

**CALENDAR ITEM
C30**

A 8, 11
S 5, 7

09/20/13
PRC 8486.1
D. Jones

REVISION OF RENT

LESSEE:

SFPP, L.P., a Delaware Limited Partnership
1100 Town and Country Road
Orange, California 92868

AREA, LAND TYPE, AND LOCATION:

Sovereign lands in Walnut, Grayson, and Pacheco Creeks, Cordelia Slough, and the Carquinez Strait between Concord and West Sacramento in Contra Costa, Solano, and Yolo Counties.

AUTHORIZED USE:

Operation and maintenance of a 20-inch diameter petroleum products pipeline across all the waterways except the Carquinez Strait, which is a 14-inch diameter pipeline, extending from the SFPP Concord Station in Contra Costa County to the SFPP Sacramento Station in the city of West Sacramento, Yolo County.

LEASE TERM:

25 years, beginning October 20, 2003.

CONSIDERATION:

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent under this lease, and recommends that the rent be revised from \$9,475 per year to \$27,935 per year, effective October 20, 2013.

OTHER PERTINENT INFORMATION

1. Lessee has the right to use the upland adjoining a portion of the lease.
2. On November 13, 2003, the Commission issued a General Lease - Right-of-Way Use to SFPP, L.P., a Delaware Limited Partnership, for the construction and maintenance of a 20-inch diameter petroleum products pipeline across each of the waterways except the Carquinez Strait, which is a 14-inch diameter pipeline. This pipeline is an interstate pipeline

CALENDAR ITEM NO. **C30** (CONT'D)

regulated by the U.S. Department of Transportation. The last inspection was performed on January 26, 2012, and no violations have been reported at this time.

3. Staff conducted a rent review called for in the lease and recommends the rent be increased.
4. The staff recommends that the Commission find that the subject revision of rent does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

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

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the subject revision of rent is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060 subdivision (c)(3) because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 8486.1 from \$9,475 per year to \$27,935 per year, effective October 20, 2013.

NO SCALE

LOCATION



EXISTING PIPELINE CROSSINGS IN SOLANO AND CONTRA COSTA COUNTIES

LEASE AREAS

1. Grayson Creek Crossing
20" Pipeline
2. Walnut Creek Crossing
20" Pipeline
3. Pacheco Creek Crossing
20" Pipeline
4. Pacheco Creek Crossing
20" Pipeline
5. Walnut Creek Crossing
20" Pipeline
6. Pacheco Creek Crossing
20" Pipeline
7. Carquinez Strait Crossing
14" Pipeline
8. Cordelia Slough Crossing
20" Pipeline

Exhibit A

PRC 8486.1
SFPP, L.P.
SOLANO AND
CONTRA COSTA
COUNTIES



TS 09/06/113

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. MAP SOURCE: USGS QUAD