

**CALENDAR ITEM
C02**

A 25, 26
S 12, 14

03/04/08
WP 8771.9
D. Jones

AMENDMENT OF LEASE

LESSEE:

Modesto Irrigation District
1231 Eleventh Street
Modesto, CA 95354

AREA, LAND TYPE, AND LOCATION:

Sovereign lands in the Tuolumne River, in the city of Modesto, Stanislaus County.

AUTHORIZED USE:

The construction of a 230-kilovolt overhead electric transmission line crossing the Tuolumne River and connecting the Modesto Irrigation District/Turlock Irrigation District Switching Station at Westley with the Modesto Irrigation Rosemore Substation.

LEASE TERM:

25 years, beginning December 3, 2007.

CONSIDERATION:

The public use and benefit; 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:

Modify Sections 1, 2 and 3 of the lease to include a parcel of land within the bed of the San Joaquin River and to further describe a parcel within the bed of the Tuolumne River previously authorized by the Commission. All other terms and conditions of the lease shall remain in effect without amendment.

OTHER PERTINENT INFORMATION:

1. Lessee has acquired the rights to use the uplands adjoining the lease premises.

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2. The Modesto Irrigation District (MID) operates an electrical transmission and distribution system within portions of Alameda, Stanislaus, San Joaquin and Tuolumne counties. The purpose of the proposed project is to provide additional power delivery capacity to the MID system to meet growing power needs of existing and future MID customers. The project would deliver power derived from a variety of sources and interconnected transmission lines at the Westley Switching Station to the 69kV MID sub-transmission system at the MID Rosemore Substation.
3. The proposed Westley-Rosemore Transmission Project will involve construction of approximately 17 miles of 230-kilovolt transmission line connecting the joint MID/Turlock Irrigation District (TID) Switching Station at Westley with the MID's existing Rosemore Substation near Modesto. The proposed transmission line will be supported on steel poles approximately 100 feet in height at a typical spacing between 700 and 900 feet. The line will include a total of six pairs of conductors, arranged in three tiers on sets of three arms located on either side of each pole. No poles or other improvements will be placed on the lease premises. The transmission line will cross over the lease premises. The California Public Utility Commission General Order 95 (GO 95) covers all aspects of design, construction, operation and maintenance of electrical transmission lines. As such, a minimum clearance of 30 feet will be maintained above the River, regardless of season.
4. On December 3, 2007, the Commission approved a General Lease – Public Agency Use to the MID for the construction of the 230-kilovolt overhead transmission line across the Tuolumne River. The crossing of the San Joaquin River was also included in the Lease application; however, this crossing was not included in the Lease because MID was unable to obtain an easement across the adjoining upland properties. MID has completed its negotiations with the upland owners and has acquired the easement rights. Staff is therefore recommending the Lease be amended to add the San Joaquin River crossing to the Lease, as well as amending the lease to add the land description for the Tuolumne River crossing previously authorized by the Commission.
5. EIR (SCH No. 2003062126) was prepared and certified for this project by the MID. The California State Lands Commission staff has reviewed such document and Mitigation Monitoring Program adopted by the lead agency.

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6. Findings made in conformance with the State CEQA Guidelines (Title 14, California Code of Regulations, sections 15091 and 15096) are contained on file in the Sacramento Office of the California State Lands Commission.
7. A Statement of Overriding Considerations was made regarding the cumulative air quality impact resulting from diesel-powered construction equipment; this impact could not be mitigated to a less-than-significant level. The significant cumulative air quality impact would result from equipment operation and would produce NOx emissions greater than the San Joaquin Air Pollution Control District threshold. This impact will be of a short duration and occur only during the construction phase of the project.
8. 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:

United States Army Corps of Engineers; United States Bureau of Reclamation; Federal Aviation Administration; California Department of Transportation; California Department of Water Resources; and the California State Reclamation Board

EXHIBITS:

- A. Site and Location Map - San Joaquin River
- B. Land Descriptions - San Joaquin River and Tuolumne River

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

1. FIND THAT AN EIR WAS PREPARED AND CERTIFIED FOR THIS PROJECT BY THE MODESTO IRRIGATION DISTRICT AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

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2. ADOPT THE FINDINGS MADE IN CONFORMANCE WITH TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTIONS 15091 AND 15096 (h), AS CONTAINED ON FILE IN THE SACRAMENTO OFFICE OF THE CALIFORNIA STATE LANDS COMMISSION.
3. ADOPT THE MITIGATION MONITORING PROGRAM, AS CONTAINED ON FILE IN THE SACRAMENTO 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, AS CONTAINED ON FILE IN THE SACRAMENTO OFFICE OF THE CALIFORNIA STATE LANDS COMMISSION.

