

**STAFF REPORT
C61**

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11/29/17
PRC 6807.2
J. Porter

GENERAL LEASE – RIGHT-OF-WAY USE

APPLICANT:

Timothy Grubb

PROPOSED LEASE:

AREA, LAND TYPE, AND LOCATION:

0.37 acre, more or less, of State-owned school land located in a portion of Section 16, Township 36 North, Range 5 West, MDM, west of Lamoine, Shasta County.

AUTHORIZED USE:

Use and maintenance of one existing water storage tank and water pipeline.

LEASE TERM:

10 years, beginning July 1, 2017.

CONSIDERATION:

\$450 per year, with an annual Consumer Price Index adjustment.

SPECIFIC LEASE PROVISIONS:

Liability insurance in the amount of no less than \$1,000,000 per occurrence.

STAFF ANALYSIS AND RECOMMENDATION:

Authority:

Public Resources Code sections 6005, 6216, 6217.5, 6501.1, 6503, and 8701; California Code of Regulations, title 2, sections 2000 and 2003.

State's Best Interests Analysis:

On June 28, 2010, the Commission authorized a 10-year General Lease – Right-of-Way Use, effective July 1, 2007, to Timothy Grubb for use and maintenance of a water storage tank and water pipeline ([Item C40, June 28, 2010](#)). The lease expired on June 30, 2017. This new lease will

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authorize the continued use and maintenance of the existing water storage tank and water pipeline that is located within the lease premises. 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 premises. The lease requires the lessee obtain a lease amendment before any further improvements are placed on the State's land. The lease requires the lessee to insure and indemnify the State for any liability incurred as a result of the lessee's activities thereon. The lease also requires the payment of annual rent, which generates revenue for the California State Teachers' Retirement System, consistent with the School Land Bank Act. For the reasons stated above, Commission staff believes issuance of this lease 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. 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.

3. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based on staff's consultation with the persons nominating such lands and through the CEQA review process, it is staff's opinion that the project, as proposed, is consistent with its use classification.

EXHIBITS:

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

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RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

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.

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 section 6370 et seq.

AUTHORIZATION:

Authorize issuance of a General Lease – Right-of-Way Use to Timothy Grubb beginning July 1, 2017, for a term of 10 years, for use and maintenance of one water storage tank and one water pipeline on 0.37 acre, more or less, of State-owned school land 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 \$450 per year, with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$1,000,000 per occurrence.

EXHIBIT A

PRC 6807.2

LAND DESCRIPTION

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

The NW ¼ and N ½ of NE ¼ of Section 16, Township 36 North, Range 5 West, Mount Diablo Meridian, as shown on the Official U.S. Government Township Plat approved March 27, 1884.

