

**MINUTE ITEM**

This Calendar Item No. C50 was approved as Minute Item No. 50 by the California State Lands Commission by a vote of 3 to 0 at its 6-19-98 meeting.

**CALENDAR ITEM  
C50**

A 8, 9, 11  
S 4, 6, 7

06/19/98  
WP 3277.1  
D. Jones

**GENERAL LEASE - RIGHT OF WAY USE**

**LESSEE:**

Chevron U.S.A. Inc.  
P.O. Box 1392  
Bakersfield, California 93302

**AREA, LAND TYPE, AND LOCATION:**

7.7 acres, more or less, of tide and submerged lands in Honker Bay, Solano and Contra Costa counties; Roaring River, Montezuma Slough, and Grizzly Slough, Solano county; and the Sacramento River, Yolo and Sacramento counties.

**AUTHORIZED USE:**

Eight inch refined products pipeline (gasoline, diesel and jet fuel), with a 25 foot right of way.

**LEASE TERM:**

25 years, beginning May 1, 1997.

**CONSIDERATION:**

\$3,285 per year; with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

**SPECIFIC LEASE PROVISIONS:**

Insurance:

Liability insurance: Combined single limit coverage of \$2,000,000.

Bond:

\$100,000.

**OTHER PERTINENT INFORMATION:**

1. Applicant has a right to use the uplands adjoining the lease premises.

CALENDAR ITEM NO. C50 (CONT'D)

2. Lease Nos. PRC's 3277.1, 3278.1, 3279.1, 3280.1, and 3281.1 were issued to Standard Oil Company of California on April 29, 1965, for 15 year periods, each ending on April 28, 1980. Each of these leases had three ten year renewal options; however, none of the options were exercised by the Lessee.

Each lease was for one waterway crossing. It is proposed that one new lease be issued to Chevron U.S.A. Inc., the successor to Standard Oil Company of California, for all five crossings.

3. In 1980, there were discussions between staff and Chevron over the terms of a new lease. However, discussions were not concluded. Since 1996, Commission staff and Chevron have been in negotiations. In settlement of full payment for back rent, including penalty and interest, Chevron has agreed to pay back rent in the amount of \$37,247.00 for the period April 29, 1980 through May 1, 1997.
4. 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 as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; Title 14, California Code of Regulations, section 2905(a)(2).
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.

**EXHIBITS:**

- |                  |                   |
|------------------|-------------------|
| A.               | Lease Description |
| B-1 through B-5. | Location Maps     |
| C.               | Location Map      |

**PERMIT STREAMLINING ACT DEADLINE:**

N/A

CALENDAR ITEM NO. C50 (CONT'D)

**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 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 1, EXISTING FACILITIES; TITLE 2, CALIFORNIA CODE OF REGULATIONS, SECTION 2905 (a) (2).

**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:**

1. AUTHORIZE ISSUANCE TO CHEVRON U.S.A. INC. OF A GENERAL LEASE - RIGHT-OF-WAY USE, BEGINNING MAY 1, 1997, FOR A TERM OF 25 YEARS, FOR AN EIGHT INCH REFINED PRODUCTS PIPELINE WITH A 25 FOOT RIGHT OF WAY ON THE LAND SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF;  
CONSIDERATION: ANNUAL RENT IN THE AMOUNT OF \$3,285, WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENT PERIODICALLY DURING THE LEASE TERM; LIABILITY INSURANCE FOR COMBINED SINGLE LIMIT COVERAGE OF \$2,000,000; SURETY IN THE AMOUNT OF \$100,000.
2. AUTHORIZE WAIVER OF PENALTY AND INTEREST DUE ON LATE PAYMENT OF RENT FOR THE TIME PERIOD OF MAY 1, 1997 THROUGH JULY 1, 1998.
3. AUTHORIZE ACCEPTANCE OF \$37,247.00 AS FULL PAYMENT OF RENT, PENALTY AND INTEREST FOR THE PERIOD OF APRIL 29, 1980 THROUGH MAY 1, 1997.

**EXHIBIT A**  
**WP 3277**  
LAND DESCRIPTION

Five (5) parcels of tide and submerged lands along a pipeline as shown on map entitled "Pipeline San Francisco Area", dated August 28, 1969, No. PL SK 69-5, a copy of which is located in State Lands Commission file WP 3277, more particularly described as follows:

PARCEL 1

A strip of tide and submerged land 25 feet wide across the bed of Montezuma Slough approximately one mile south of Mein's Landing, Solano County, California, said strip lying 12.5 feet on each side of the following described center line:

BEGINNING at a point on the southerly bank of Montezuma Slough which bears S 8°00'19"W 7,419.95 feet from U.S.C.&G.S. triangulation station "Meins 2", said station having California Zone 3 coordinates of X = 1,596,701.75 and Y = 599,696.59; thence from the point of beginning N 23°19'18"E approximately 320 feet to the northerly bank of Montezuma Slough; containing 0.184 acre more or less.

EXCEPTING THEREFROM any land lying above the ordinary high water mark of Montezuma Slough.

