

**STAFF REPORT
C32**

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11/29/17
PRC 9142.1
J. Holt

**CONSIDER ACCEPTANCE OF A LEASE QUITCLAIM DEED
FOR A GENERAL LEASE – RIGHT-OF-WAY USE**

APPLICANT:

Decker Island, LLC

CURRENT LEASE:

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Horseshoe Bend, adjacent to Assessor's Parcel Numbers 0090-210-050 and 158-0010-056, near Rio Vista, Solano and Sacramento Counties.

AUTHORIZED USE:

Installation, use, operation, and maintenance of a bucket-trenched 3-inch-diameter shielded power cable beneath the bed of Horseshoe Bend.

LEASE TERM:

25 years, beginning August 15, 2014.

CONSIDERATION:

\$450 per year, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

BACKGROUND:

On August 15, 2014, the Commission authorized issuance of Lease No. PRC 9142.1, a 25-year General Lease – Right-of-Way Use, for a bucket-trenched 3-inch-diameter shielded power cable beneath the bed of Horseshoe Bend to Decker Island, LLC ([Item C25, August 15, 2014](#)). The authorization pertained to an electrical connection project for the extension of electrical supply from existing Pacific Gas and Electric lines on Sherman Island to the lessee's facilities on Decker Island.

In June 2017, the lessee's parent company, Ranch Capital, canceled the electrical connection project in Horseshoe Bend due to an operations

STAFF REPORT NO. **C32** (CONT'D)

assessment as well as economic conditions, without notification to Commission staff. The lessee is now applying for a termination of the Lease.

The lessee has agreed to quitclaim all interests in the lease area, based on project cancellation. According to the lessee's project manager, "No construction work of any type has been done on the Decker Island electrical connection project or the State land subject to this lease." Therefore, the lessee has no improvements to remove or abandon and thus no further obligations once the quitclaim is accepted by the Commission

STAFF ANALYSIS AND RECOMMENDATION:

Authority:

Public Resources Code sections 6005, 6216, 6220, and 6301; California Code of Regulations, title 2, section 2000, subdivision (b).

Public Trust and State's Best Interests Analysis:

The recommended acceptance of a lease quitclaim deed will have no effect on Public Trust needs at this time and at this location. There are no improvements to remove or abandon, and the lease premises have not been disturbed. Acceptance of the lease quitclaim deed is in the State's best interests because it will clear the lease from the title to the property. For the above reasons, Commission staff recommends the acceptance of the lease quitclaim deed.

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.
2. Acceptance of a lease quitclaim deed is not a project as defined by the California Environmental Quality Act, because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15378, subdivision (b)(5).

EXHIBITS:

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

STAFF REPORT NO. **C32** (CONT'D)

RECOMMENDED ACTION:

It is recommended that the Commission:

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the acceptance of the lease quitclaim deed will have no effect on Public Trust needs and is in the best interests of the State.

AUTHORIZATION:

Authorize acceptance of the lease quitclaim deed for Lease No. PRC 9142.1, a General Lease – Right-of-Way Use, issued to Decker Island, LLC, effective November 29, 2017.

EXHIBIT A

PRC 9142.1

LAND DESCRIPTION

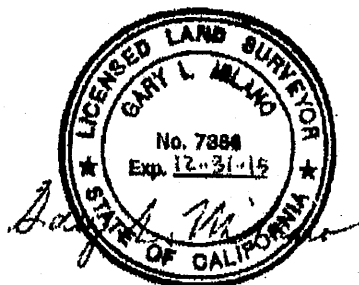
A twenty (20) foot strip of tide and submerged land, lying in the bed of the Sacramento River, situated in the counties of Sacramento and Solano, State of California, the centerline line of which is more particularly described as follows:

COMMENCING at the southeast corner as shown in the deed from William A. Siebert to William A. Siebert, trustee of the William A. Siebert Revocable Trust dated January 3, 2013, recorded as in book 20130108, page 0408 January 8, 2013 in Sacramento County, California; said southeast corner being the easterly end of the course N 79°39' 15" W, 27.70 feet as described in said William A. Siebert Revocable Trust deed; for this description, said last course mentioned is rotated to California coordinate basis of N 79°28' 16" W; a tie to a USGS monument No. BMSA207 near the northwesterly end of the Sherman Island bridge is N 28°21'50" E, 3620.22 feet; and a tie to USGS monument No. BMI 1932 on a levee road is N 33°17' 11" E, 2934.54 feet from said southeast corner. Thence from said Point of Commencement N 10°15' 53" E, 366.27 feet to a riser pole in place at an approximate center line of an existing power line running north south. Said riser pole being the center line beginning of this twenty (20) feet wide strip of land. Thence from said Point of Beginning Due West 104.78' to an angle point and being on the westerly line in said William A. Siebert Revocable Trust deed; thence S 71°31' 24" W, and across the Sacramento River 398.45 feet to an angle point; thence continuing across said River S 87°30' 45" W, 83.11 feet to the easterly boundary line as shown in the 'Lands of Dozier & Pressley Company' being described in the decree quieting title recorded in book 243 of official records of Solano County, California, at page 245, and being portions of sections 4,5,8,9, 17, & 20. T3N, R2E, MDM, and a portion of Rancho De Los Ulpinos, as also shown in the record of survey (20 R/S 86) filed July 30, 1992 in book 20 at page 86 in said Solano County records. this point on said easterly boundary line is approximately 90 feet westerly of the high water line of said Sacramento River. this last said point also being N 10°56' 56" E, 30.05 feet to the northerly end of the course as shown on said 20 R/S 86 of S 10°58' 40" W, 132.00 feet. Said point also being the POINT OF TERMINUS for this description.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark of the right and left bank of said River.