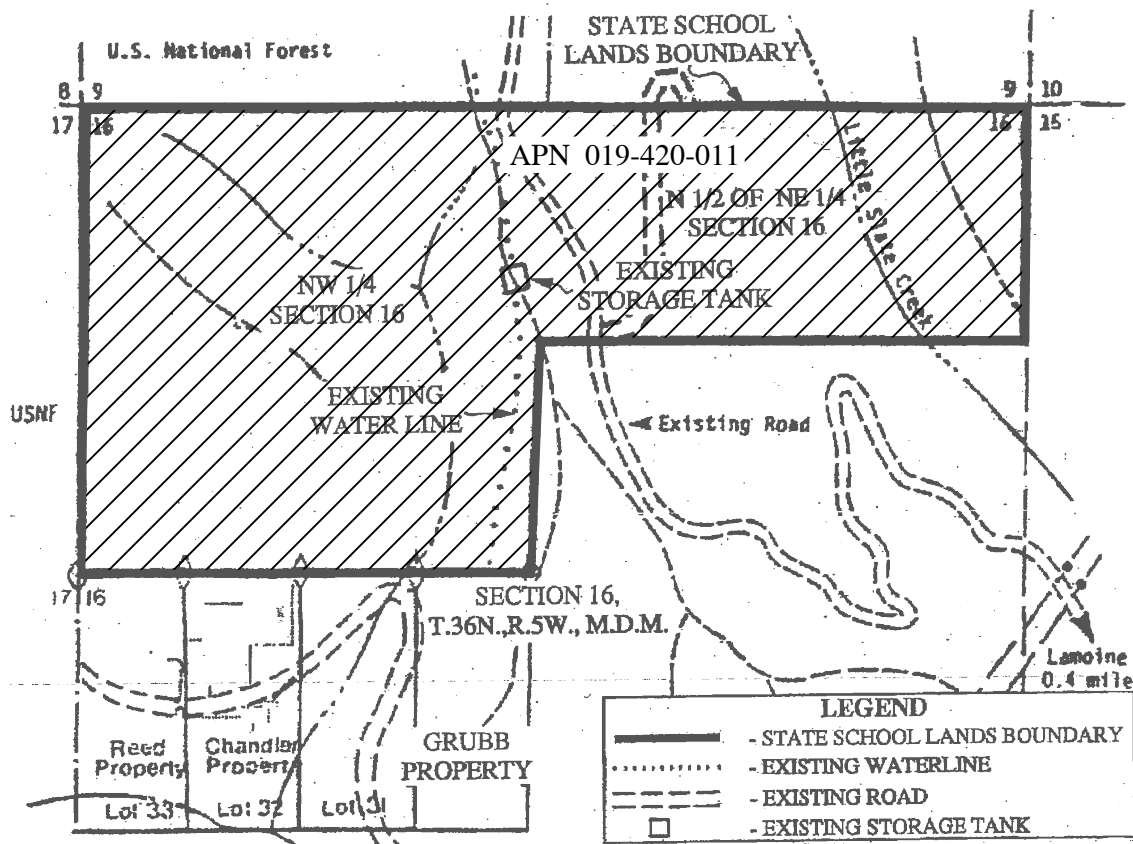
END OF DESCRIPTION

Prepared 06/29/2017 by the California State Lands Commission Boundary Unit.



NO SCALE

SITE



PORTION OF SECTION 16, T.36N., R.5W., M.D.M.

NO SCALE

LOCATION

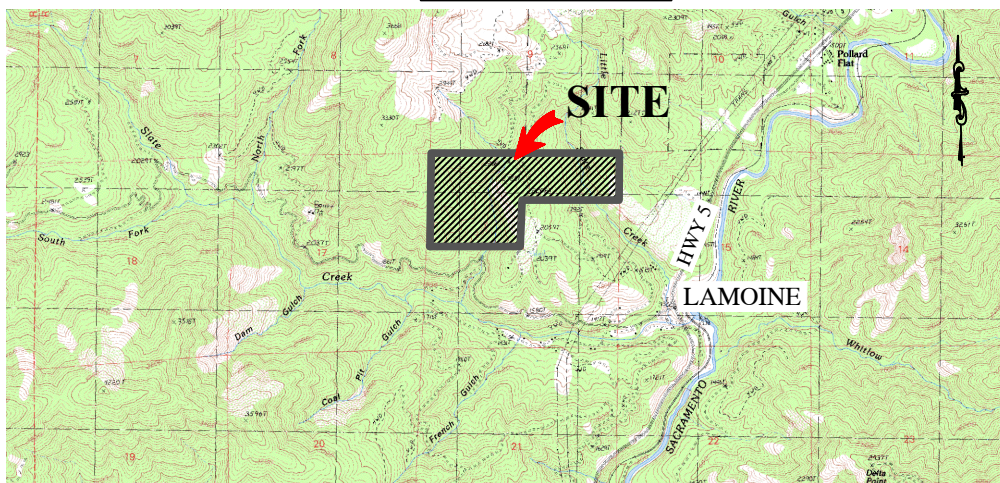


Exhibit B

PRC 6807.2

GRUBB

APN 019-420-011

GENERAL LEASE -
RIGHT-OF-WAY USE
SHASTA COUNTY



TS 06/29/17

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.