

MINUTE ITEM

This Calendar Item No. 10
was approved as Minute Item
No. 10 by the State Lands
Commission by a vote of 3
to 0 at its 10/22/77
meeting.

MINUTE ITEM

10/27/77
Gordon

10. AMENDMENT AND ASSIGNMENT OF PRC 4945.1; CALIFORNIA BLUE VALLEY, INC. (ASSIGNOR), DONNER LAKE UTILITY COMPANY (ASSIGNEE) - WP 4945, PRC 4945.

During consideration of Calendar Item 10 attached, Mr Harold Christian, representing Weeks Tract at Donner Lake, appeared. He indicated they are in favor of the staff's recommendation.

Mr. Jack Marquette, a property owner at Donner Lake, appeared. Mr. Marquette was mainly concerned that the fire plugs in the area of the pipeline could not be used in the area except for Donner Pines West and Donner Lake Village.

Mr. James F. Trout, Manager, Land Operations, explained that the intention of the item is to limit the use of the pipeline system to those facilities already constructed and that are presently existing and being served by the pipeline. He stated there is no intention to limit the Fire Department from hooking into these fire hydrants for any structure endangered within the area.

After a lengthy discussion, it was agreed that the item would be amended so that the recommendation applied to "existing or replacement equivalent structures". Mr. Robert C. Hight, Chief Counsel, stated the present language of the recommendation is broad enough to cover the above statement. He also stated that the minutes would reflect this language. Mr. Jan Stevens, Assistant Attorney General, concurred with Mr. Hight.

Upon a motion duly made and carried, the following resolutions were approved by a vote of 3-0 and are intended to apply to existing or replacement equivalent structures:

THE COMMISSION:

1. DETERMINES THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS PROJECT BUT THAT A NEGATIVE DECLARATION HAS BEEN PREPARED BY THE DIVISION.
2. CERTIFIES THAT THE NEGATIVE DECLARATION EIR NO. 216 HAS BEEN COMPLETED IN COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT OF 1970, AS AMENDED, AND THE STATE GUIDELINES, AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

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3. DETERMINES THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. FINDS THAT AMENDMENT AND ASSIGNMENT OF THE LEASE WILL HAVE NO SIGNIFICANT EFFECT UPON ENVIRONMENTAL CHARACTERISTICS IDENTIFIED PURSUANT TO SECTION 6370.1; OF THE PUBLIC RESOURCES CODE.
5. AUTHORIZES AMENDMENT OF LEASE PRC 4945.1 TO A 15-YEAR GENERAL LEASE - RIGHT-OF-WAY USE FROM SEPTEMBER 4, 1977; IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$100 WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENTAL ON EACH FIFTH ANNIVERSARY OF THE LEASE; AND WITH PROVISION OF PUBLIC LIABILITY INSURANCE IN AMOUNTS OF \$300,000 PER OCCURRENCE FOR BODILY INJURY AND \$50,000 FOR PROPERTY DAMAGE; FOR RECONSTRUCTION AND MAINTENANCE OF AN EXISTING 8-INCH DIAMETER PIPELINE SYSTEM UTILIZED AS A PRIMARY INTAKE FACILITY CAPABLE OF PROVIDING 1,350 GPM FOR FIRE FLOW PROTECTION; AND AS A REPLACEMENT SECONDARY INTAKE FACILITY CAPABLE OF PROVIDING 185 GPM OF CHLORINATED AND FILTERED POTABLE WATER; ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.
6. APPROVES THE ASSIGNMENT OF LEASE PRC 4945.1 FROM CALIFORNIA BLUE VALLEY, INC., TRUSTEE, TO DONNER LAKE UTILITY COMPANY.

Attachment:

Calendar Item 10 (7 pages)

CALENDAR ITEM

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10/77
WP 4945
Gordon

AMENDMENT AND ASSIGNMENT
OF PRC 4945.1;
GENERAL LEASE -
RIGHT-OF-WAY USE

ASSIGNOR: California Blue Valley, Inc., Trustee
c/o Larue, Roach and Hawkins
207 North Pine Street
Nevada City, California 95959

ASSIGNEE: Donner Lake Utility Company
P. O. Box 2418
Reno, Nevada 89505

AREA, TYPE LAND AND LOCATION:
An 0.035 acre parcel of submerged land
in the northwest corner of Donner Lake,
Nevada County.

