CALENDAR ITEM C59

A 34, 65 02/21/14 PRC 1801.2 S 18 C. Hudson

AMENDMENT OF LEASE

LESSEE:

Southern California Gas Company Land and Right of Way 555 W. 5th Street, GT26C2 Los Angeles, CA 90013

AREA, LAND TYPE, AND LOCATION:

48.04 acres, more or less, on six parcels of State school land in portions of Section 36, Township 10 North, Range 13 East, SBM; Section 36, Township 10 North, Range 14 East, SBM; Section 16, Township 7 North, Range 1 East, SBM; Section 16, Township 7 North, Range 10 East, SBM; Section 16, Township 7 North, Range 13 East SBM; and Section 16, Township 7 North, Range 21 East, SBM; near Twenty Nine Palms, San Bernardino County

AUTHORIZED USE:

Operation, use, and maintenance of an existing 30-inch diameter natural gas pipeline (known as Lines 235 and 3000) and a 34-inch diameter natural gas pipeline (Line 235).

LEASE TERM:

25 years, beginning October 29, 2010.

CONSIDERATION:

\$16,794 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 the authorized improvements to include an unpaved access road, known as Mojave Heritage Trail, not previously authorized by the Commission; to revise the annual rent from \$16,794 per year to \$17,741 per year, effective October 29, 2014; prorate Lease Year 2013 to 2014, for the period beginning February 21, 2014, the date of the Commission meeting to October 28, 2014, the day before the lease anniversary date;

CALENDAR ITEM NO. C59 (CONT'D)

replace Exhibit A and Exhibit B with the attached Exhibit A, Exhibit A-1, Exhibit B, and Exhibit B-1. All other terms and conditions of the lease shall remain in effect without amendment.

OTHER PERTINENT INFORMATION:

- On October 29, 2010, the Commission authorized a General Lease Right-of-Way Use with Southern California Gas Company for an existing 30-inch diameter natural gas pipeline (known as Lines 235 and 3000) and a 34-inch diameter natural gas pipeline (Line 235). That lease will expire on October 28, 2035. The Applicant is now requesting authorization from the Commission to amend the Lease to include an unpaved access road, known as Mojave Heritage Trail, to access Line 235 for inspection and maintenance purposes.
- 2. The unpaved access road is located on two parcels of State school land, totaling 9.5 acres in a portion Section 16 and 36, Township 8 North, Range 20 East, SBM, near Interstate 40, city of Needles, San Bernardino County. The unpaved access road has existed for years and is also used by the public.
- 3. Staff recommends that the Commission revise the annual rent to include the unpaved access road. Therefore, the annual rent shall be revised from \$16,794 per year to \$17,741 per year, effective October 29, 2014, the lease anniversary date. Staff also recommends collection of a prorated amount of rent for the unpaved access road in the amount of \$631 for the period beginning February 21, 2014, the date of the Commission meeting, to October 28, 2014.
- 4. Unpaved Access Road: The staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).
 - Authority: Public Resources Code section 21084 and California Code of Regulations, Title 14, section 15300 and California Code of Regulations, Title 2, section 2905.
- 5. Revision of Rent: The staff recommends that the Commission find that the subject revision of rent does not have a potential for resulting in either

CALENDAR ITEM NO. **C59** (CONT'D)

a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with CEQA.

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

6. This activity involves lands which have NOT been identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq.; however, the Commission has declared that all lands are "significant" by nature of their public ownership (as opposed to "environmentally significant"). Since such declaration of significance is not based upon the requirements and criteria of Public Resources Code section 6370 et seq., use classifications for such lands have not been designated. Therefore, the finding of the project's consistency with the use classification as required by California Code of Regulations, Title 2, section 2954 is not applicable.

EXHIBITS:

A and A-1 Land Description
B and B-1 Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Unpaved Access Road: Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

Revision of Rent: 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.

CALENDAR ITEM NO. **C59** (CONT'D)

AUTHORIZATION:

Authorize the Amendment of Lease No. PRC 1801.2, a General Lease – Right-of-Way Use, effective February 21, 2014, to include an unpaved access road, known as the Mojave Heritage Trail; to revise the annual rent from \$16,794 per year to \$17,741 per year, effective October 29, 2014; and collect a prorated amount of rent for the unpaved access road in the amount of \$631 for the period beginning February 21, 2014, the date of the Commission meeting, to October 28, 2014; to include special provisions related to the unpaved access road; and to delete Exhibit A and Exhibit B in its entirety and replace with Exhibit A, A-1, and Exhibit B, B-1 (for reference purposes only) attached and by this reference made a part thereof; all other terms and conditions of the lease will remain in effect without amendment.

