized under this agreement.

IN WITNESS WHEREOF, the parties hereto do execute this lease.

_____
Lessee

By: _____
Name of Representative

_____
Title

Dated: _____

CORPORATE SEAL,
if corporation

STATE OF CALIFORNIA
STATE LANDS COMMISSION

By: _____
Jane Sekelsky, Chief
Division of Land Management

Dated: _____

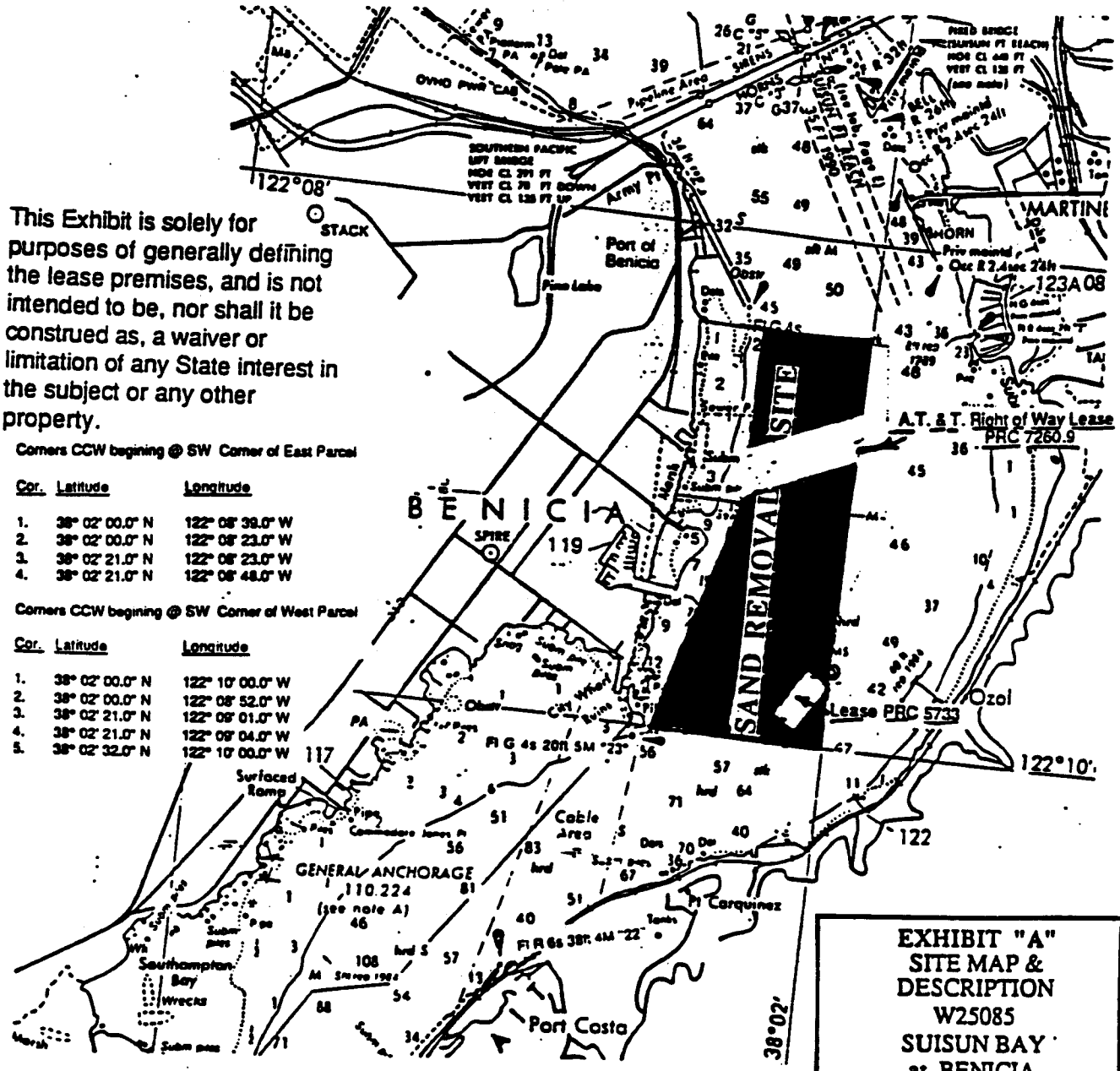
Approved as to form

DANIEL E. LUNGREN
ATTORNEY GENERAL
STATE OF CALIFORNIA

By _____
Nan V. Hager
Deputy Attorney General

CALENDAR PAGE 171.42
MINUTE PAGE 2137

ENLARGEMENT OF DREDGE SITE



This Exhibit is solely for purposes of generally defining the lease premises, 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.

