

MINUTE ITEM

This Calendar Item No. ~~C31~~ was approved as Minute Item No. ~~34~~ by the California State Lands Commission by a vote of ~~3~~ to ~~0~~ at its ~~6-19-98~~ meeting.

CALENDAR ITEM

C34

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06/19/98
PRC 7779.1
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AMENDMENT OF LEASE

LESSEE:

Olin Jones Sand Company
1725 Marina Vista
Martinez, California 94553

AREA, LAND TYPE, AND LOCATION:

1,294 acres, more or less, of sovereign lands in San Francisco Bay near Angel Island, San Francisco and Marin Counties.

AUTHORIZED USE:

Extraction of a maximum 200,000 cubic yards annually of sand and gravel resources, as shown on the attached Exhibit A.

LEASE TERM:

Ten years, beginning July 1, 1998, with one renewal period of ten years.

CONSIDERATION:

The minimum royalty per cubic yard shall not be less than \$0.65, and the minimum biannual royalty shall not be less than \$48,750.

PROPOSED AMENDMENT:

1. Increase the extraction amount to 400,000 cubic yards annually.
2. Increase the amount of the minimum biannual royalty to \$97,500.
3. Increase the amount of the required bond from \$50,044 to \$98,994, which is equal to the minimum biannual royalty and one-half of the annual land rent.
4. All other terms and conditions of the lease shall remain in effect without amendment.

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OTHER PERTINENT INFORMATION:

1. Lessee has requested the increase to meet increased market demands.
2. Lessee shall complete and submit sand replenishment monitoring surveys, as stated in Section 3, Paragraph 23 of the lease.
3. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15025), the staff prepared Negative Declaration 650, SCH No. 94043038. Such Negative Declaration was prepared and circulated for public review pursuant to the provisions of the CEQA and allowed for the extraction of 200,000 cubic yards of sand and gravel annually from sovereign lands in San Francisco Bay near Angel Island.
4. Based upon the original Negative Declaration, the comments received in response thereto, recent informal consultations by CSLC staff with the California Department of Fish and Game and the San Francisco Bay Conservation and Development Commission, and results of sand replenishment monitoring surveys, the staff has determined that this activity is exempt from the requirements of the CEQA.

Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of the CEQA under the general rule that the CEQA applies only to projects which have the potential for causing a significant effect on the environment. The staff believes, based on the information available to it, that there is no possibility that this project may have a significant effect on the environment.

Authority: Title 14, California Code of Regulations, section 15061 (b) (3).

5. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 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.

CALENDAR ITEM NO. C34 (CONT'D)

FURTHER APPROVALS REQUIRED:

U.S. Army Corps of Engineers, San Francisco Regional Water Quality Control Board, San Francisco Bay Conservation Development Commission, California Department of Fish and Game, U.S. Fish and Wildlife Service, National Marine Fisheries Service

EXHIBIT:

A. Site and Location Map

PERMIT STREAMLINING ACT DEADLINE:

October 24, 1998

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 BECAUSE THERE IS NO POSSIBILITY THAT THE ACTIVITY MAY HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT; TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 (b) (3).

SIGNIFICANT LANDS INVENTORY FINDING:

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

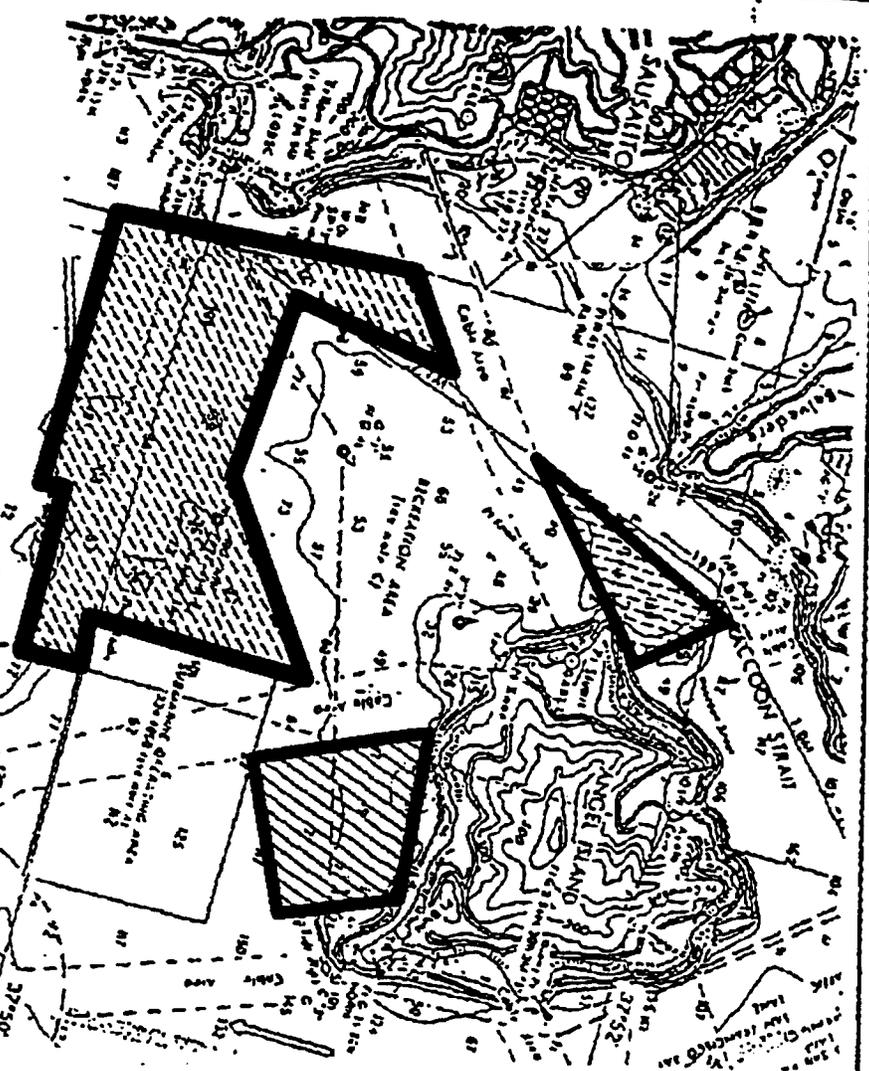
AUTHORIZATION:

