

MINUTE ITEM

This Calendar Item No. C12
was approved as Minute Item
No. 12 by the State Lands
Commission by a vote of 2
0 at its 3/2/92
meeting.

CALENDAR ITEM

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C 1 2

03/02/92
PRC 6928
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TERMINATE GENERAL LEASE - RIGHT-OF-WAY USE
AND RESCIND MINUTE ITEM NO. 26

LESSEE:

Surprise Valley Electrification Corporation
P. O. Box 691
Alturas, California 96101

AREA, TYPE LAND AND LOCATION:

A 1.38-acre parcel of State lieu land located near the town
of Termo, Sec. 6, T34N R13E, MDM, Lassen County.

LAND USE:

Existing electrical transmission line.

TERMS OF ORIGINAL LEASE:

Initial period:
Twenty-five (25) years beginning August 8, 1985.

Public liability insurance:
Combined single limit coverage of \$2,000,000.

Consideration:
\$100 per annum; five-year rent review.

BASIS FOR CONSIDERATION:

Pursuant to 2 Cal. Code Regs. 2003.

STATUTORY AND OTHER REFERENCES:

- A. P.R.C.: Div. 6, Parts 1 and 2; Div. 7.7; Div. 13.
- B. Cal. Code Regs.: Title 2, Div. 3; Title 14, Div. 6.

AB 884:
N/A

BACKGROUND:

Surprise Valley has an existing right-of-way lease which contains a five-year rent review, which permits the Commission to change the rental for the ensuing five-year rental period. During the review process, staff analyzed the cost of continued leasing versus an easement sale, and it was determined that the continued cost of maintaining the lease, until expiration, would exceed projected revenue; therefore, staff recommended the sale of the easement.

Staff subsequently presented to the Commission a calendar item for approval of the sale of a right-of-way easement to Surprise Valley at the March 27, 1990 Commission Meeting. The authorization to proceed with the easement sale was given by the Commission as Minute Item No. 26.

During the processing of the patent for the easement, it was determined that fee title to the property had been previously patented on February 7, 1990. This was a result of escrow closing on a sale and an exchange between a private party, the Wildlife Conservation Board, and the Commission. The Commission approved this project on June 30, 1988.

OTHER PERTINENT INFORMATION:

1. Due to the fact the land had previously been exchanged to a private party, the Lessee, Surprise Valley Electrification Corporation, notified Commission staff, in writing, by letter dated May 9, 1990, of their desire to terminate their interest in lease PRC 6928.
2. Surprise Valley has executed a lease quitclaim deed transferring any and all right, title, and interest in the leasehold designated as PRC 6928 back to the State of California, pursuant to Paragraph 12, Section 4 of said lease.
3. Rental for the 1989-90 rental in the amount of \$100, has been paid in full.

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4. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 15061), the staff has determined that this activity is exempt from the requirements of the CEQA because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

Authority: P.R.C. 21065 and 14 Cal. Code Regs. 15378.

EXHIBITS:

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

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 15378.
2. RESCIND MINUTE ITEM NO. 26 WHICH WAS APPROVED ON JUNE 11, 1990.
3. AUTHORIZE STAFF TO TERMINATE AND ACCEPT A QUITCLAIM DEED, EFFECTIVE JUNE 6, 1990, FOR THE LAND DESCRIBED IN EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

EXHIBIT "A"

PRC 6928

LAND DESCRIPTION

A strip of California State lieu lands, 10 feet wide, within Section 6, T34N, R13E, MDM, Lassen County, the centerline of said strip described as follows:

BEGINNING at a point on the east line of said Section 6 lying S 0° 31' 00" W, 17.50 feet from the east $\frac{1}{4}$ corner of said Section 6; thence S 69° 55' 01" W, 5675.74 feet to the west line of said Section 6; thence S 0° 01' 53" E, 666 feet along said west line to the southwest corner of said Section 6.