Bearings and distances used in the above description are based on the California Coordinate System Zone 3.

PARCEL 2

A strip of tide and submerged land 25 feet wide in Suisun Bay and Honker Bay at their junction with the Sacramento River, Contra Costa and Solano Counties, approximately 3 miles west of Pittsburg, California, said strip lying 12.5 feet on each side of the following described center line:

BEGINNING at a point on the mean high tide line of Suisun Bay which bears N 6°48'44"E 7,278.85 feet more or less from Shell Oil Company water tank, said water tank having California Zone 3 coordinates of X = 1,584,136.14 and Y = 559,631.32; thence from the point of beginning leaving the mean high tide line N 10°53'00"E 300.00 feet and N 19°40'04"E approximately 12,575 feet to the southerly high water mark of Honker Bay.

SUBJECT TO the effect of the decree in the judgment quieting title in Solano County Superior Court Case No. 16074, Homer S. King v. State of California.

The bearings and distances used in the above description are based on the California Coordinate System Zone 3.

PARCEL 3

A strip of tide and submerged land 25 feet wide across the bed of the Sacramento River situate near Frederick A. Miller Park, Sacramento and Yolo Counties; said strip lying 12.5 feet on each side of the following described center line:

BEGINNING at a point on the right bank of the Sacramento River which bears N 44°16'15"E 163.91 feet from an iron pipe designated R.E. 53 and having California Zone 2 coordinates of X = 2,138,327.40 and Y = 324,959.69; thence from said point of beginning N 47°45'42"E approximately 600 feet to the left bank of the Sacramento River, containing 0.344 acre more or less.

EXCEPTING THEREFROM any land, if any, lying above the ordinary high water mark of the Sacramento River.

Bearings and distances used in the above description are based on the California Coordinate System Zone 2.

PARCEL 4

A strip of land 25 feet wide and approximately 100 feet in length across the bed of Grizzly Slough, Solano County, extending from the mean high tide line on the right bank to the mean high tide line on the left bank, the center line of said strip being a line having a bearing of N 25°32'04"E and being distant at right angles 458.74 feet from U.S.C.&G.S. triangulation station "Wheeler", said station having California Zone 3 coordinates of X = 1,588,837.86 and Y = 579,114.76, containing 0.057 acre more or less.

Bearings and distances used in the above description are based on the California Coordinate System Zone 3.

PARCEL 5

A strip of land 25 feet wide and approximately 100 feet in length across the bed of Roaring River Slough, Solano County, extending from the mean high tide line on the right bank to the mean high tide line on the left bank, the center line of said strip being a line having a bearing of N 25°32'04"E

CALENDAR PAGE	239
MINUTE PAGE	003462

and being distant at right angles 458.74 feet from U.S.C.&G.S. triangulation station "Wheeler", said station having California Zone 3 coordinates of X = 1,588,837.86 and Y = 579,114.76, containing 0.057 acre more or less.

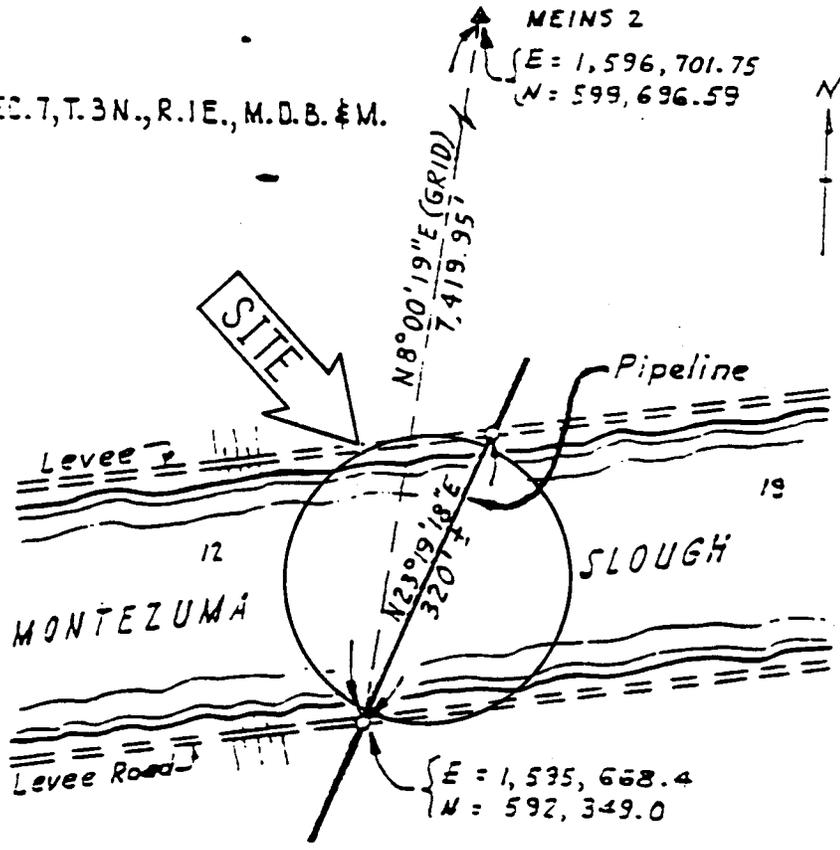
Bearings and distances used in the above description are based on the California Coordinate System Zone 3.

