

**STAFF REPORT
C66**

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08/17/17
PRC 8018.2
C. Hudson

GENERAL LEASE – GRAZING USE

APPLICANT:

Bar One Cattle Company

PROPOSED LEASE:

AREA, LAND TYPE, AND LOCATION:

Approximately 320 acres, more or less, of State-owned school land located in a portion of Section 16, Township 22 North, Range 16 East, MDM, near Loyalton, Plumas County.

AUTHORIZED USE:

Livestock grazing and the continued use and maintenance of existing fencing.

LEASE TERM:

10 years, beginning November 1, 2017.

CONSIDERATION:

\$900 per year, with an annual Consumer Price Index adjustment.

SPECIFIC LEASE PROVISIONS:

1. Liability insurance in an amount no less than \$1,000,000 per occurrence.
2. The number of animals permitted on the lease premises is restricted to those that can be supported by vegetation.
3. Applicant must exercise good grazing practices to avoid overgrazing by livestock.

STATE'S BEST INTERESTS ANALYSIS:

On August 11, 2009, the Commission authorized a 10-year General Lease – Grazing Use, effective November 1, 2007, to Bar One Cattle Company for livestock grazing and the continued use and maintenance of existing fencing ([Item C19, August 11, 2009](#)). The lease will expire on October 31, 2017. The Applicant submitted an application for grazing use of State-owned school lands. The proposed lease is limited to a 10-year term, does not alienate the State's fee simple interest, and does not grant the lessee exclusive rights to the lease

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premises. The lease requires the lessee to insure and indemnify the State for any liability incurred as a result of the lessee's activities hereon. The Applicant is required to use good grazing practices to avoid overgrazing of the lease premises. Commission staff may at any time during the lease term make an analysis of forage conditions utilizing accepted range management practices. The number of animals permitted on the lease premises is restricted to those that can be supported by the forage available in this ephemeral range area taking into consideration forage reserved for necessary wildlife use. The lease requires the lessee to maintain the land at no expense to the State. The lease also requires the payment of annual rent, generating revenue for the California State Teachers' Retirement System, consistent with the School Land Bank Act. For the reason stated above, Commission staff believes the issuance of Lease No. PRC 8018.2 is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. This action is consistent with Strategy 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation and responsible economic use of the lands and resources under the Commission's jurisdiction and Strategy 2.1 to optimize returns for the responsible development and use of State lands and resources, both onshore and offshore.
2. **Grazing:** 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 4, Minor Alteration to Land; California Code of Regulations, title 2, section 2905, subdivision (d)(1).
3. **Existing Fence:** Staff recommends that the Commission find that this activity is exempt from the requirements of 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.

4. 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

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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. Land Description
- B. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Grazing: 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 4, Minor Alteration to Land; California Code of Regulations, title 2, section 2905, subdivision (d)(1).

Existing Fence: 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).

STATE'S BEST INTERESTS FINDING:

Find that the proposed lease is in the best interests of the State.

AUTHORIZATION:

Authorize issuance of a General Lease – Grazing Use to Bar One Cattle Company beginning November 1, 2017, for a term of 10 years, for livestock grazing and the continued use and maintenance of existing fencing as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; annual rent in the amount of \$900, with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$1,000,000 per occurrence.

EXHIBIT A

PRC 8018.2

LAND DESCRIPTION

That certain parcel of State School Land in Plumas County, State of California, more particularly described as follows:

The East ½ of Section 16, Township 22 North, Range 16 East, Mount Diablo Meridian, as shown on that Official U.S. Government Township Plat approved February 3, 1879.

