CALENDAR ITEM

C43

A	34	06/24/08
		WP 8576.9
S	18	S. Young

AMENDMENT OF LEASE

LESSEE:

City of Los Angeles
Department of Water and Power
300 Mandich Street
Bishop, CA 93514-3449

AREA, LAND TYPE, AND LOCATION:

A) 6.702 acres, more or less, of sovereign lands in the dry lake bed of Owens Lake and B) 0.041 acres, more or less of sovereign lands in the Owens River Delta, both sites are, located near the town of Lone Pine, Inyo County.

AUTHORIZED USE:

A) The installation and maintenance of a 34.5kV overhead electrical transmission facility, including 4,171 feet of overhead power line, and
B) the placement of two stream gages as components of the Lower Owens River Project.

LEASE TERM:

20 years for electrical transmission facilities, beginning December 9, 2004.
Three years for the placement of two stream gages, beginning December 9, 2004.

CONSIDERATION:

The public health and safety; with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the State's best interest.

PROPOSED AMENDMENT:

The replacement of a damaged stream gage located on the east channel of the Owens River Delta and extend the lease term as to the existing and replacement stream gages to June 30, 2009. All other terms and conditions of the lease shall remain in effect without amendment.

OTHER PERTINENT INFORMATION:

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

2 The Lower Owens River Project provides compensatory mitigation for impacts related to groundwater pumping by LADWP from 1970 to 1990 that could not easily be quantified and mitigated directly. The LORP includes the restoration of flow in the portion of the Lower Owens River from which water was diverted by LADWP beginning in 1913. In June of 2004, LADWP adopted a final environmental impact report that addressed the LORP. The LORP was proposed to provide permanent water supplies to several lakes, ponds and waterfowl and shorebird habitat in the Lower Owens River area. The water is supplied from the Los Angles Aqueduct. The LORP includes a permanent base flow of 40 cubic feet per second in the Lower Owens River channel and high seasonal habitat flows. The new pump system at the north shore of Owens Lake pumps water either to the Los Angeles Aqueduct to recover some of the water released to the River or is routed to Owens Lake for dust control.

   On December 9, 2004, the Commission approved the issuance of a General Lease – Public Agency Use, Lease No. PRC 8576.9, to the city of Los Angeles, Department of Water and Power (LADWP), for the installation and maintenance of a 34.5kV overhead electrical transmission facility in the dry lake bed of Owens Lake, and the placement of two stream gages in the Owens River Delta (Delta) as components of the LORP. The transmission facilities serve a new pump station at the north shore of Owens Lake. The Delta contains two major channels, the east branch and the west branch. The gages were installed at the downstream end of the east and west branches, approximately 2.5 miles southeast of the pump station. These temporary gages are used to monitor the outflow from the Delta during the first two years following completion of the pump station and to establish the amount of baseflows to be released to the Delta in subsequent years.

3. LADWP is now applying for an extension of the stream gage portion of the lease through June 30, 2009, and for the reconstruction of the east measuring station that was washed out during a high flow event. The extension of the lease term, as to the measuring stations and gages, would allow for a continuous year of data collection in the Lower Owens River Delta as required under the Inyo County Superior Court approved Stipulation and Order (Order) dated July 7, 2007 (Sierra Club and Owens Valley Committee vs. City of Los Angeles, Case No. S1CVCV 01-29768). The purpose of the Order is to resolve legal issues surrounding the implementation of the LORP and to establish certain data reporting

requirements. It also provides criteria as to permanent baseflows in the Lower Owens River and provides a mechanism for the enforcement of the Order's provisions. Parties to the Order are LADWP, the County of Inyo, California Department of Fish and Game, the California State Lands Commission, the Owens Valley Committee, and the Sierra Club.

4. **Lease Extension**: Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, section 15060(c)(3)], the staff has determined that this activity is not subject to the provisions of the CEQA because it is not a "project" as defined by the CEQA and the State CEQA Guidelines.

   Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, sections 15060 (c)(3) and 15378.

5. **Reconstruct Stream Gage**: 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.

6. 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:

U.S. Army Corps of Engineers
California Department of Fish and Game
Regional Water Quality Control Board, Lahontan Region
Inyo County
City of Los Angeles – Board of Water and Power Commissioners

EXHIBITS:

A. Location and Site Map

RECOMMENDED ACTION:
IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

LEASE EXTENSION: FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

RECONSTRUCT STREAM GAGE: 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 RECONSTRUCTION; TITLE 2, CALIFORNIA CODE OF REGULATIONS, SECTION 2905 (b).

SIGNIFICANT LANDS INVENTORY FINDING:

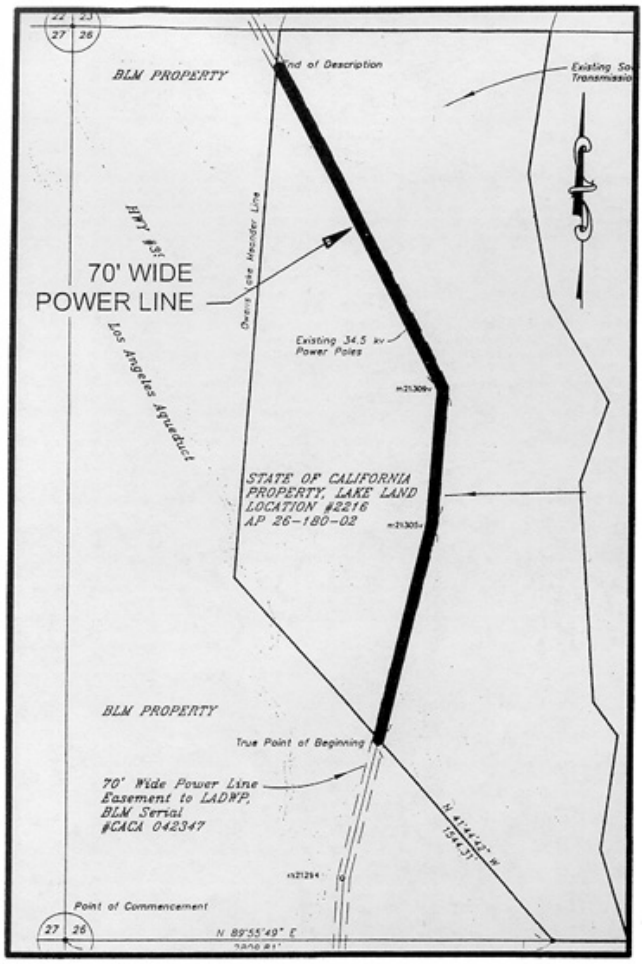
FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

AUTHORIZATION:

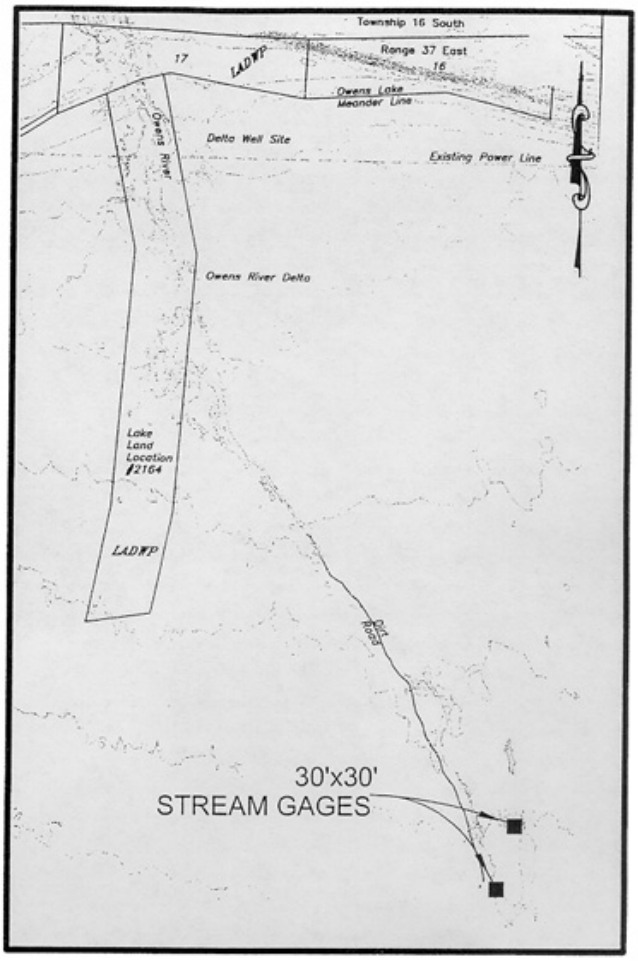
AUTHORIZE THE AMENDMENT OF LEASE NO. PRC 8576.9, A GENERAL LEASE - PUBLIC AGENCY USE, OF LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; FOR THE REPLACEMENT OF A DAMAGED STREAM MONITORING GAGE AND THE EXTENSION OF THE LEASE TERM FOR THE TWO MONITORING GAGES TO JUNE 30, 2009; ALL OTHER TERMS AND CONDITIONS OF THE LEASE WILL REMAIN IN EFFECT WITHOUT AMENDMENT.

POWER LINE SITE

NO SCALE



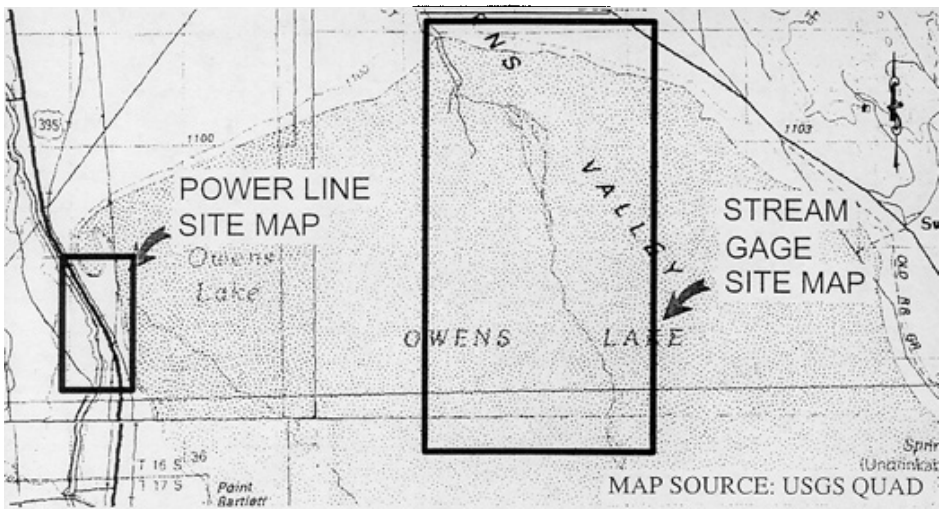
STREAM GAGE SITE



LOWER OWENS RIVER PROJECT (LORP)

NO SCALE

LOCATION



This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties 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

PRC 8576.9

CITY OF LOS ANGELES
DEPARTMENT OF
WATER & POWER
Mitigation-Restoration Project
OWENS LAKE
INYO COUNTY

MJJ 10/04