

MINUTE ITEM

This Calendar Item No. C32 was approved as Minute Item No. 32 by the California State Lands Commission by a vote of 3 to 0 at its 06/26/06 meeting.

**CALENDAR ITEM
C32**

A 9
S 6

06/26/06
PRC 7203.9
D. Jones

AMENDMENT OF LEASE

LESSEE:

The Reclamation Board
3310 El Camino Avenue, Room 140
Sacramento, CA 95825

AREA, LAND TYPE, AND LOCATION:

Sovereign lands in the Sacramento River in the Pocket Area, city of Sacramento, Sacramento County.

AUTHORIZED USE:

The construction, use, and maintenance of new bank protection at eight (8) critical levee sites.

LEASE TERM:

Master Lease:
30 years, beginning May 1, 1988.

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:

Amend the lease premises to include the construction and maintenance of bank protection at eight critical levee sites along the Sacramento River, in the Pocket Area, city of Sacramento, Sacramento County, which are among the critical erosion sites in the Governor's February 24, 2006 Declaration of State of Emergency of California Levee System, and March 7, 2006 Executive Order S-01-06. All other terms and conditions of the lease shall remain in effect without amendment.

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OTHER PERTINENT INFORMATION:

1. Lessee has the right to use the uplands adjoining the lease premises.
2. The Sacramento River Bank Protection Project, authorized by Congress in 1960, directs the U.S. Army Corps of Engineers to provide bank protection along the Sacramento River and its tributaries. The State Legislature authorized the Reclamation Board's participation in the Sacramento River Bank Protection Project.

A Master Lease to the Reclamation Board for the Sacramento River Bank Protection Project was authorized by the State Lands Commission on May 9, 1988, effective May 1, 1988. The Master Lease authorizes maintenance of existing bank protection structures and construction of new bank protection structures as specific construction sites become known. The Master Lease also requires the Reclamation Board to seek an amendment of the lease to include new sites as they become known.

3. On February 24, 2006, Governor Arnold Schwarzenegger declared a state of emergency (Declaration of State of Emergency of California Levee System and March 7, 2006 Executive Order S-01-06) with respect to California's levee system. The Governor's proclamation focused on the imminent threat of certain critical levee-erosion sites in the counties of Colusa, Sacramento, Solano, Sutter, Yolo and Yuba. Under a separate application, the Department of Water Resources is proposing to repair 15 of the critical erosion sites.
4. Under this application, the Reclamation Board, in partnership with the U.S. Army Corps of Engineers under the Sacramento River Bank Protection Project, is proposing to repair eight critical erosion sites along the Sacramento River in the Pocket Area, city of Sacramento. Repair of all eight sites is necessary to allow certain of the levees in the Pocket Area to receive Federal Emergency Management Authority (FEMA) certification for providing protection against a 1-in-100 year flood event. Encroachment of erosion into the banks at these sites requires immediate work to prevent levee failure.
5. The proposed bank protection work at each of the sites involves rock revetment, placement of non-engineered fill, and placing and preserving existing in-stream wood material clusters for aquatic habitat and planting

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pole and container plantings to stabilize the bank and provide riparian habitat.

6. Approximately two boat docks, all under lease with the Commission, in the area will have to be moved during construction and then relocated back to their existing location. The Permits issued by the Reclamation Board for each of these boat docks states that, "The permittee may be required, at permittee's cost and expense, to remove, alter, relocate or reconstruct all or any part of the permitted encroachment(s) if removal, alteration, relocation, or reconstruction is necessary as part of or in conjunction with any present or future flood control plan or project or if damaged by any cause. If the permittee does not comply, the Reclamation Board may remove the encroachment(s) at the permittee's expense." The Reclamation Board is currently working with the Commission's lessees.
7. 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.
8. A Mitigated Negative Declaration was prepared and adopted for this project by The Reclamation Board. The California State Lands Commission's staff has reviewed such document.
9. A Mitigation Monitoring Program was adopted by The Reclamation Board.

FURTHER APPROVALS REQUIRED:

U.S. Army Corps of Engineers, NOAA Fisheries, U.S. Fish and Wildlife Service, California Department of Fish and Game, The Reclamation Board, California Regional Water Quality Control Board

EXHIBIT:

- A. Site Map and Location Map

PERMIT STREAMLINING ACT DEADLINE:

October 27, 2006

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RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT A MITIGATED NEGATIVE DECLARATION AND A MITIGATION MONITORING PROGRAM WERE PREPARED AND ADOPTED FOR THIS PROJECT BY THE STATE RECLAMATION BOARD AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