END OF DESCRIPTION

PREPARED DECEMBER 4, 1980 BY TECHNICAL SERVICES UNIT, ROY MINNICK, SUPERVISOR.

CALENDAR PAGE	240
MINUTE PAGE	003463

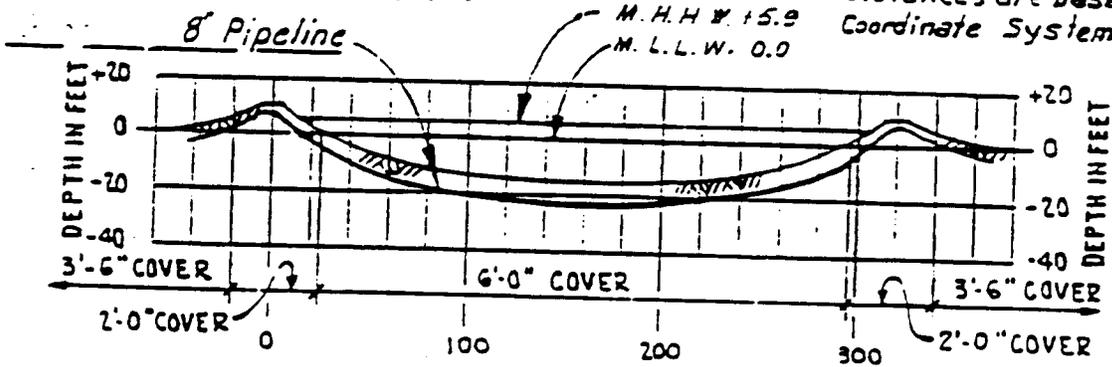
SEC. 7, T. 3 N., R. 1 E., M. D. B. & M.



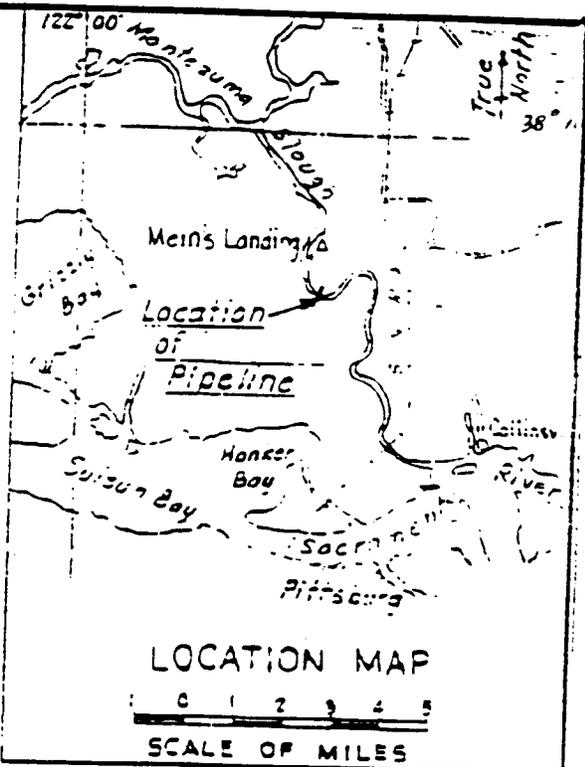
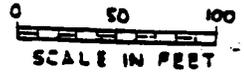
PLAN



This Land description 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.



PROFILE



- From U. S. G. S. Map, Sacramento
1. Bottom profile is assumed.
  2. Soundings are in feet and refer to mean lower low water (from U. S. C. & G. S. Chart No. 5534).
  3. Pipe Line is for transporting petroleum products.
  4. Coordinates, bearings and distances are based on the California Coordinate System Zone 3.

PIPE LINE  
across Montezuma Slough  
near Mein's Landing  
County of Solano, State of California  
Application by Standard Oil Company

**EXHIBIT B-1**  
**WP 3277**

of California  
 CALENDAR PAGE 241  
 February 12, 1965 Do  
 MINUTE PAGE 005464

WHEELER ISLAND  $574^{\circ}39'34''E$

Wheeler  
N 579.114.76  
E 1,588.837.86

466.10' (CALC)