Corners CCW begining @ SW Corner of East Parcel

Cor.	Latitude	Longitude
1.	38° 02' 00.0" N	122° 08' 39.0" W
2.	38° 02' 00.0" N	122° 08' 23.0" W
3.	38° 02' 21.0" N	122° 08' 23.0" W
4.	38° 02' 21.0" N	122° 08' 48.0" W

Corners CCW begining @ SW Corner of West Parcel

Cor.	Latitude	Longitude
1.	38° 02' 00.0" N	122° 10' 00.0" W
2.	38° 02' 00.0" N	122° 08' 52.0" W
3.	38° 02' 21.0" N	122° 09' 01.0" W
4.	38° 02' 21.0" N	122° 09' 04.0" W
5.	38° 02' 32.0" N	122° 10' 00.0" W

EXHIBIT "A"
SITE MAP & DESCRIPTION
W25085
SUISUN BAY
at BENICIA
CONTRA COSTA AND & SOLANO COUNTIES

Application By : Olin Jones Sand Company
1725 Marina Vista
Martinez, CA 94553
510-229-4800

NORTH

Purpose: Sand Reclamation in Carquinez Strait near Benicia

Datum: MLLW

rev. 1/10/94

Adjacent Property Owners: State of California

Scale 1:40,000

AT&T

Cable Engineering/Right Of Way

1431 N. Market Blvd.
Suite 9
Sacramento, CA 95834

April 1, 1994

Mr. Herbert Maricle
State Lands Commission
1807 13th Street
Sacramento, CA 95814

Re: Sand Extraction from Submerged Lands for Commercial Sale / File: W 25085 ND 643

Dear Mr. Maricle,

I received your letter dated March 3, 1994, in regards to the above referenced project.

As shown in your transmittal, AT&T has a fiber optic submarine cable across the Carquinez Strait under State Lands permit PRC 7260.9 dated October 27, 1988. This submarine cable is part of a major transcontinental telephone network system which carries an enormous amount of traffic.

Due to the sensitivity of this cable, AT&T is asking that the proposed dredging operation maintain a safe distance from our cable. Attached is Exhibit "A" which defines a 1,000' feet corridor, points a, b, c and d, 500' feet on each side of the approximate centerline of cable. There should be no dredging within this corridor.

Also attached is Exhibit "B" which are AT&T Caution Notes that should be included on the engineering documents associated with this dredging project. The applicant will be advised by these notes to contact Mr. Larry Carstensen, AT&T Maintenance Supervisor, two working days prior to commencement of work. Mr. Carstensen's telephone number is (510) 829-7367.

Should you have any questions or concerns regarding this project, please contact myself at (916) 928-0844 or Mike Veasey (916) 928-0845 at your earliest convenience.

Sincerely,

Kevin F. Lorenzini
AT&T Cable Engineering/Right of Way

Encl.

