MINUTE ITEM

This Calendar Item No. 1/1/was approved as Minute Item No. 1/2 by the State Lands Commission by a vote of 2 to 2 at its 1/1/29/84 meeting.

CALENDAR ITEM

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11/29/84 W 503:967 W 23510/PRC 6760 Stevenson Grimes \

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REQUEST FOR AUTHORIZATION TO ISSUE LEASE TO CLAUDE WOOD CO. FOR APPROXIMATELY SEVEN ACRES IN YUBA CO.

At its October 26, 1984 meeting, the Commission authorized terms for the settlement of the case entitled State of California v. Yuba Natural Resources, et al (U.S. District Court, Eastern District of California, Civ. No. S-79±733-RAR). As part of that settlement, Yuba Natural Resources (Yuba) is required to deed to the State certain property upland of the present Yuba River both upstream and downstream of Park's Bar Bridge. A portion of this property is presently used by the Claude Wood Co. by lease from Yuba as a facility to process and load mock collected from a site farther upland of the River. The extraction site is owned by Emma Scott who also leases to Claude Wood Co.

During its settlement negotiations with the State, Yuba informed the staff that it had earlier filed a quiet title action against Emma Scott (Yuba: Natural Resources v. Scott, et al., Yuba Co. Superior Court No. 34905). That suit included the land to go to the State at Park's Bar Bridge. The settlement agreement in State of California v. Yuba Natural Resources requires Yuba to perfect its title in the property, subject to the Scott lawsuit, prior to conveying that property to the State.

Yuba has now settled the Scott suit upon the understanding by Yuba that the State Lands Commission try to arrive at mutually agreeable lease terms with the Claude Wood Company. Staff has visited the Pank's Bar site and has conducted an appraisal of the property. Staff recommends entering a ten-year lease (with an option to renew for ten more years) of the property for a minimum annual ment of \$2,400 with an additional

(ADDED 11/27/84)

-1-

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CALENDAR ITEM NO.44 (CONTAD)

ment of \$200 per month for each month in which the plant is in production. Access to the site from Highway 20 along the existing road now used by the Company will be assured by the lease. The lease period will begin when the State Lands Commission gains clear title to the subject property. The lease will terminate if Claude Wood Co. ever loses the right to extract rock from the adjoining property.

The Claude Wood@Company holds and active Yuba County permit (No. 74-84) for its rock-loading plant.

Pursuant to the Commission's delegation of authority and State (CEQA Guidelines (14 Cal. Adm) (Code 15061); the staff has determined that this activity is exempt from the requirements of the Galifornia Environmental Quality Act (CEQA) as a statutorily exempt project. The project is exempt because intimuolues a lease in connection with a title or boundary settlement.

Authority: P.R.C. 21080.1/4.

AB 48841 N/A.

EXHIBITS:

A. Site Maps

B. General Location Map

IT IS RECOMMENDED THAT THE COMMISSION:

- 1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO 14 CAL. ADM. CODE 1506/1 AND PURIC. 21080.11. BECAUSE IT IS A LEASE IN CONNECTION WITH A TITLE OR BOUNDARY SETTLEMENT.
- 2. AUTHORIZE THE EXECUTIVE OFFICER OR HER DESIGNEE TO ISSUE AN INDUSTRIAL LEASE TO THE CLAUDE WOOD CO. FOR A PERIOD OF TEN YEARS (WITH AN OPTION FOR TEN MORE YEARS) AT THE INITIAL SUM OF \$2,400 PER YEAR WITH AN ADDITIONAL RENT OF \$200 PER MONTH FOR EACH MONTH IN WHICH THE PLANT IS IN PRODUCTION. THE LEASE IS FOR AN APPROXIMATELY SEVEN-ACRE SITE AN PARK'S BAR BRIDGE, YUBA COUNTY. THIS LEASE IS TO RUN FROM THE CONSUMMATION OF THE SETTLEMENT IN CASE OF STATE U. YUBA

(ADDED: 11/27/84)

-2-

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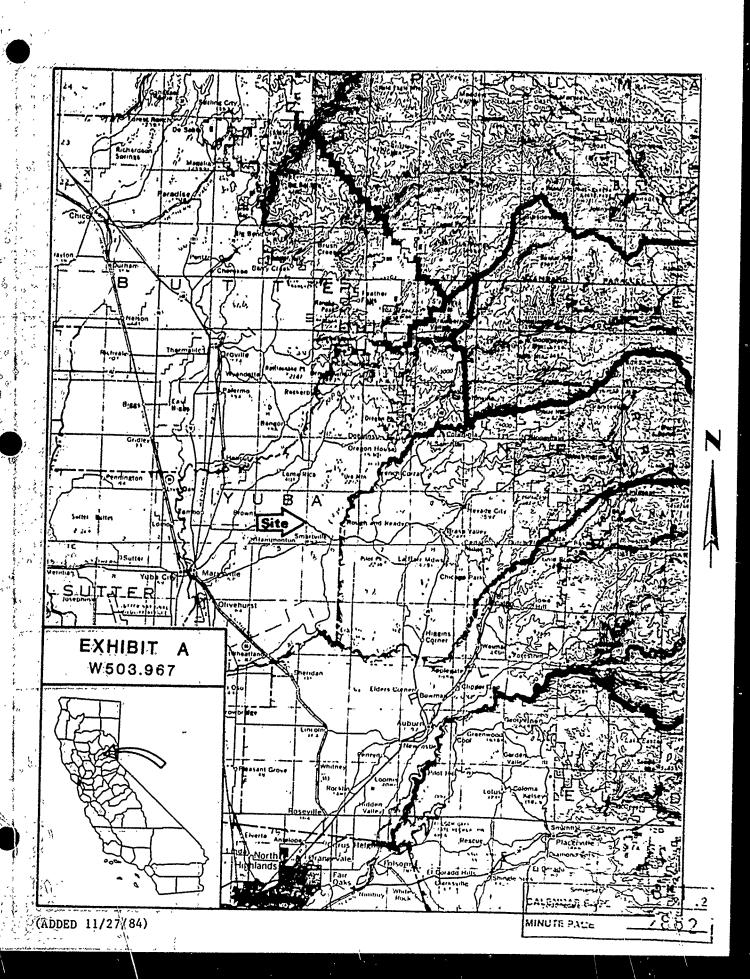


EXHIBIT E W 503.967 В 2883 (ADDED 11/27/84) MINUTE PAGE