M.R.W. 5

Pipe Line

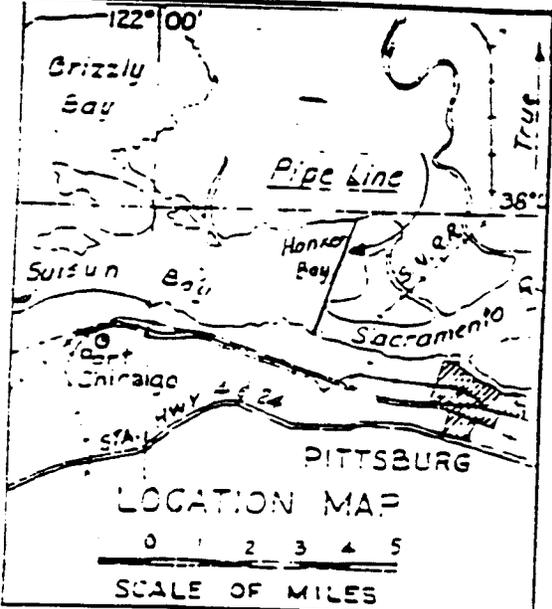
SITE

$N 10^{\circ}53'00''E$   
300.00'

$N 6^{\circ}48'44''E$   
7,278.85'  
SHELL OIL CO WATER TANK  
N 559,631.37  
E 1,584,136.14

PLAN

SCALE OF FEET

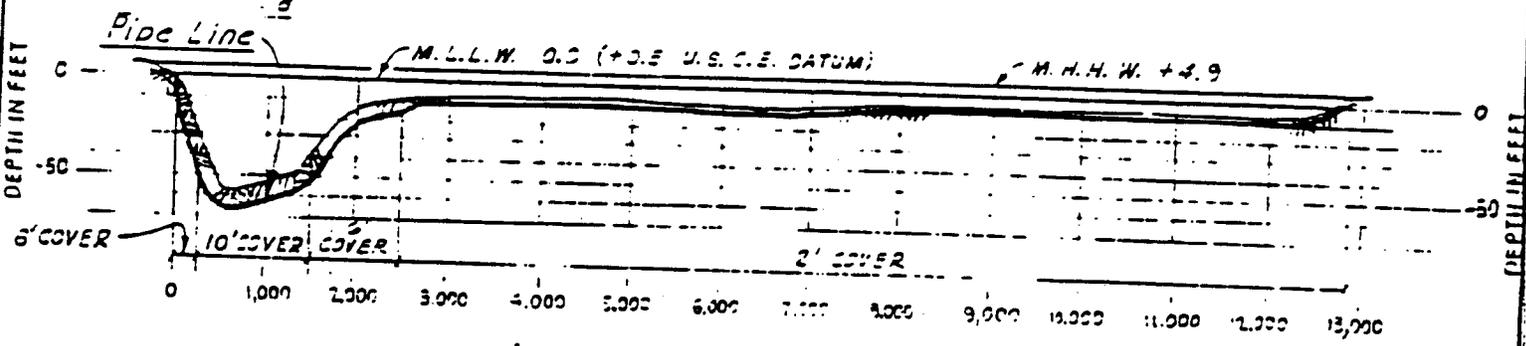


From U. S. G. S. Map, Sacramento

Soundings are in feet and refer to mean lower low water.

Pipe Line is for transporting Petroleum products.

Bearings, distances & coordinates are based on California Coordinate System, Zone 3.