SIGNIFICANT LANDS INVENTORY FINDING:

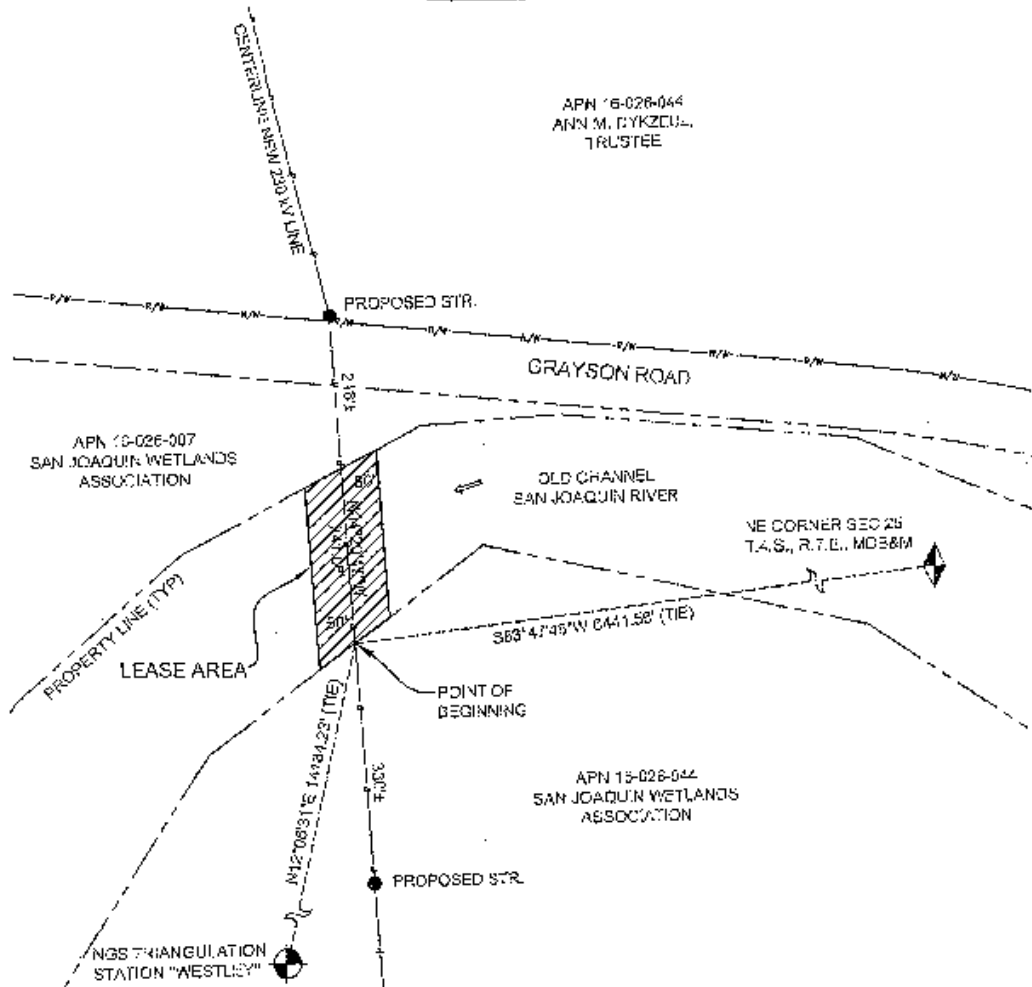
FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

AUTHORIZATION:

AUTHORIZE THE AMENDMENT OF LEASE NO. PRC 8771.9, A GENERAL LEASE - PUBLIC AGENCY USE, OF LANDS SHOWN ON EXHIBIT A AND DESCRIBED ON EXHIBIT B ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, EFFECTIVE MARCH 4, 2008, TO AMEND SECTIONS 1, 2 AND 3 OF THE LEASE TO INCLUDE A PARCEL OF LAND IN THE BED OF THE SAN JOAQUIN RIVER AS SHOWN ON EXHIBIT A AND DESCRIBED ON EXHIBIT B AND TO INCLUDE THE LAND DESCRIPTION FOR THE BED OF THE TUOLUMNE RIVER AS DESCRIBED IN EXHIBIT B ATTACHED WHICH WAS PREVIOUSLY AUTHORIZED BY THE COMMISSION AND BY REFERENCE MADE A PART HEREOF; ALL OTHER TERMS AND CONDITIONS OF THE LEASE WILL REMAIN IN EFFECT WITHOUT AMENDMENT.

NO SCALE

SITE



MODESTO IRRIGATION DISTRICT

NO SCALE

LOCATION

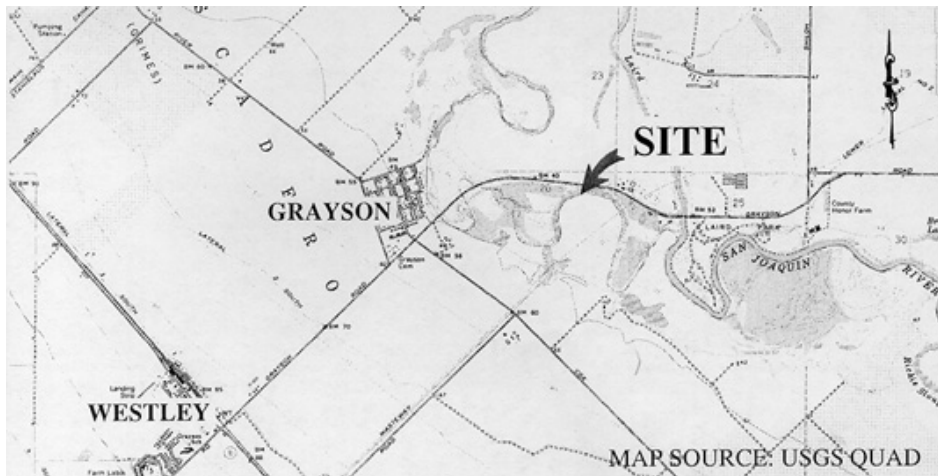


Exhibit A
 PRC 8771.9
 MODESTO I. D.
 GENERAL LEASE
 PUBLIC AGENCY USE
 SAN JOAQUIN RIVER
 SAN JOAQUIN COUNTY



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.