LAND USE: Reconstruction and maintenance of an existing
8" diameter pipeline system utilized as
a primary intake facility capable of providing
1,350 GPM for fire flow protection; and
as a proposed replacement secondary intake
facility capable of providing 185 GPM of
chlorinated and filtered potable water.

TERMS OF LAST AUTHORIZED TEMPORARY EMERGENCY LEASE:
Initial period: 6 months from September 4,
1977.

Surety bond: \$1,500.

Public liability insurance: \$300,000 per
occurrence for bodily
injury and \$50,000 for
property damage.

Consideration: \$100 per annum.

TERMS OF PROPOSED AMENDED LEASE:
Initial period: 15 years from September 4,
1977.

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Public liability insurance: \$300,000 per occurrence for bodily injury and \$50,000 for property damage.

Special:

1. The standard covenants unrelated to a utility company will be deleted from the lease.
2. The lease will be conditioned to provide that the use of the fire protection system shall be limited to the protection of those certain existing structures only, known as Donner Pines West and Donner Lake Village which are currently being served.
3. The lease will be entered into by both parties without prejudice to their respective claims of boundary.

CONSIDERATION: \$100 per annum with the State reserving the right to fix a different rental on each fifth anniversary of the lease.

BASIS FOR CONSIDERATION:
\$100 minimum annual rental for this type of lease.

PREREQUISITE TERMS, FEES AND EXPENSES:
Applicant will be the owner of the upland prior to issuance of the lease.
Filing fee and environmental expense deposit have been received.

STATUTORY AND OTHER REFERENCES:
A. Public Resources Code: Div. 6, Parts 1 & 2.
B. Administrative Code: Title 2, Div. 3, Arts. 1, 2, 10 & 11.

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APPROVALS REQUIRED AND OBTAINED:

This project is subject to the jurisdiction of the Public Utility Commission, Truckee Fire Protection District of Nevada County, California Departments of Health, Fish and Game, and Lahontan Regional Water Quality Control Board. No negative comments have been received. The proposed lease is conditioned on the approval of all agencies having jurisdiction.

OTHER PERTINENT INFORMATION:

1. Minute Item 8, dated August 29, 1974, authorized the execution of a temporary emergency Right-Of-Way PRC 4945.1, to Donner Pines, Inc., for a water intake pipeline capable of providing 2,000 GPM for fire protection purposes only, with a term of no longer than 6 months; provided that the lease would not be renewed unless affirmative action has been taken for a more permanent solution at the end of 6 months.
2. In considering the approval of the fourth additional 6-month term granted at their meeting of October 28, 1976, the Commission expressed the desire that a decisive solution of this transaction be found.
3. As a permanent solution of this transaction, California Blue Valley, Inc., the Commission's present lessee, Investors Diversified Services, a littoral owner, Blue Valley, Realty, Inc., a littoral owner and applicant have together entered into an agreement to transfer title of the subject pipeline facility to applicant as a permanent fixed asset for utility purposes. Applicant has diverted Donner Lake water for domestic purposes since 1952.

Applicant has need of and desires a replacement secondary potable intake at the subject project site to supplement its primary potable water sources, being a well at West End Beach and Greenpoint Springs which is situated north of Donner Lake.

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Applicant's existing secondary 6" diameter potable intake pipeline system situated also at West End Beach will be abandoned and dismantled when the subject proposed project is operational under the approval of the California State Department of Health and the Truckee Fire Protection District of Nevada County. Said 6" intake system operates on the upland site subject to an agreement with Truckee-Donner Recreation and Park District, owner of the littoral land.

Said present lessee and the littoral owners at the proposed project site have agreed to adapt, by reconstruction, for applicant's benefit, the subject existing fire flow system so that it also provides chlorinated and filtered potable water through a bifurcated system meeting purity standards of the California State Department of Health. As limited by engineering design, the amounts of potable water diverted by the proposed replacement system will be equivalent and no greater than those now derived through applicant's existing 6" intake system. Pursuant to the Safe Drinking Act of 1974, applicant is required to provide chlorinated and filtered potable water to its customers.

Except for burying a small portion of the existing pipeline which now lies exposed on the beach, all reconstruction activity will be carried out on the adjacent upland.

By amended regulations of the Public Utility Commission, applicant is now obligated to provide fire flow protection coincident with its domestic water service.

Without the fire flow protection provided by this lease, upland improvements adjacent to the project will be without fire flow protection; thus, constituting a fire hazard to the general area. The Truckee Fire Protection District

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of Nevada County concurs with the intent and purpose of this activity. The completed project will be subject to its approval. Execution of the proposed project will contribute to the public benefit.

