

MINUTE ITEM
This Calendar Item No. C52
was approved as Minute Item
No. 52 by the State Lands
Commission by a vote of 3
to 0 at its 11-26-01
meeting

CALENDAR ITEM
C52

A 30
S 16

11/26/01
PRC 4989 WP 4989.1
J. Smith

LEASE RENEWAL

LESSEE:

Southern California Gas Company
P.O. Box 513249
Mail Location 26C2
Los Angeles, California 90051-1249

AREA, LAND TYPE, AND LOCATION:

Sovereign lands in the Kings River, near State Highway 41, Kings County.

AUTHORIZED USE:

Continued use and maintenance of one 16" diameter pipeline used for the transmission of natural gas.

PREVIOUS LEASE TERM(S):

Original Lease: 15 years, beginning March 1, 1975; with a renewal option for three successive periods of ten years each.
First Renewal: Ten years, beginning March 1, 1990.

PROPOSED LEASE TERM:

Ten years, beginning March 1, 2000.

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.

OTHER PERTINENT INFORMATION:

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

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2. The Lessee is proposing to exercise its second ten-year renewal option for continued use and maintenance of a 16" diameter natural gas pipeline. The original lease was issued for a term of 15 years beginning March 1, 1975, with a renewal option for three successive periods of ten years each. The Lease was renewed for ten years on March 1, 1990. The Commission's engineering staff has reviewed the information provided by the Lessee concerning the integrity of the pipeline. The pipeline is visually inspected annually. The pipeline is regulated by the Federal Department of Transportation (DOT) and the California Public Utilities Commission (CPUC). Commission staff is satisfied that the pipeline is being operated in compliance with the requirements of the DOT and the CPUC. The new lease will require the Lessee to provide written evidence of compliance to Commission staff beginning January 1, 2002, and every two years thereafter.
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 1, Existing Facilities; Title 14, California Code of Regulations, section 15301; Title 2, California Code of Regulations Section 2905(a)2.
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.

EXHIBITS:

- A. Land Description
- B. Location Map

PERMIT STREAMLINING ACT DEADLINE:

N/A

CALENDAR ITEM NO. C52 (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 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15301; 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:

AUTHORIZE ISSUANCE TO SOUTHERN CALIFORNIA GAS COMPANY OF A GENERAL LEASE - RIGHT OF WAY USE, BEGINNING MARCH 1, 2000, FOR A TERM OF TEN YEARS, FOR CONTINUED USE AND MAINTENANCE OF A 16" DIAMETER NATURAL GAS PIPELINE ON THE LAND DESCRIBED ON EXHIBIT A 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.

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EXHIBIT "A"

LAND DESCRIPTION

PRC 4989.1

A strip of submerged land 20 feet wide, across the State-owned bed of the South Fork of the Kings River, within Section 16, T18S, R20E, MDM, Kings County, California, and lying 10 feet on each side of the following described centerline:

COMMENCING at the northeast corner of Section 21, T18S, R20E, MDM; thence N 54° 47' W, 3638.78 feet to the POINT OF BEGINNING; thence N 07° 16' W, 307.78 feet to the end of the herein described line.

EXCEPTING THEREFROM any portion lying landward of the ordinary low water mark of the South Fork of the Kings River.

Bearings used in the above parcel are based on the California Coordinate System, Zone 4, 1927 N.A.D.

END OF DESCRIPTION

PREPARED DECEMBER 6, 1989 BY BIU 1.

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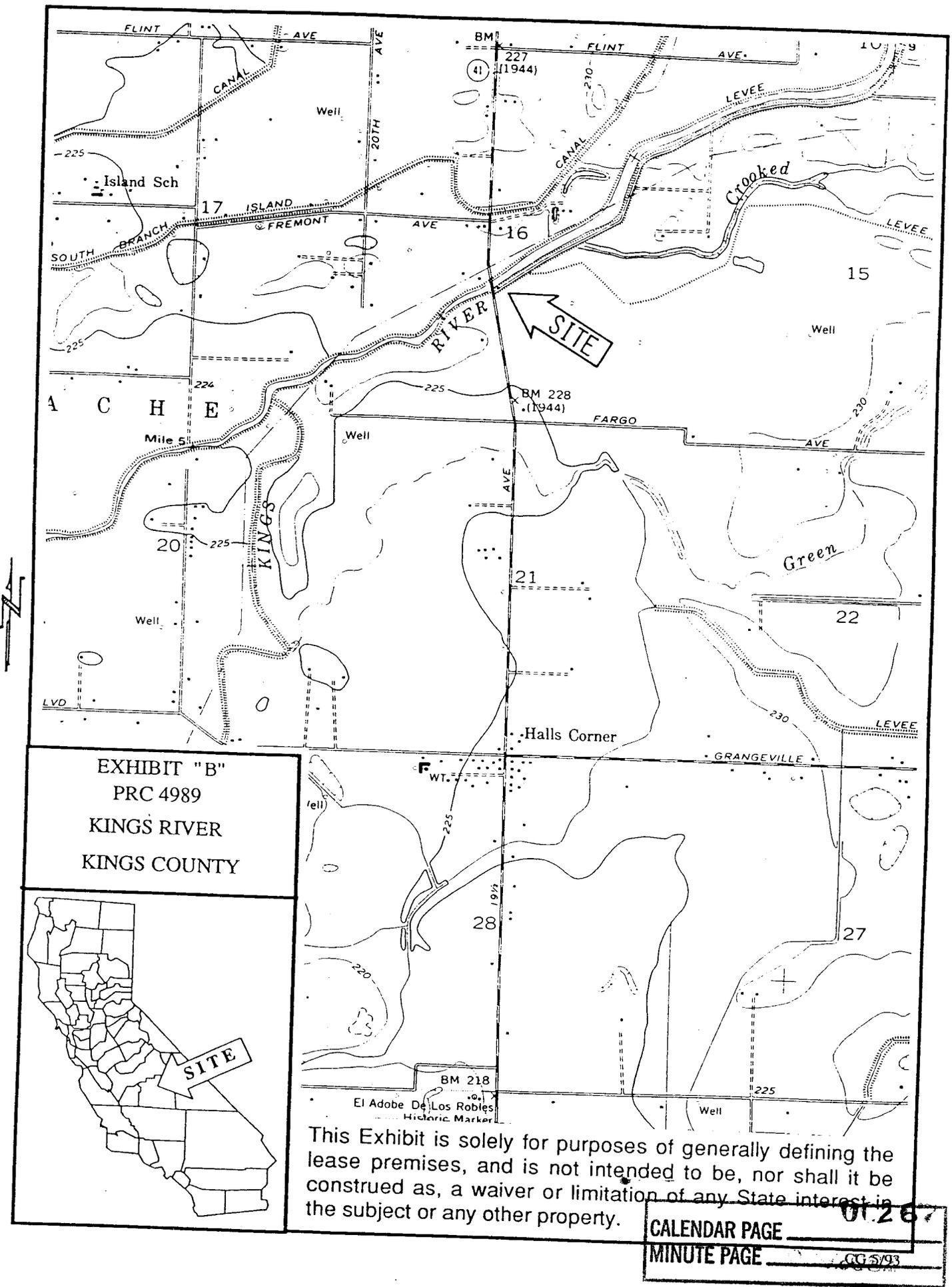


EXHIBIT "B"
 PRC 4989
 KINGS RIVER
 KINGS COUNTY



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.

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