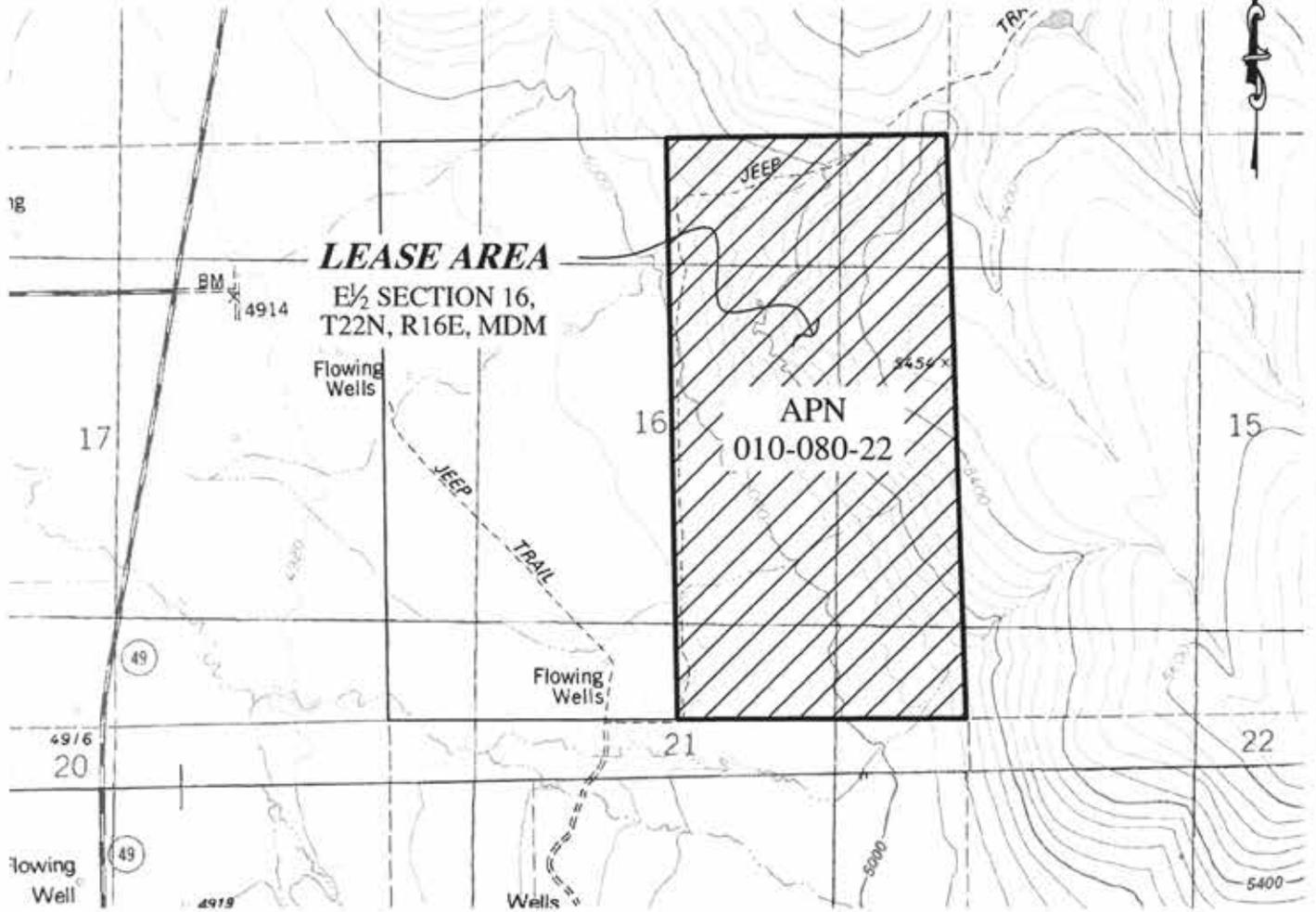
END OF DESCRIPTION

Prepared 05/11/2017 by the California State Lands Commission Boundary Unit.



NO SCALE

SITE



EAST HALF OF SECTION 16, TOWNSHIP 22 NORTH, RANGE 16 EAST,
MOUNT DIABLO MERIDIAN

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 8018.2
BAR ONE CATTLE COMPANY
APN 010-080-22
GENERAL LEASE -
GRAZING & FENCING USE
PLUMAS COUNTY



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