

MINUTE ITEM

This Calendar Item No. C08 was approved as Minute Item No. 08 by the California State Lands Commission by a vote of 3 to 0 at its 9-17-01 meeting.

**CALENDAR ITEM
C08**

A 8, 10
S 4, 5

09/17/01
PRC 8207 WP 8207.1
L. Burks

AMENDMENT OF LEASE

LESSEE:

Lodi Gas Storage, a Limited Liability Company
1822 W. Kettleman Lane, Suite 3
Lodi, California 95242

AREA, LAND TYPE, AND LOCATION:

1.34 acres, more or less, of tide and submerged lands in the Mokelumne, North and South Mokelumne rivers, Georgiana, Threemile, Jackson and Tomato sloughs, near the city of Lodi, Sacramento and San Joaquin counties.

AUTHORIZED USE:

Installation of a 24-inch diameter high-pressure gas pipeline connecting the existing Pacific Gas and Electric Line 401 at Sherman Island to the Lodi Gas Field located approximately 5.4 miles northeast of the city of Lodi to provide natural gas storage and hub services to natural gas consumers, utilities and marketing companies.

LEASE TERM:

20 years, beginning September 19, 2000.

CONSIDERATION:

\$1,070 per year; with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

PROPOSED AMENDMENT:

Amend the legal description by deleting Exhibit A-6 from said Lease and replacing with the new Exhibit A-6. All other terms and conditions of the lease shall remain in effect without amendment.

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OTHER PERTINENT INFORMATION:

1. Applicant has the right to use the uplands adjoining the lease premises.
2. On September 19, 2000, the California State Lands Commission (CSLC) approved the issuance of a 20 year General Lease – Right of Way Use No. PRC 8207.1 to Lodi Gas Storage, LLC, for the installation of a directionally bored single 24-inch diameter gas pipeline under the Mokelumne, North and South Mokelumne rivers, Georgiana, Threemile, Jackson and Tomatos sloughs, Sacramento and San Joaquin counties. No construction on the pipeline crossings has begun. The Board of Trustees of the Brack Tract Reclamation District 2033 has requested that Lodi Gas Storage select an alternate crossing under the South Mokelumne River, due to soil stability concerns. The owners on the other side (west side), Staten Island, have no objection to this alternate location. The alternate crossing is to be located approximately 200 feet north of the existing pump station.
3. An EIR was prepared and certified for this project by the California Public Utilities Commission (SCH 1999022065). The CSLC staff has reviewed such document and Mitigation Monitoring Program adopted by the lead agency.
4. Findings made in conformance with the State CEQA Guidelines (Title 14, California Code of Regulations, sections 15091 and 15096) are on file in the office of the CSLC.
5. A Statement of Overriding Considerations made in conformance with the State CEQA Guidelines (Title 14, California Code of Regulations, section 15093) is on file in the office of the CSLC.

APPROVALS OBTAINED:

Brack Tract Reclamation District 2033

EXHIBITS:

- A-6. Legal Description
- B. Location Map

PERMIT STREAMLINING ACT DEADLINE:

N/A

CALENDAR ITEM NO. C08 (CONT'D)

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

1. FIND THAT AN EIR WAS PREPARED AND CERTIFIED FOR THIS PROJECT BY THE CALIFORNIA PUBLIC UTILITIES COMMISSION AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.
2. ADOPT THE FINDINGS MADE IN CONFORMANCE WITH TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTIONS 15091 AND 15096(h), ON FILE IN THE OFFICE OF THE CALIFORNIA STATE LANDS COMMISSION.
3. ADOPT THE MITIGATION MONITORING PROGRAM, ON FILE IN THE OFFICE OF THE CALIFORNIA STATE LANDS COMMISSION.
4. ADOPT THE STATEMENT OF OVERRIDING CONSIDERATIONS MADE IN CONFORMANCE WITH TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15093, ON FILE IN THE OFFICE OF THE CALIFORNIA STATE LANDS COMMISSION.

AUTHORIZATION:

AUTHORIZE THE AMENDMENT OF LEASE NO. PRC 8207.1, A GENERAL LEASE - RIGHT OF WAY USE, OF LANDS DESCRIBED ON EXHIBIT A-6 ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, EFFECTIVE JUNE 15, 2001, TO AMEND THE LEGAL DESCRIPTION BY DELETING EXHIBIT A-6 FROM SAID LEASE AND REPLACING WITH A NEW EXHIBIT A-6; ALL OTHER TERMS AND CONDITIONS OF THE LEASE WILL REMAIN IN EFFECT WITHOUT AMENDMENT.