Copy to:
Larry Carstensen
AT&T Cable Maintenance Facility - Dublin

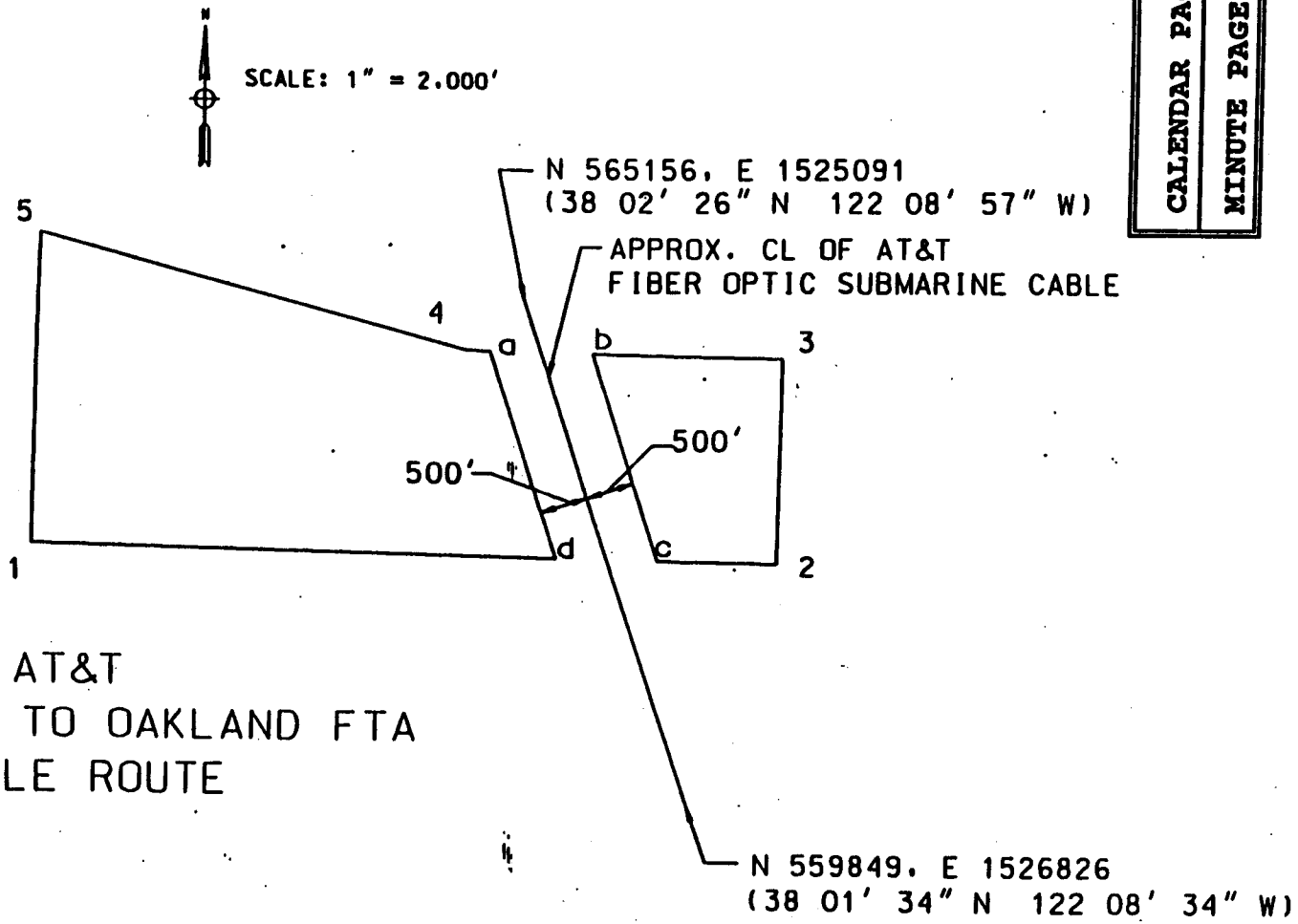
Lloyd Chapman
AT&T Cable Maintenance Facility - Dunnigan

Ref/04-01-94.01

CALENDAR PAGE	171.44
MINUTE PAGE	2139

Exhibit A

	LATITUDE	LONGITUDE
1.	38 02' 00" N	122 10' 00" W
2.	38 02' 00" N	122 08' 23" W
3.	38 02' 21" N	122 08' 23" W
4.	38 02' 21" N	122 09' 04" W
5.	38 02' 32" N	122 10' 00" W
a.	38 02' 21" N	122 09' 01" W
b.	38 02' 21" N	122 08' 48" W
c.	38 02' 00" N	122 08' 39" W
d.	38 02' 00" N	122 08' 52" W



AT&T
DUNNIGAN TO OAKLAND FTA
CABLE ROUTE

03/31/94

CALENDAR PAGE 171.45
MINUTE PAGE 2140

Exhibit B

CALENDAR PAGE 171.46
MINUTE PAGE 2141

CAUTION!
AT&T CABLE IN VICINITY

NO WORK SHALL BE PERFORMED
WITHOUT AT&T OPERATIONS
PERSONNEL PRESENT.

TWO WORKING DAYS PRIOR TO WORK, CONTACT
AT&T MAINTENANCE SUPERVISOR,
MR. LARRY CARSTENSEN (510) 829-7367
OR EMERGENCY CONTACT AT (800) 252-1133.

CALL USA
800-642-2444
48 HOURS PRIOR
TO CONSTRUCTION.