PROFILE

SCALES OF FEET  
HORIZONTAL  
VERTICAL

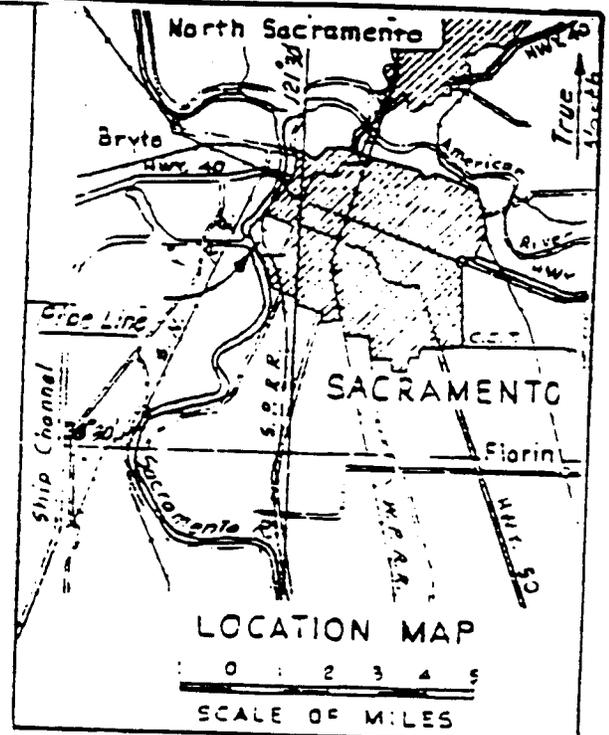
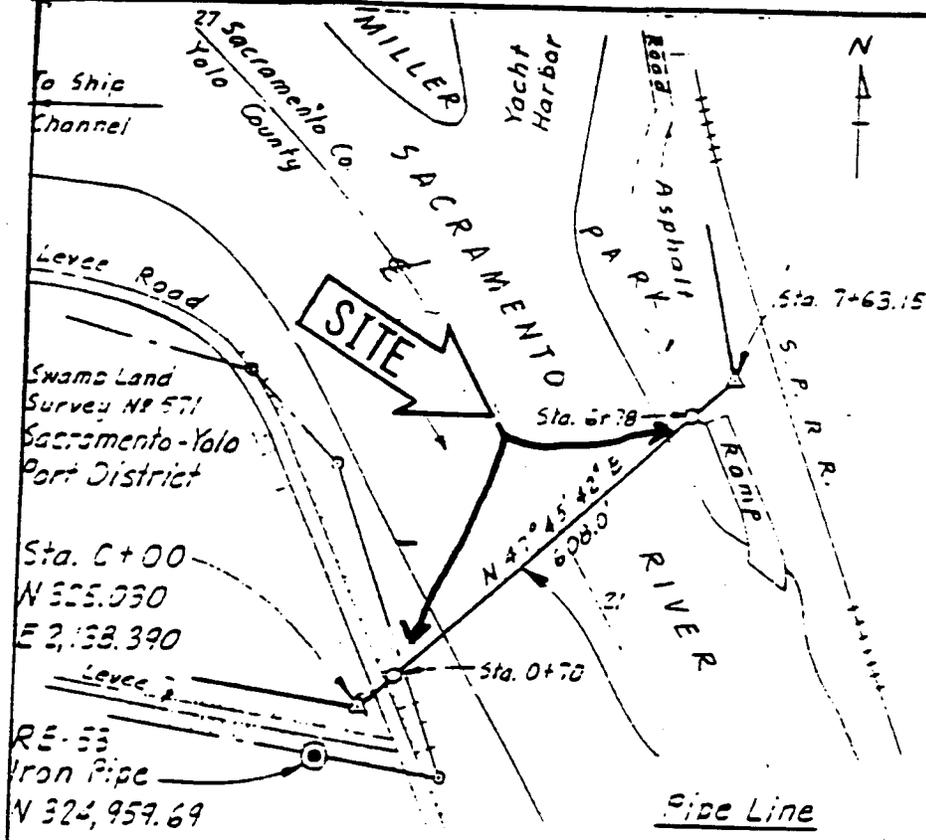
PIPE LINE  
across Suisun and Honker Bays  
near Pittsburg  
Counties of Contra Costa and Solano  
State of California  
Application by Standard Oil Company  
of California

EXHIBIT B-2

WP 3277

CALENDAR PAGE Feb. 12, 1965 Date 242  
MINUTE PAGE 003465

This Land description 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.



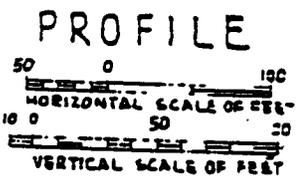
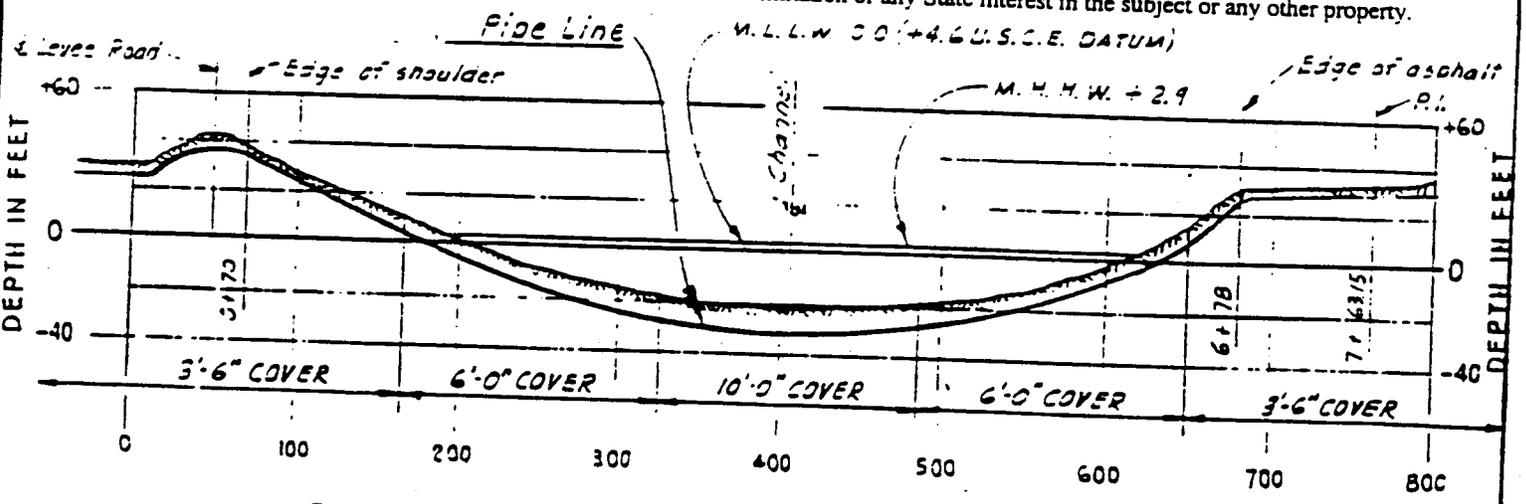
Sta. C+00  
 N 525.030  
 E 2,138.390

RE-53  
 Iron Pipe  
 N 324,959.69  
 E 2,138,327.40



Bearings, distances and coordinates are based on California Coordinate System Zone

This Land description 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.