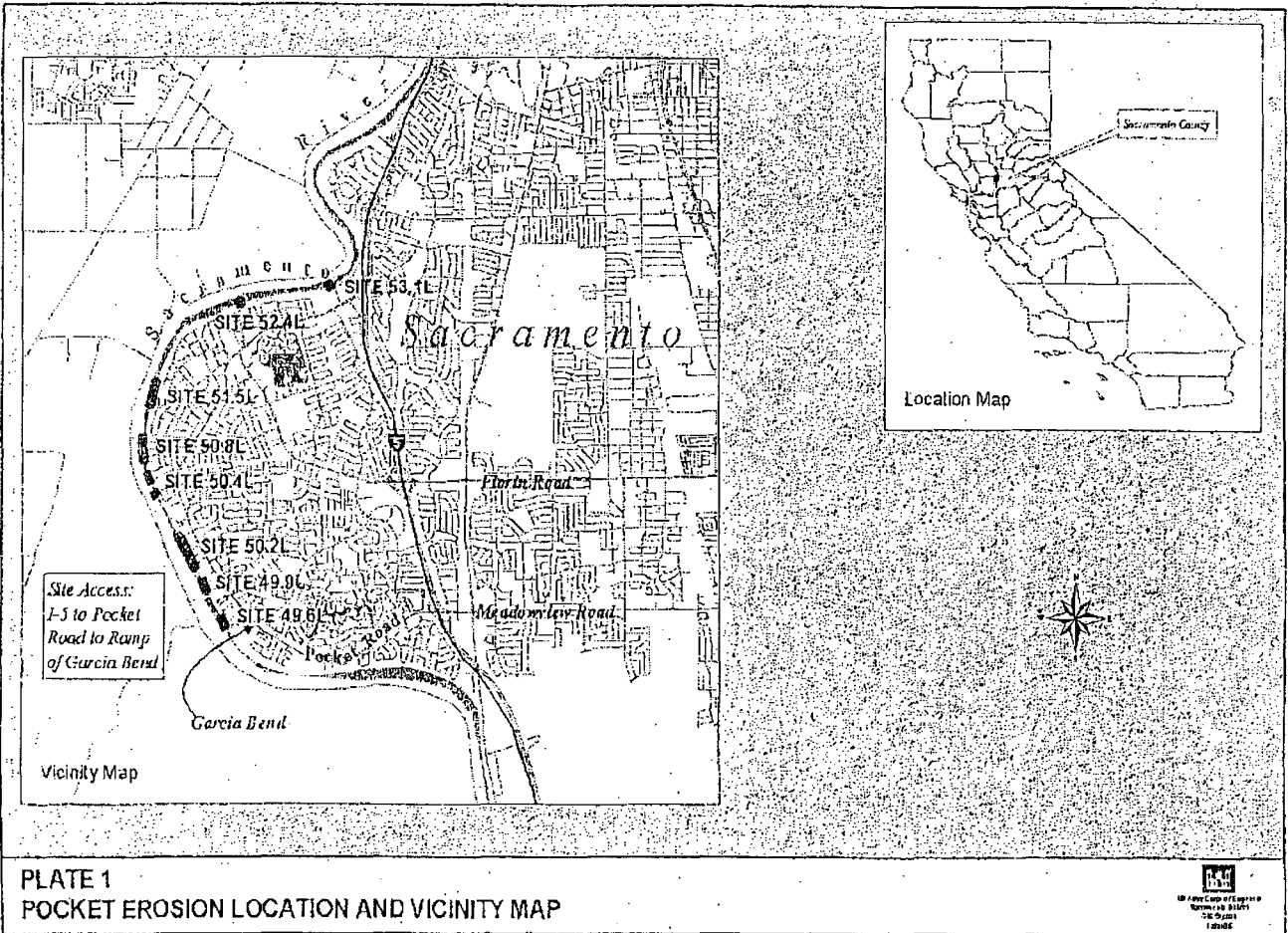
ADOPT THE MITIGATION MONITORING PROGRAM, ON FILE IN THE OFFICE OF THE STATE LANDS COMMISSION AND BY REFERENCE MADE A PART HEREOF.

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 MASTER LEASE NO. PRC 7203.9, OF LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, EFFECTIVE JUNE 26, 2006, TO INCLUDE BANK PROTECTION WORK IN THE POCKET AREA, CITY OF SACRAMENTO AT RIVER MILES 49.6, 49.9, 50.2, 50.4, 50.8, 51.5, 52.4, AND 53.1; ALL OTHER TERMS AND CONDITIONS OF THE LEASE WILL REMAIN IN EFFECT WITHOUT AMENDMENT.



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

Exhibit A
WP 7203.9
Sacramento River in the Pocket area, city of Sacramento

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DJ 6/1/06