LAND DESCRIPTION

Six Parcels of State owned School Lands situate in the County of San Bernardino, State of California, more particularly described as follows:

PARCEL A

A strip of land 50 feet in width, being a portion of Section 36, T. 10 N., R. 13 E., S.B.B.&M., San Bernardino County, the centerline of which is described as follows:

Beginning at a point in the east line of said Section 36, from which point the northeast corner of said section bears North 1°23'45" W., 1771.19 feet; thence from said point of beginning:

- 1. North 65°28'42" W., 687.55 feet; thence
- South 87°30'44" W., 1537.57 feet; thence
- 3. South 62°12'47" W., 579.04 feet; thence
- South 59°47'12" W., 1559.97 feet; thence
- 5. South 74°36'44" W., 1271.27 feet to a point in the west line of said Section 36 which bears South 1°23'45" E., 2779.42 feet from the northwest corner thereof, containing 6.47 aces, more or less.

The basis of bearings of the hereinabove described land is the Lambert Coordinate System of the State of California, Zone 5.

The above described Parcel A was based on that original description as found in PRC file 2530.2 under the signed lease document Rev. 2/58.

PARCEL B

A strip of land 50 feet in width, being a portion of Section 36, T. 10 N., R. 14 E., S.B.B.&M., the centerline of which is described as follows:

Beginning at a point in the east line of said Section 36, T. 10 N., R. 14 E., S.B.B. & M., distant thereon North 1°30′30″ W. 1173.33 feet from the southeast corner of said Section 36; thence North 88°37′10″ W. 5279.16 feet to a point in the west line of said Section 36, containing 6.060 acres, more or less.

The basis of bearings of the hereinabove described land is the Lambert Coordinate System of the State of California, Zone 5.

The above described Parcel B was based on that original description as found in PRC file 2531.2 under the signed lease document Rev. 2/58.

PARCEL C

That portion of the West half of Section 16, Township 7 North, Range 1 East, San Bernardino Base and Meridian, being a strip of land 100 feet in width, lying 37.50 feet southerly of and 62.50 feet northerly of the following described line:

Beginning at the southwest corner of Section 17, Township 7 North, Range 1 East, San Bernardino Base and Meridian; thence North 89°28'17" East, along the southerly line of said Section 17, a distance of 260.63 feet; thence North 65°40'25" East, 4828.73 feet; thence North 78°27'02" East, 550 feet to the true point of beginning, which is a point in the westerly line of said west half of Section 16; thence continuing North 78°27'02" East, 2798 feet to the easterly line of said west half of Section 16.

The side lines of the above described right of way shall be prolonged or shortened so as to terminate in said easterly and westerly lines of the west half of Section 16.

The above described Parcel C was based on that original description as found in PRC file 1801.2 under the signed lease document Rev. 8/49.

PARCEL D

That portion of the northwest quarter of Section 16, T. 7 N., R. 10 E., S.B.B. & M., being a strip of land 100 feet in width, lying 37.50 feet southerly of and 62.50 feet northerly of the following described line:

Beginning at the southwest corner of Section 7, T. 7 N., R. 10 E., S.B.B. & M.; thence North 0°30′02″ West, along the westerly line of said Section 7, a distance of 1539.88 feet; thence South 89°46′02″ East, 5670.14 feet; thence South 82°43′02″ East, 6509.77 feet; thence South 71°43′17″ East, 1932 feet to the true point of beginning, which is a point in the northerly line of said northeast quarter of Section 16; thence continuing South 71°43′17″ East, 1635.82 feet to a point which bears South 22°13′13″ West, 569.30 feet from the northeast corner of said Section 16; thence continuing South 71°43′17″ East, 235.18 feet to the easterly line of said northeast quarter of Section 16.

The side lines of the above described right of way shall be prolonged or shortened so as to terminate in said northerly and easterly lines of the northeast quarter of Section 16.

The above described Parcel D was based on that original description as found in PRC file 1827.2 under the signed lease document Rev. 8/49.

