MINUTE ITEM

This Calendar Item No. <u>CO5</u> was approved as Minute Item No. <u>O5</u> by the California State Lands Commission by a vote of <u>3</u> to <u>CO</u> at its <u>6-2-03</u> meeting.

CALENDAR ITEM C05

A 15 06/02/03 PRC 8450 WP 8450.1 S 5

AMENDMENT OF LEASE

APPLICANT:

CPN Pipeline Company 60 River Road Rio Vista, California 94571

AREA, LAND TYPE, AND LOCATION:

0.66 acres, more or less, of tide and submerged lands in the Sacramento River, between Brannan Island and the Montezuma Hills, near the city of Rio Vista, Sacramento and Solano counties.

AUTHORIZED USE:

Construction of a horizontal directionally drilled, 12-inch high-pressure natural gas pipeline.

LEASE TERM:

20 years, beginning April 7, 2003.

CONSIDERATION:

\$690 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 description of lease premises by deleting Exhibit A from said Lease and replacing with the new Exhibit A, attached hereto. All other terms and conditions of the lease shall remain in effect without amendment.

OTHER PERTINENT INFORMATION:

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

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- 2. On April 7, 2003, the Commission authorized issuance of a General Lease - Right-of-Way Use No. PRC 8450.1 to CPN Pipeline Company for installation of a 12-inch diameter high-pressure natural gas pipeline. At the time of Commission action, CPN had obtained permission from the adjacent property owners, the Beresford Boscoe group (comprised of a total of 17 owners of varying interests), to place the bore entry site for the horizontal directionally drilled (HDD) pipeline route beneath the bed of the Sacramento River on their property. Since then, one of the owners has passed away and the subsequent landowner is not willing to give permission for an easement across the property. The location of the new bore entry site is located approximately 500 feet to the north of the original entry site, approximately 1,000 feet west of the Sacramento River, and the exit site on the east side of the river has been moved 85 feet to the south. CPN has obtained permission from Ms. Deterding to place the new bore entry site on her property. The bore exit site will remain on property that CPN has already obtained permission. The new locations of the HDD entry and exit locations, as well as the proposed amendment to the CSLC lease area under the Sacramento River, are shown on Exhibit A.
- 3. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15025), the staff prepared a Proposed Mitigated Negative Declaration identified as CSLC ND No. 715, State Clearinghouse No. 2002082006. Such Proposed Mitigated Negative Declaration was prepared and circulated for public review pursuant to the provisions of the CEQA.

Based upon the Initial Study, the Proposed Mitigated Negative Declaration, and the comments received in response thereto, the Commission determined that there was no substantial evidence that the project before it would have a significant effect on the environment; Title 14, California Code of Regulations, section 15074(b).

A Mitigation Monitoring Program was also prepared in conformance with the provisions of the CEQA (Public Resources Code section 21081.6).

4. On April 7, 2003, the Commission adopted the Proposed Mitigated Negative Declaration, the Mitigation Monitoring Program, and approved the lease for the project as previously proposed.

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5. Staff has reviewed photographs of the locations and areas surrounding the proposed new HDD entry and exit locations, as well as design and geotechnical information for the amended pipeline crossing of the Sacramento River, and has determined that the revised right-of-way constitutes a minor modification of the project approved by the CSLC on April 7, 2003, and that there is no evidence of new or additional potentially significant environmental effects that were not adequately addressed and mitigated in the proposed project analyzed in the adopted Mitigated Negative Declaration identified as CSLC ND No. 715, State Clearinghouse No. 2002082006.

EXHIBIT:

A. Site Plan and Location Map

PERMIT STREAMLINING ACT DEADLINE:

November 23, 2003

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

- CERTIFY THAT A MITIGATED NEGATIVE DECLARATION (MND), CSLC ND NO. 715, STATE CLEARINGHOUSE NO. 2002082006, AND A MITIGATION MONITORING PROGRAM (MMP) WERE PREPARED AND ADOPTED FOR THE PROGRAM PURSUANT TO THE PROVISIONS OF THE CEQA AND WAS ADOPTED BY THE COMMISSION ON APRIL 7, 2003.
- 2. FIND THAT THE COMMISSION REVIEWED AND CONSIDERED THE INFORMATION CONTAINED IN THE PROPOSED MITIGATED NEGATIVE DECLARATION AND THE COMMENTS RECEIVED IN RESPONSE THERETO.
- 3. FIND THAT THERE IS NO EVIDENCE OF NEW OR ADDITIONAL POTENTIALLY SIGNIFICANT ENVIRONMENTAL EFFECTS THAT WERE NOT ADEQUATELY ADDRESSED AND MITIGATED IN THE PROPOSED PROJECT ANALYZED IN THE ADOPTED MITIGATED

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NEGATIVE DECLARATION IDENTIFIED AS CSLC ND NO. 715, STATE CLEARINGHOUSE NO. 2002082006 AND THAT SUCH DOCUMENT REMAINS VALID FOR THE CONSIDERATION OF THE PROPOSED LEASE AMENDMENT.

4. FIND THAT THIS ACTIVITY, AS MODIFIED AND APPROVED, WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT AND THAT IT IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET. SEQ.

AUTHORIZATION:

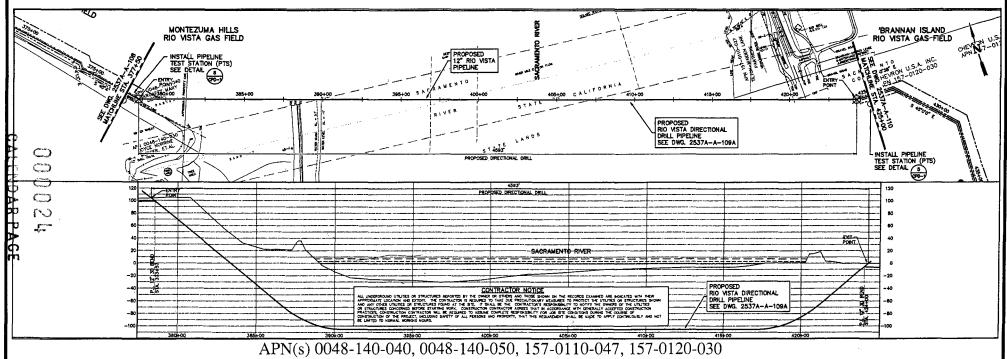
AUTHORIZE THE AMENDMENT OF LEASE NO. PRC 8450.1, A GENERAL LEASE – RIGHT-OF-WAY USE, OF LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, EFFECTIVE JUNE 2, 2003, TO AMEND THE DESCRIPTION OF THE LEASE PREMISES; ALL OTHER TERMS AND CONDITIONS OF THE LEASE, INCLUDING THE MITIGATION WITHIN THE MITIGATION MONITORING PROGRAM, WILL REMAIN IN EFFECT WITHOUT AMENDMENT.

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SITE MAP



LOCATION MAP SITE SITE U.S. Geological Survey 7.5' Quadrangle RIO VISTA U.S. Geological Survey 7.5' Quadrangle RIO VISTA

Exhibit A PRC 8450.1

CPN PIPELINE CO.

AMENDED General Lease
Right of Way Use
SACRAMENTO RIVER
Solano/Sacramento Counties

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.