**EXHIBIT B-3**  
**WP 3277**

**PIPE LINE**  
 across Sacramento River  
 near Frederick A. Miller Park  
 Counties of Yolo and Sacramento,  
 State of California  
 Application by Standard Oil Company  
 of California

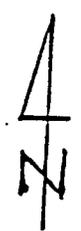
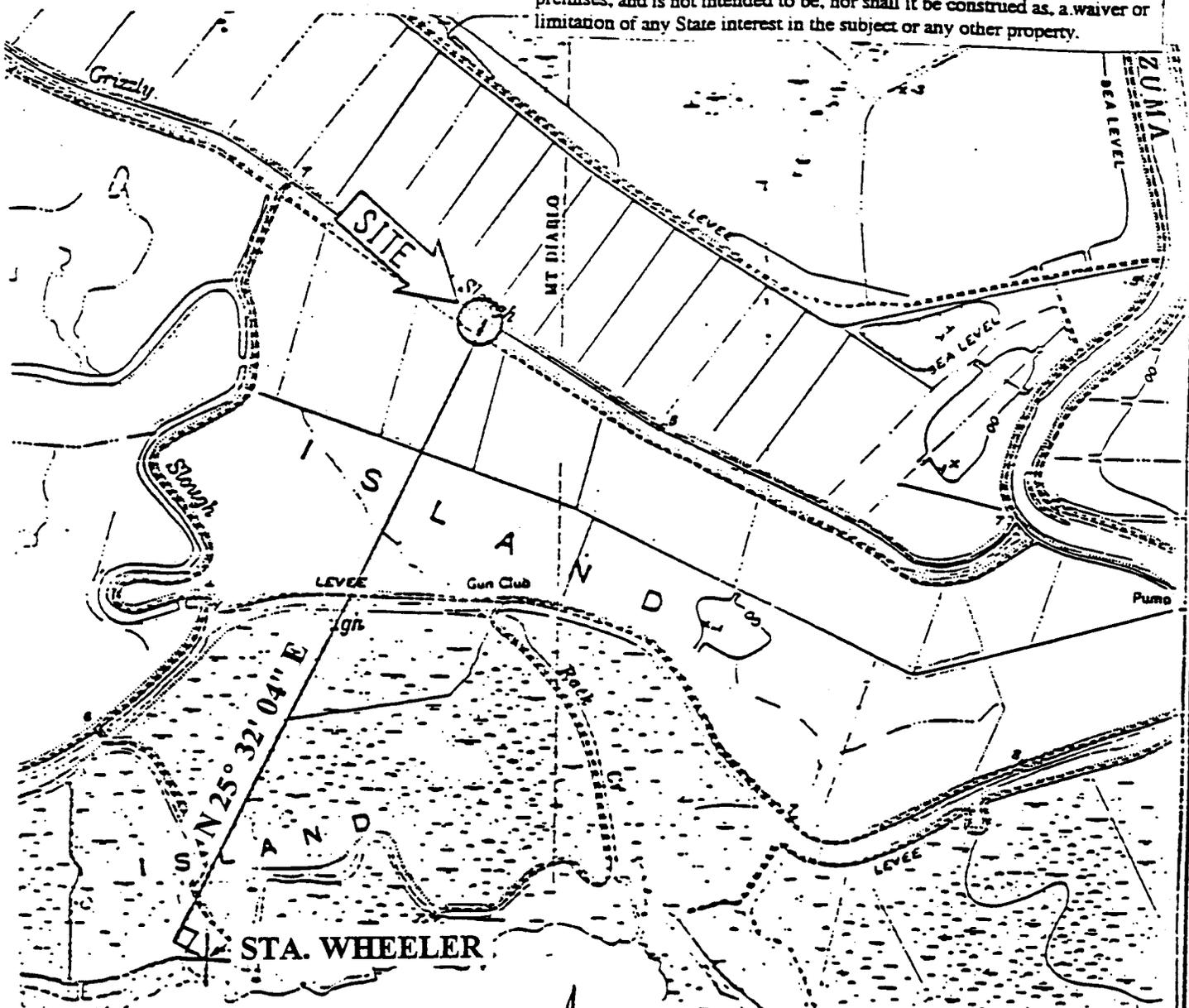
Bottom profile is assumed.  
 Soundings are in feet and refer to mean lower low water (from U.S.C. & G.S. Chart No. 5528).

Pipe Line is for transporting petroleum products.

CALENDAR DATE: January 12, 1954 Date

MINUTE PAGE 003466

This Land description 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.