PARCEL E

That portion of the north half of Section 16, T. 7 N., R. 13 E., S.B.B. & M., being a strip of land 100 feet in width, lying 37.50 feet southerly of and 62.50 feet northerly of the following described line:

Beginning at the northeast corner of Section 25, T. 7 N., R. 14 E., S.B.B. & M., thence South 1°09'48" West, along the easterly line of said Section 25, a distance of 356.91 feet; thence South 88°24'48" West, 4751.47 feet; thence North 75°47'35" West, 3666.75 feet; thence North 57°17'35" West, 1828.00 feet; thence North 79°23'43" West, 16782.22 feet; thence North 77°51'50" West, 16158.30 feet, thence North 78°38'20" West, 5663.01 feet; thence North 84°21'05" West, 505 feet to the true point of beginning, which is a point in the easterly line of said north half of Section 16; thence continuing North 84°21'05" West, 5330 feet to the westerly line of said north half of Section 16.

The side lines of the above described right of way shall be prolonged or shortened so as to terminate in said easterly and westerly lines of said North half of Section 16.

The above described Parcel E was based on that original description as found in PRC file 1826.2 under the signed lease document Rev. 8/49.

PARCEL F

That portion of the north half of Section 16, Township 7 North, Range 21 East, San Bernardino Base Meridian, being a strip of land 100 feet in width, lying 37.50 feet southerly of and 62.50 feet northerly of the following described line:

Beginning at the southeast corner of Section 24, Township 7 North, Range 21 East, San Bernardino Base and Meridian; thence North 1°09'31" West, along the easterly line of said Section 24, a distance of 939.70 feet; thence North 70°07'46" West, 5837.70 feet to a point hereinafter referred to as Point "A", which bears North 4°18'16" West, 2966.90 feet from the southwest corner of said Section 24; thence continuing North 70°07'46" West, 11186 feet to the true point of beginning, which is a point in the easterly line of said Section 16; thence continuing North

70°07'46" West, 5621 feet to a point in the westerly line of said Section 16, which bears North 70°07'46" West, 16807.44 feet from the hereinbefore mentioned Point "A".

The side lines of the above described right of way shall be prolonged or shortened so as to terminate in said easterly and westerly lines of Section 16.

The above described Parcel F was based on that original description as found in PRC file 1813.2 under the signed lease document Rev. 8/49.

END OF DESCRIPTION

Prepared on 07/27/2010 by the California State Lands Commission Boundary Unit.



LAND DESCRIPTION

Two Parcels of State owned School Lands situate in the County of San Bernardino, State of California, described as follows:

PARCEL ONE:

A strip of land 50 feet in width, being a portion of Section 16, Township 8 North, Range 20 East, S.B.M., as shown on Official Government Township Plat approved May 14, 1925, the centerline of which is described as follows:

BEGINNING at a point at the intersection with the West line of said Section 16 and the centerline of the existing Mojave Heritage Trail, said point having CCS83, Zone 5 (2002.00) coordinates of North (Y) = 2,122,834.7 feet and East (X) = 7,489,979.1 feet; thence along said centerline S 45°40′51″ E 4,606.70 feet to a point on the South line of said Section 16, said point being the terminus of said centerline.

The sidelines of said strip shall be prolonged or shortened so as to commence at the West line of said Section 16, and terminate at the South line of said Section 16.

The basis of bearings of the hereinabove described parcel is CCS83, Zone 5. All distances are grid distances.

PARCEL TWO:

A strip of land 50 feet in width, being a portion of Tract 41, Township 8 North, Range 20 East, S.B.M., as shown on Official Government Township Plat approved May 14, 1925, the centerline of which is described as follows:

BEGINNING at a point at the intersection with the West line of said Tract 41 and the centerline of the existing Mojave Heritage Trail, said point having CCS83, Zone 5 (2002.00) coordinates of North (Y) = 2,106,860.1 feet and East (X) = 7,506,388.8 feet; thence along said centerline the following twelve (12) courses:

- 1) S 46°28'28" E 295.87 feet;
- 2) S 50°09'04" E 145.20 feet;
- 3) S 40°33'30" E 207.65 feet;
- 4) S 45°40'52" E 860.32 feet;
- 5) S 47°32'19" E 287.83 feet;
- 6) S 43°00'49" E 254.83 feet;
- 7) S 45°56'01" E 375.12 feet;
- 8) S 46°40'24" E 492.15 feet;
- 9) S 46°27'19" E 249.14 feet;

- 10) S 43°26'42" E 124.99 feet;
- 11) S 39°24'05" E 272.37 feet;
- 12) S 44°06'17" E 122.43 feet to a point on the South line of said Section 36, said point being the terminus of said centerline.

The sidelines of said strip shall be prolonged or shortened so as to commence at the West line of said Tract 41, and terminate at the South line of said Tract 41.