The sidelines of said strip are to be lengthened or shortened as to begin and terminate on the ordinary high water mark of the right and left banks of said River.

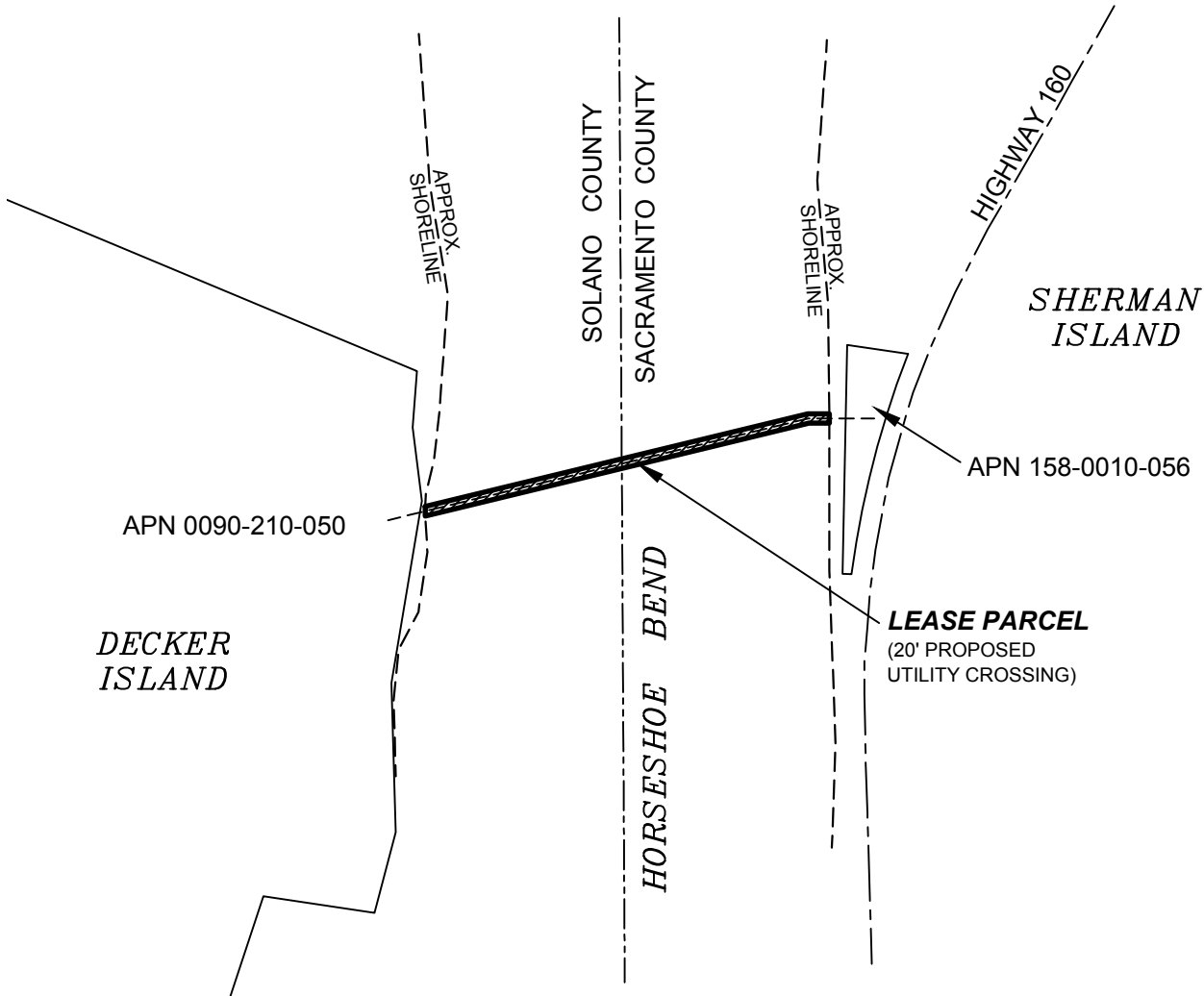
END OF DESCRIPTION



July 17, 2014

NO SCALE

SITE



HORSESHOE BEND, SACRAMENTO RIVER

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

PRC 9142.1
 DECKER ISLAND, LLC
 APNs 158-0010-056, 0090-210-050
 GENERAL LEASE -
 RIGHT-OF-WAY USE
 SACRAMENTO &
 SOLANO COUNTIES



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.