1"=2000

T O N K E R  
B A Y

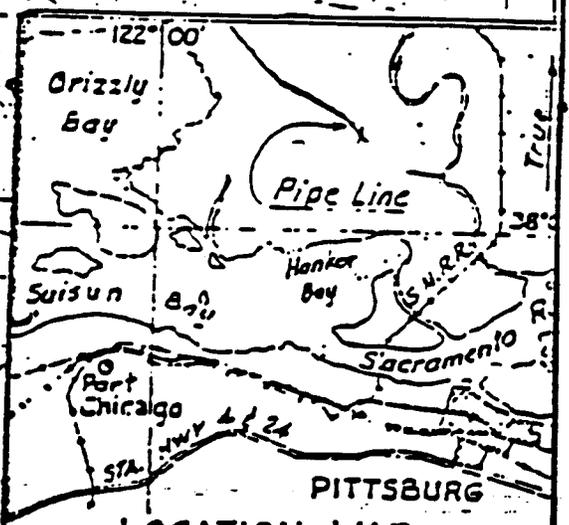
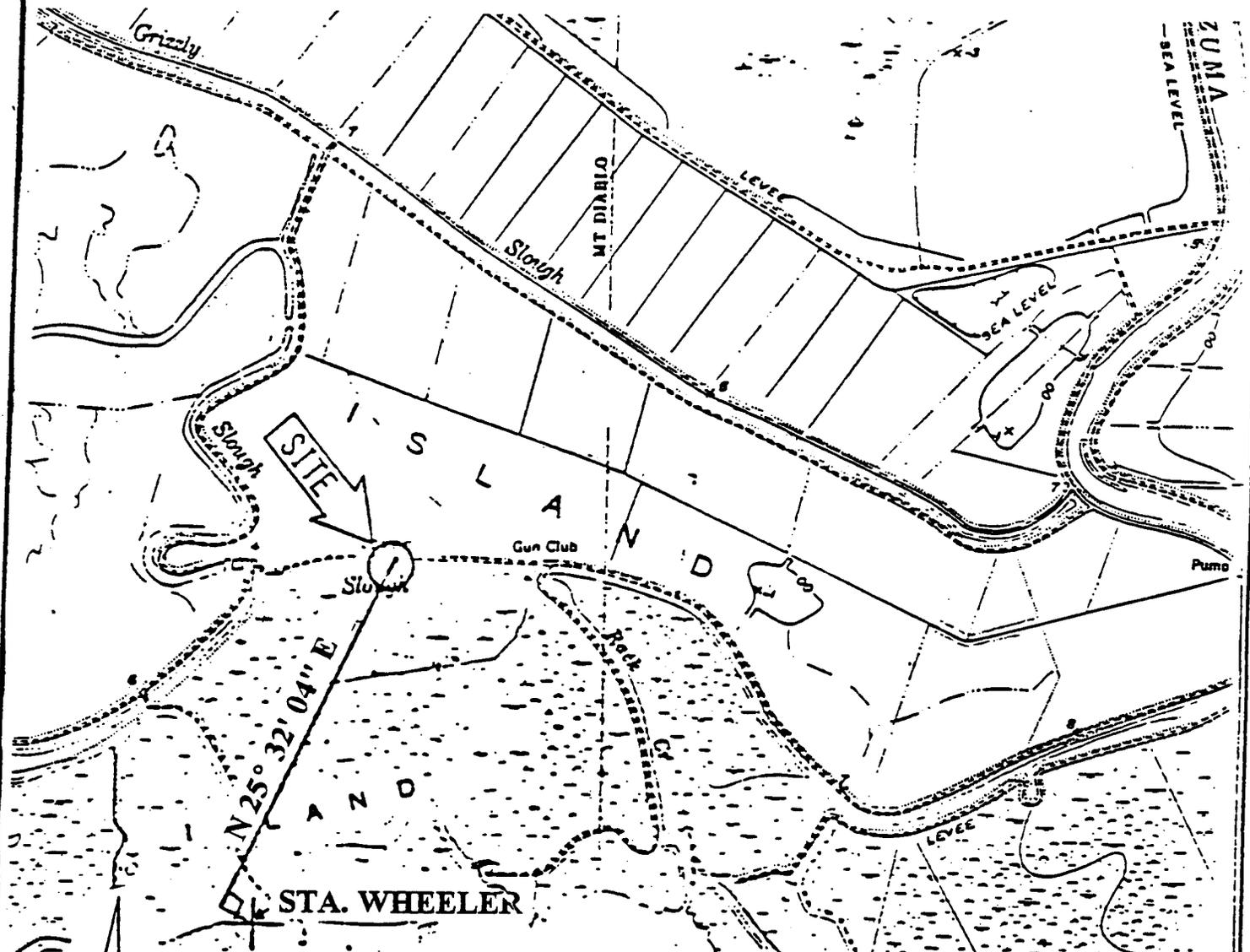


EXHIBIT B-4  
WP 3277

CALENDAR PAGE 244  
SCALE OF MILES  
MINUTE PAGE 003467

This Land description 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.