AUTHORIZE THE AMENDMENT OF LEASE NO. PRC 7779.1, A SAND AND GRAVEL LEASE, OF LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, EFFECTIVE JULY 1, 1998, TO INCREASE THE EXTRACTION AMOUNT TO 400,000 CUBIC YARDS ANNUALLY, THE MINIMUM BIENNIAL ROYALTY TO \$97,500, AND THE BOND AMOUNT TO \$98,994; ALL OTHER TERMS AND CONDITIONS OF THE LEASE WILL REMAIN IN EFFECT WITHOUT AMENDMENT.

North Parcel
 Lat. 37-52-08N Long. 122-27-00W
 Lat. 37-51-18N Long. 122-27-22W
 Lat. 37-51-48N Long. 122-26-38W

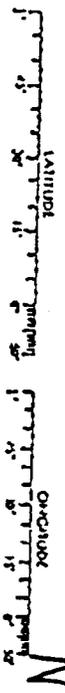
East Parcel
 Lat. 37-51-11N Long. 122-26-09W
 Lat. 37-50-37N Long. 122-25-49W
 Lat. 37-50-52N Long. 122-25-13W
 Lat. 37-51-13N Long. 122-25-25W

West Parcel
 Lat. 37-50-56N Long. 122-27-38W
 Lat. 37-50-54N Long. 122-28-00W
 Lat. 37-49-44N Long. 122-27-59W
 Lat. 37-49-44N Long. 122-26-44W
 Lat. 37-49-47N Long. 122-26-44W
 Lat. 37-49-48N Long. 122-26-00W
 Lat. 37-49-59N Long. 122-26-00W
 Lat. 37-49-59N Long. 122-26-15W
 Lat. 37-50-21N Long. 122-26-59W
 Lat. 37-50-22N Long. 122-27-45W



Application By: **Olin Jones Sand Company**
 1735 Marina Vista
 Hayward, CA 94553
 510-229-4800

Purpose: Sand Reclamation in San Francisco Bay near Angel Island, Marin & S.F. Counties.
 Adjoint property owners: State of California.
 Datum: MLLW
 Scale: 1:40,000
 Rev. 1/28/84
 From NOAA Chart #16552



LOCATION MAP

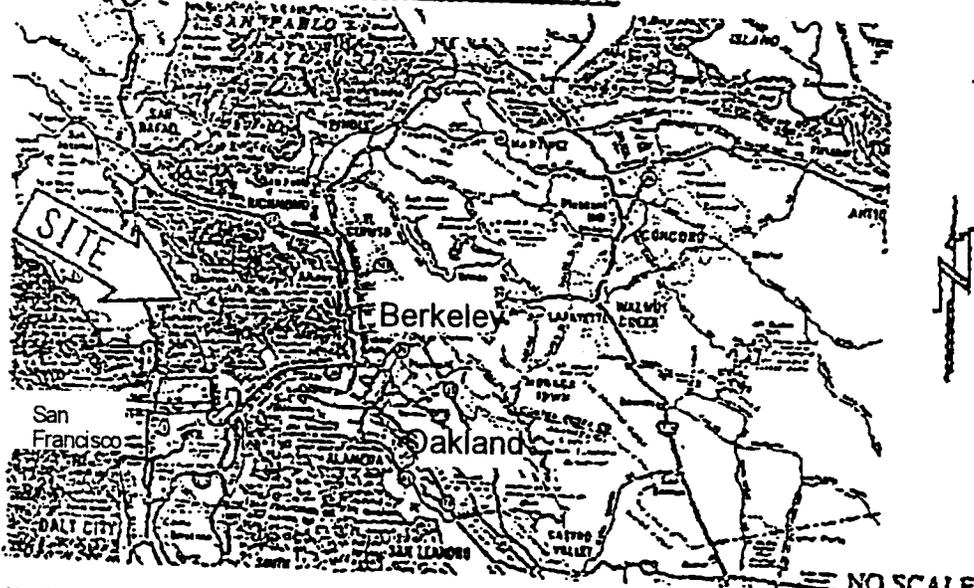


Exhibit A
 PRC 7779
 Dredging Application
 Olin Jones Sand Company
 San Francisco Bay
 SAN FRANCISCO &
 MARIN COUNTIES



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.