END OF DESCRIPTION

PREPARED SEPTEMBER 13, 1985. BY BOUNDARY SERVICES UNIT, M. L. SHAFER SUPERVISOR

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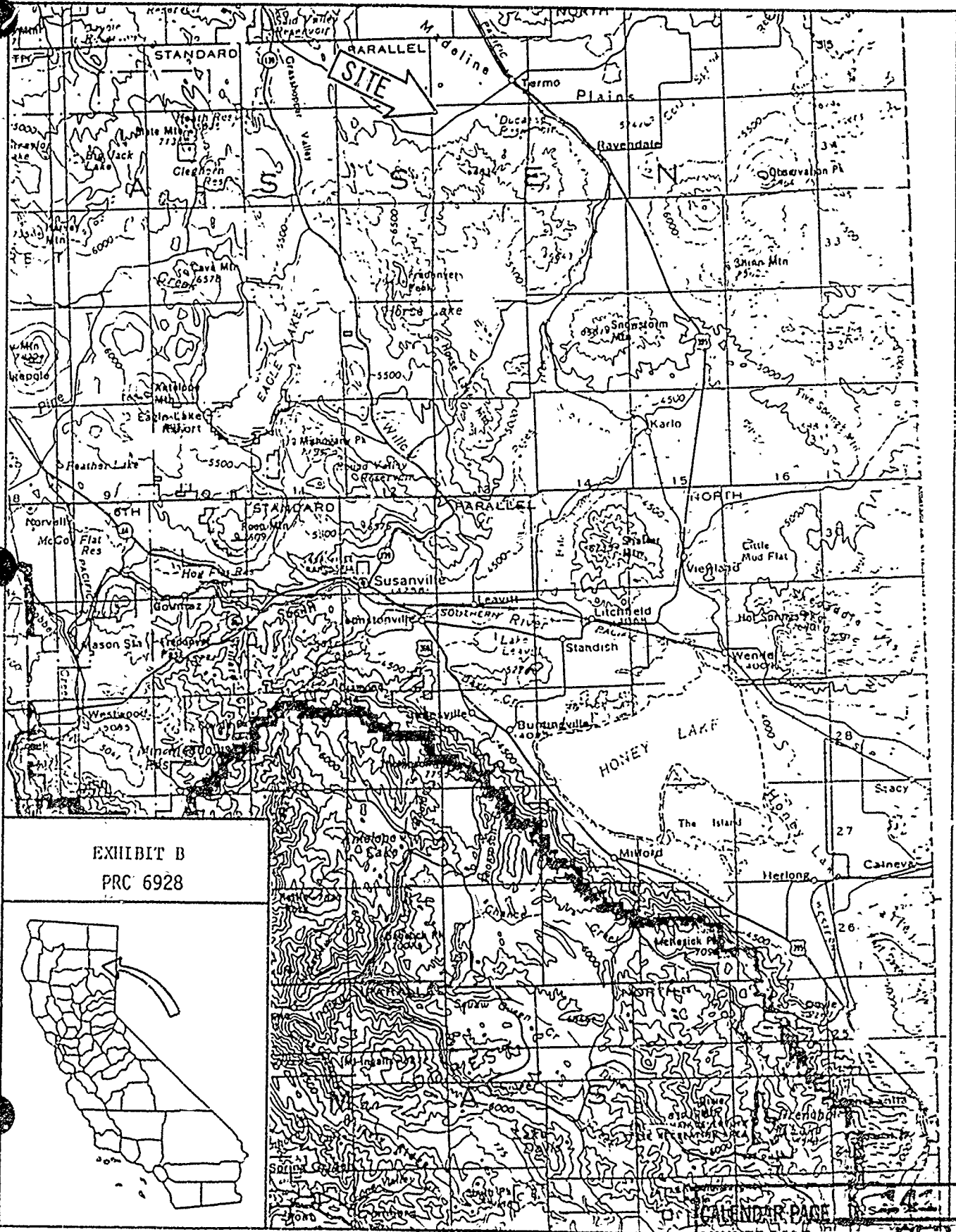


EXHIBIT B
PRC 6928



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EXHIBIT C
LEASE QUITCLAIM DEED

WHEREAS, pursuant to lease designated PRC 6928.2, entered into on December 12, 1985, by and between the State Lands Commission, as Lessor, and Surprise Valley Electrification Corporation, as Lessee, said Lessee was granted for a term of 25 years, commencing August 8, 1985, the right to use the property herein described, for certain purposes specified in said Lease; and

WHEREAS, the Lessee has requested in writing by letter dated May 9, 1990 of their desire to terminate their interest in a Right-of-Way lease with the Commission; and

WHEREAS, pursuant to Paragraph 16(e) of said lease, Lessee agreed to execute and deliver to State a good and sufficient quitclaim deed on the last day of said term or upon sooner termination of said lease.

NOW, THEREFORE, Surprise Valley Electrification Corporation does hereby remise, release, and forever quitclaim unto the State of California any and all right, claim, title, or interest arising by virtue of or pursuant to that certain lease designated PRC 6928.2, entered into on August 8, 1985, respecting lands located in Lassen County, State of California, and as described on the attached Exhibit A.

IN WITNESS WHEREOF, this Quitclaim Deed is executed this
6th day of June, 1990.

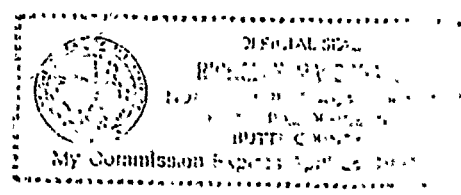
Jim Hays

SURPRISE VALLEY ELECTRIFICATION CORPORATION
STATE OF CALIFORNIA)
)ss.
COUNTY OF MODOC)

On this 6th day of June, the year 1990,
before me, Riachelle Macdonald, a Notary
Public in and for said County and State, personally appeared
Jim Hays, known to me and to be the
person(s) who executed the within instrument as Agent
or on behalf of the Corporation herein named, and acknowledged to me
that the Corporation executed it.

WITNESS my hand and official seal.
Riachelle Macdonald

Riachelle Macdonald
Name (typed or printed)
NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE



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