

MINUTE ITEM

This Calendar Item No. 001 was approved as Minute Item No. 01 by the California State Lands Commission by a vote of 3 to 0 at its 12/16/98 meeting.

**CALENDAR ITEM
C01**

A 2
S 4

PRC 8046

12/16/98
W 25484
L. Burks

GENERAL LEASE - RIGHT OF WAY USE

APPLICANT:

Calpine Pipeline Corporation
50 West San Fernando Street
San Jose, California 95113

AREA, LAND TYPE, AND LOCATION:

0.30 acres, more or less, of submerged lands in the Sacramento River, seven miles downstream from the Tisdale Bypass, near the town of Robbins, Sutter and Yolo counties.

AUTHORIZED USE:

Installation, by directional boring, of a twelve-inch diameter welded steel carrier pipeline with a new eight-inch diameter welded steel, natural gas product pipe inside the carrier pipe, and abandonment in place of an existing eight-inch diameter pipeline.

LEASE TERM:

20 years, beginning October 15, 1998.

CONSIDERATION:

\$100 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 with coverage of no less than \$1,000,000.

Bond:

\$20,000.

OTHER PERTINENT INFORMATION:

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

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2. The proposed pipeline will replace an existing eight-inch diameter line under the river at the same location, which was taken out of service on February 8, 1998, when it developed a leak caused by internal microbiologically influenced corrosion. The existing eight-inch diameter pipeline has been abandoned in place. Lessee shall be responsible for maintenance of both pipelines.
3. 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 2, Replacement or Reconstruction; Title 2, California Code of Regulations, section 2905(b).

Authority: Public Resources Code section 21084 and Title 14, California Code of Regulations, section 15300 and Title 2, California Code of Regulations, section 2905.

4. 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.

APPROVALS OBTAINED:

United States Army Corps of Engineers; California State Reclamation Board; Reclamation District 1500; Reclamation District 108.

EXHIBITS:

- A-1 Legal Description
- A-2 Site Plan
- B Location Map

PERMIT STREAMLINING ACT DEADLINE:

01/08/99

CALENDAR ITEM NO. C01 (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 2, REPLACEMENT OR CONSTRUCTION; TITLE 2, CALIFORNIA CODE OF REGULATIONS, SECTION 2905(b).

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 ISSUANCE TO CALPINE PIPELINE CORPORATION OF A GENERAL LEASE - RIGHT OF WAY USE, BEGINNING OCTOBER 15, 1998, FOR A TERM OF 20 YEARS, FOR INSTALLATION, BY DIRECTIONAL BORING, OF A TWELVE-INCH DIAMETER WELDED STEEL CARRIER PIPELINE WITH A NEW EIGHT-INCH DIAMETER WELDED STEEL, NATURAL GAS, PRODUCT PIPE INSIDE THE CARRIER PIPE AND ABANDONMENT OF AN EXISTING EIGHT-INCH DIAMETER PIPELINE ON THE LAND SHOWN ON EXHIBIT A-2 ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; ANNUAL RENT IN THE AMOUNT OF \$100, WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENT PERIODICALLY DURING THE LEASE TERM, AS PROVIDED IN THE LEASE; LIABILITY INSURANCE WITH COVERAGE OF NO LESS THAN \$1,000,000; AND SURETY BOND IN THE AMOUNT OF \$20,000.

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EXHIBIT A-1

W 25484

A parcel of State owned land lying in the bed of the Sacramento River, situated in Yolo and Sutter Counties, California, within protracted Section 2, Township 12 North, Range 01 East, Mount Diablo Base and Meridian, described as follows:

A strip of land 50.00 feet in width, the centerline of which is described as follows:

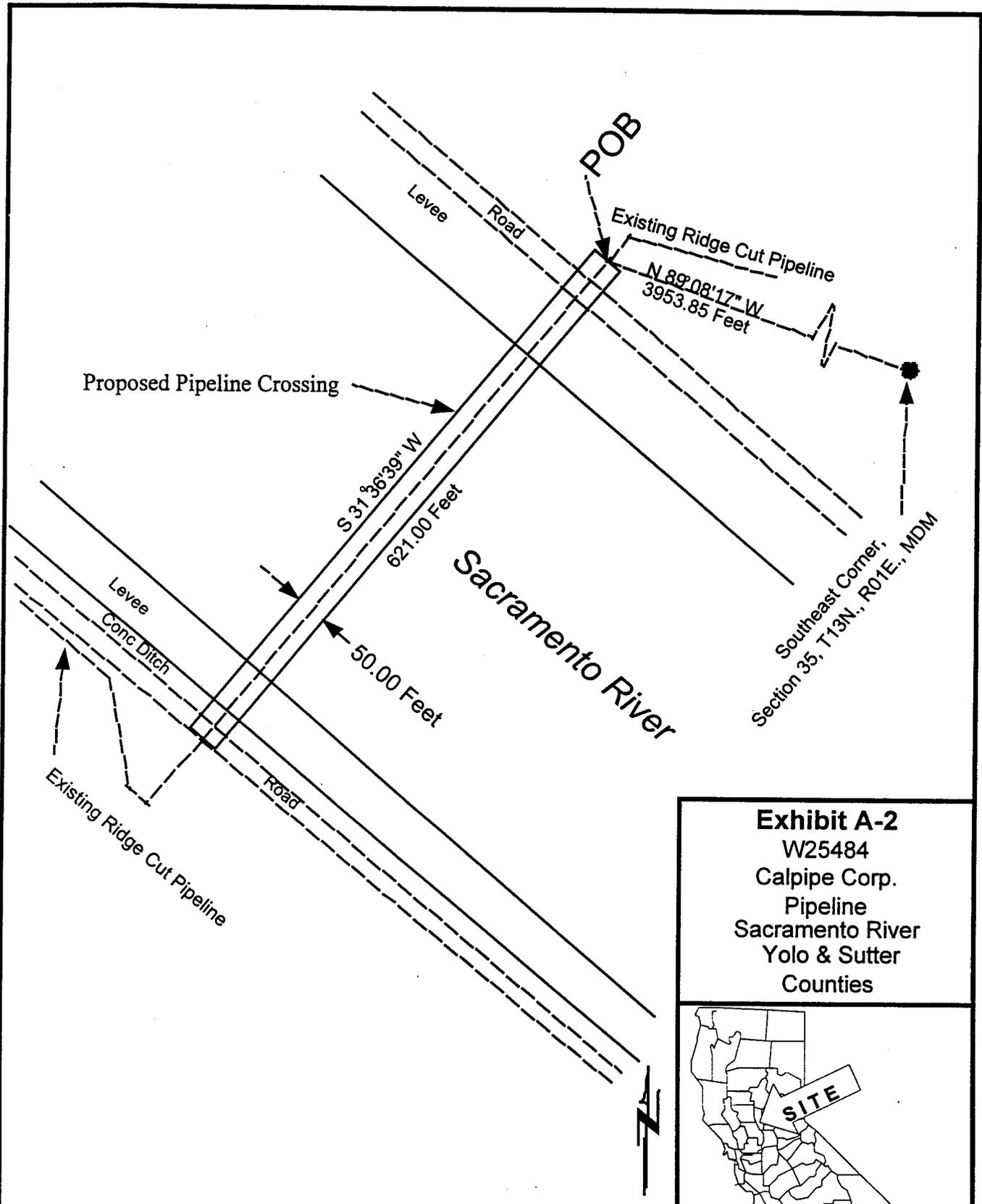
BEGINNING at a point on the north line of said Section 2, from which the southeast corner of Section 35, Township 13 North, Range 01 East, Mount Diablo Base and Meridian bears South 89°08'17" East, 3953.85 feet; thence from said **POINT OF BEGINNING** South 31°36'29" West, 621.00 feet to a point in the westerly levee road of the Sacramento River and the terminus of said strip.

EXCEPTING THEREFROM all those portions of said strip lying above the Ordinary Low Water Marks of the Sacramento River.

END DESCRIPTION

Revised November 1998 by LMD Boundary Staff.