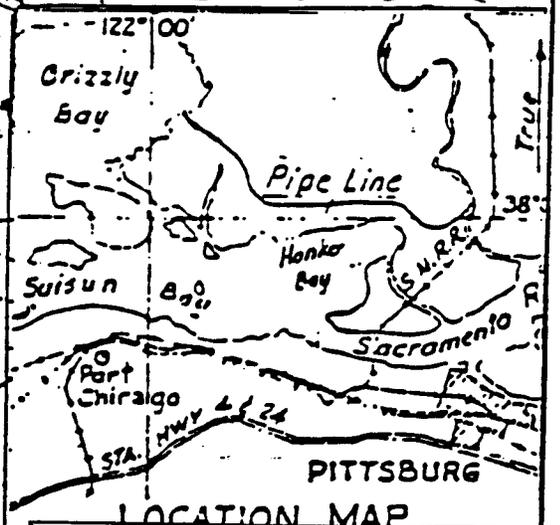


1"=2000'

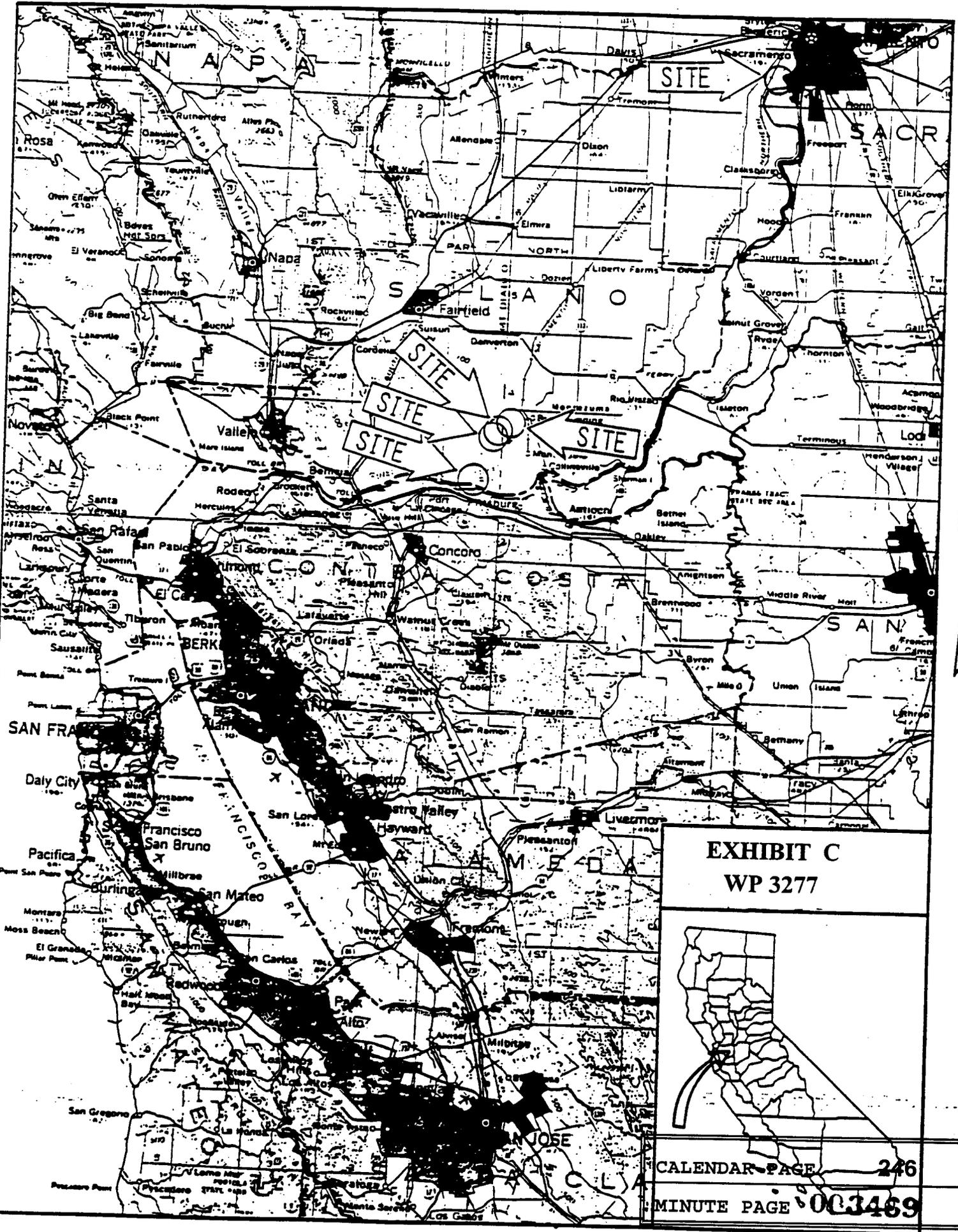
H O N K E R

B A Y

EXHIBIT B-5  
WP 3277



CALENDAR PAGE 245  
SCALE OF MILES 3468  
MINUTE PAGE 3468



**EXHIBIT C**  
**WP 3277**



CALENDAR PAGE 246

MINUTE PAGE 003469