Exhibit A-6

LEGAL DESCRIPTION SOUTH MOKELUMNE RIVER CROSSING

ALL THAT REAL PROPERTY SITUATE IN THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND 30.00 FEET IN WIDTH AND 372.0 FEET IN LENGTH LYING IN SECTION 35, TOWNSHIP 4 NORTH, RANGE 4 EAST, MOUNT DIABLO BASE AND MERIDIAN, THE CENTERLINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE LEFT BANK OF THE SOUTH FORK OF THE MOKELUMNE RIVER (LOOKING DOWNSTREAM) ADJACENT TO THAT CERTAIN PARCEL OF LAND GRANTED TO ETHEL W. POWELL BY DEED DATED FEBRUARY 7, 1936 AND RECORDED MARCH 2, 1936 IN VOLUME 531 AT PAGE 45 OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, SAID POINT LYING NORTH 33°26'50" WEST 523.65 FROM AN IRON ROD ON THE CENTERLINE OF THE WOODBRIDGE ROAD RIGHT-OF-WAY AT THE WEST END OF THAT COURSE DESIGNATED AS NORTH 82°11'00" EAST 797.60 FEET, ALL AS SHOWN ON THAT CERTAIN MAP FILED FOR RECORD ON JUNE 11, 1991 IN BOOK 31 OF SURVEYS AT PAGE 175, SAN JOAQUIN COUNTY RECORDS; THENCE NORTH 86°56'54" WEST 372.0 FEET MORE OR LESS, TO A POINT ON THE RIGHT BANK OF SAID MOKELUMNE RIVER (LOOKING DOWNSTREAM) ADJACENT TO THAT CERTAIN PARCEL OF LAND KNOWN AS STATEN ISLAND GRANTED TO PACIFIC REALTY ASSOCIATES, L.P., BY DEED DATED APRIL 14, 1997 AND RECORDED AS INSTRUMENT NUMBER 97036782, SAN JOAQUIN COUNTY RECORDS.

EXCEPTING THEREFROM ANY PORTION LYING LANDWARD OF THE ORDINARY HIGH WATER MARKS OF THE SOUTH MOKELUMNE RIVER.

SAID EASEMENT CONTAINS 0.26 ACRES MORE OR LESS.

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NO SCALE

LOCATION MAP

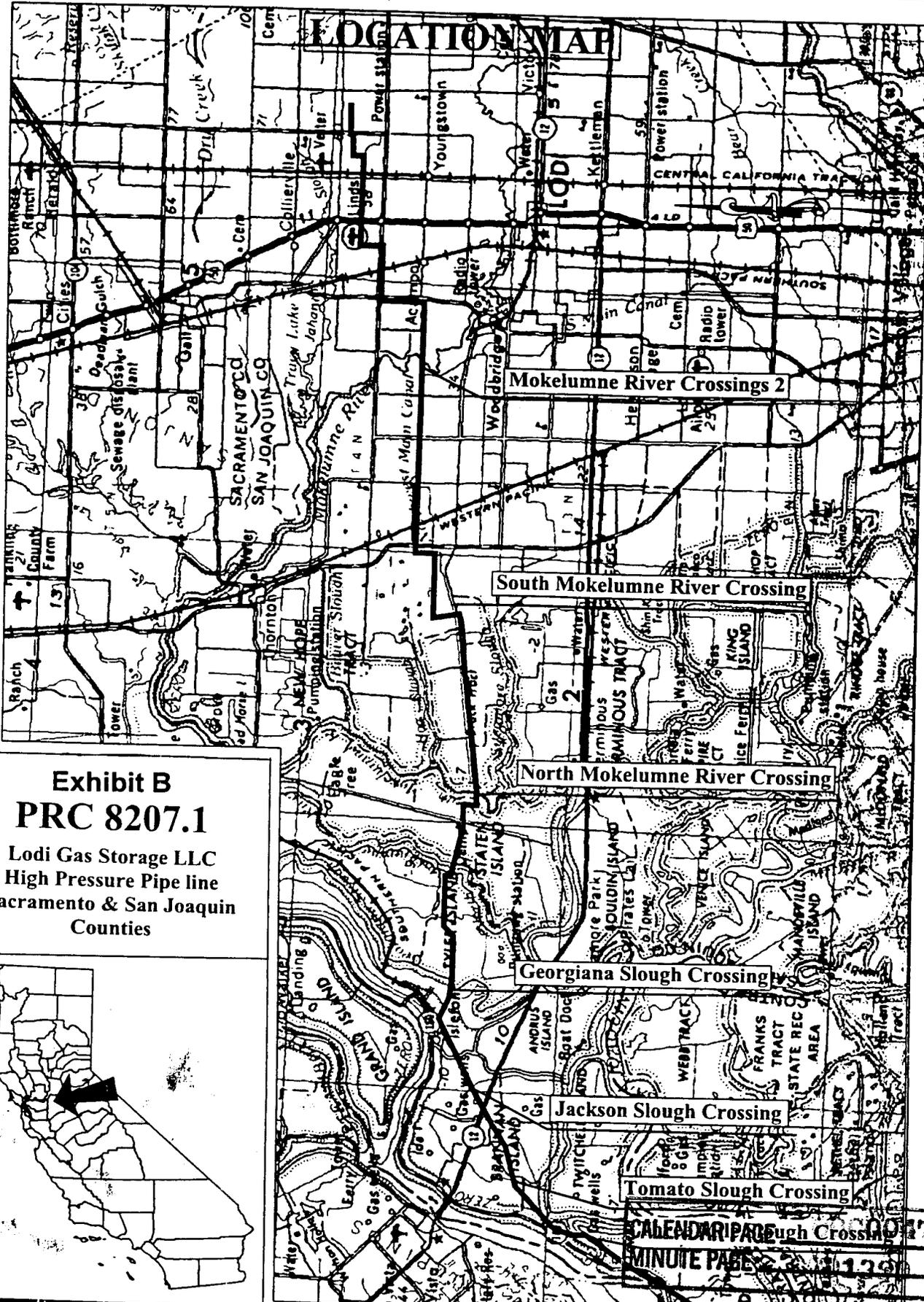


Exhibit B

PRC 8207.1

Lodi Gas Storage LLC
 High Pressure Pipe line
 Sacramento & San Joaquin
 Counties



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