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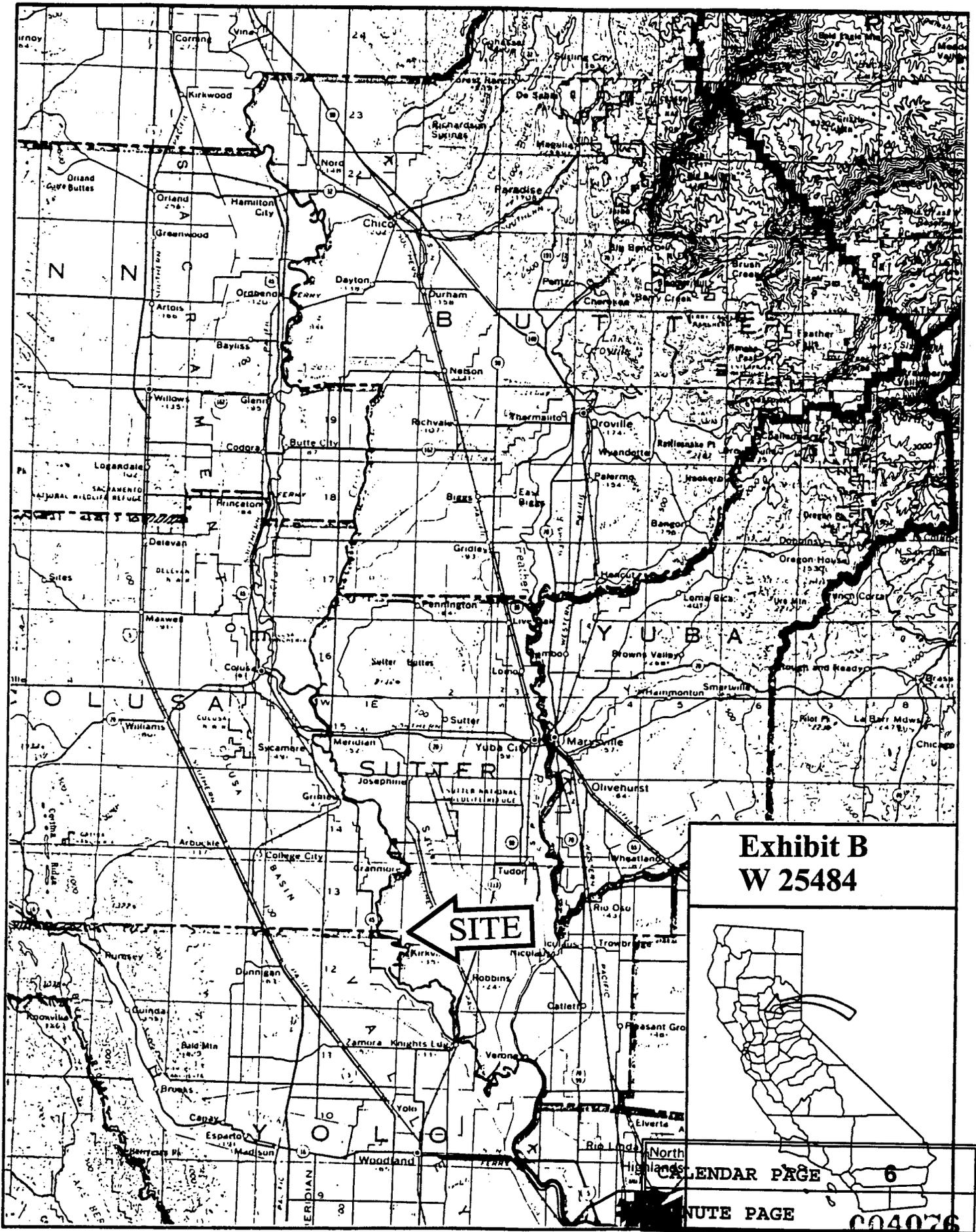


NO SCALE

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.

Exhibit A-2
 W25484
 Calpipe Corp.
 Pipeline
 Sacramento River
 Yolo & Sutter
 Counties





**Exhibit B
W 25484**



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