4. An initial study, dated October 11, 1977, has been prepared for the project. Staff finds that the project will not have a significant effect on the environment.

Staff's conclusions can be summarized as follows:

- A. Utilization of the pipeline for fire flow is not anticipated to result in any substantial adverse effects, either primary or secondary;
- B. Water withdrawals from Donner Lake for existing domestic use will have no significant bearing on the level of the lake;
- C. The anticipated levels of water withdrawals from Donner Lake are not enough to adversely affect the biological community downstream of Donner Lake;
- D. The project as approved would permit the pipeline to be used to withdraw only amounts of water equivalent to those now derived from the lake through applicant's existing 6" intake system. Hence, the project will not induce growth in the Donner Lake area.

A Negative Declaration was prepared by the Division, pursuant to CEQA and implementing regulations.

The project is situated on State land identified as possessing significant environmental values pursuant to Public Resources Code 6370.1, and is classified in a use category, Class B which authorizes Limited Use.

(Rev. 10/26/77)

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Staff has coordinated this project with those agencies and organizations who nominated the site as containing significant environmental values. They have found this project to be compatible with their nomination.

EXHIBITS: A. Land Description. B. Location Map.
C. Negative Declaration.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS PROJECT BUT THAT A NEGATIVE DECLARATION HAS BEEN PREPARED BY THE DIVISION.
2. CERTIFY THAT THE NEGATIVE DECLARATION EIR NO. 216 HAS BEEN COMPLETED IN COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT OF 1970, AS AMENDED, AND THE STATE GUIDELINES, AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.
3. DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. FIND THAT AMENDMENT AND ASSIGNMENT OF THE LEASE WILL HAVE NO SIGNIFICANT EFFECT UPON ENVIRONMENTAL CHARACTERISTICS IDENTIFIED PURSUANT TO SECTION 6370.1, OF THE PUBLIC RESOURCES CODE.
5. AUTHORIZE AMENDMENT OF LEASE PRC 4945.1 TO A 15-YEAR GENERAL LEASE - RIGHT-OF-WAY USE FROM SEPTEMBER 4, 1977; IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$100 WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENTAL ON EACH FIFTH ANNIVERSARY OF THE LEASE; AND WITH PROVISION OF PUBLIC LIABILITY INSURANCE IN AMOUNTS OF \$300,000 PER OCCURRENCE FOR BODILY INJURY AND \$50,000 FOR PROPERTY DAMAGE; FOR RECONSTRUCTION AND MAINTENANCE OF AN EXISTING 8-INCH DIAMETER PIPELINE SYSTEM UTILIZED AS A PRIMARY INTAKE FACILITY CAPABLE OF PROVIDING 1,350 GPM FOR FIRE FLOW PROTECTION; AND AS A REPLACEMENT SECONDARY INTAKE FACILITY CAPABLE OF PROVIDING 185 GPM OF CHLORINATED AND FILTERED POTABLE WATER; ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.
6. APPROVE THE ASSIGNMENT OF LEASE PRC 4945.1 FROM CALIFORNIA BLUE VALLEY, INC., TRUSTEE, TO DONNER LAKE UTILITY COMPANY.

Attachment: Exhibit "A"

EXHIBIT "A"

WP 4945

A strip of submerged land 20 feet wide in the State owned bed of Donner Lake, Nevada County, California, said strip being 10 feet on each side of the following described centerline:

BEGINNING at a point on the easterly line of Parcel 1, S 29° 49' 00" E, 10.24 feet from the intersection of the said easterly line of Parcel 1 and the southerly line of Donner Pass Road as shown on the map of Donner Village Unit One, filed in Book 5 of Maps, page 13, Nevada County Records; thence westerly along a line parallel with and 10 feet distant southerly of said southerly line of Donner Pass Road on a curve to the left having a radius of 1,550.00 feet and a central angle of 12° 35' 39" for a distance of 340.71 feet; thence S 60° 11' 00" W, 103.00 feet to a point that lies 57 feet from the westerly line of said Parcel 1; thence S 19° 08' 17" E, 358 feet, more or less, to the end of the herein described centerline.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark of Donner Lake.

END OF DESCRIPTION

Prepared *M. L. Shaf* Checked _____

Reviewed *John W. Spring* Date *9/21/76*