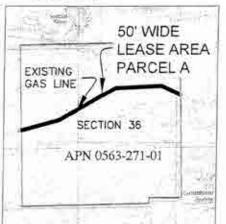
The basis of bearings of the hereinabove described parcel is CCS83, Zone 5. All distances are grid distances.

END OF DESCRIPTION

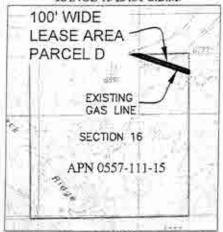
Prepared 8/7/2013 by the California State Lands Commission Boundary Unit.



NO SCALE



SECTION 36, TOWNSHIP 10 NORTH, RANGE 13 EAST S.B.M.

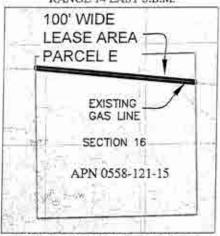


SECTION 16, TOWNSHIP 7 NORTH, RANGE 10 EAST 5.B.M.

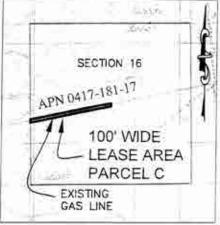
SITE



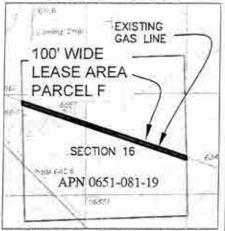
SECTION 36, TOWNSHIP 10 NORTH, RANGE 14 EAST S.B.M.



SECTION 16, TOWNSHIP 7 NORTH, RANGE 13 EAST S.B.M.



SECTION 16, TOWNSHIP 7 NORTH, RANGE 1 EAST S.B.M.

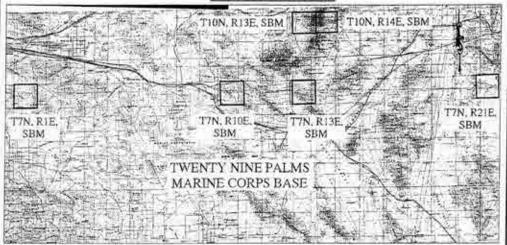


SECTION 16, TOWNSHIP 7 NORTH, RANGE 21 EAST S.B.M.

SCHOOL LANDS

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

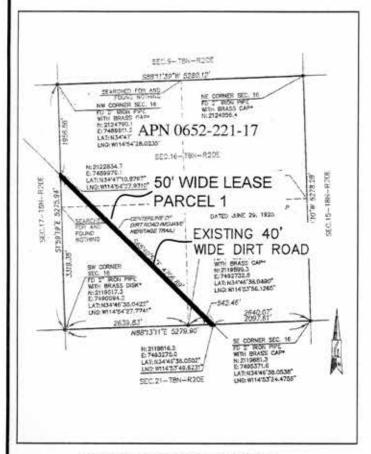
This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

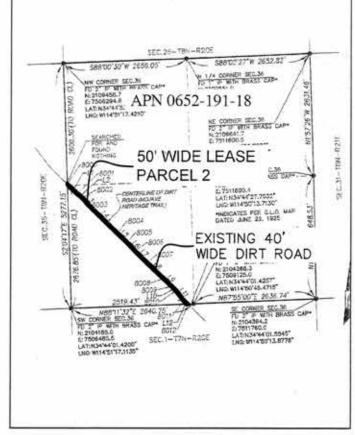
Exhibit B

PRC 1801.2
SOUTHERN CALIFORNIA
GAS COMPANY
GENERAL LEASE RIGHT OF WAY USE
SAN BERNARDINO COUNTY



NO SCALE SITE

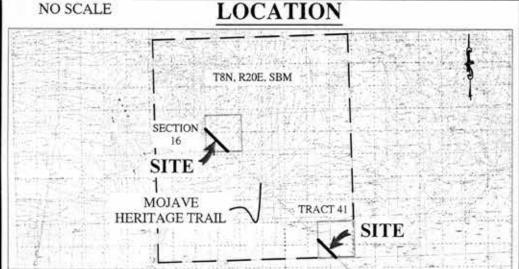




SECTION 16, TOWNSHIP 8 NORTH, RANGE 20 EAST S.B.M.

TRACT 41, TOWNSHIP 8 NORTH, RANGE 20 EAST S.B.M.

MOJAVE HERITAGE TRAIL



MAP SOURCE: USGS QUAD

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 B-1

PRC 1801.2 SOUTHERN CALIFORNIA GAS COMPANY GENERAL LEASE -RIGHT - OF - WAY USE SAN BERNARDINO COUNTY

