

MINUTE ITEM

This Calendar Item No. C25 was approved as Minute Item No. 25 by the California State Lands Commission by a vote of 3 to 0 at its 06/26/06 meeting.

CALENDAR ITEM
C25

A 34
S 17

06/26/06
PRC 8684 W 26145
J. Brown

GENERAL LEASE - RESTORATION USE

APPLICANT:

Agrarian Research and Management Company, Ltd.
PO Box 446
Bishop, CA 93515

AREA, LAND TYPE, AND LOCATION:

80.98 acres, more or less, of sovereign lands in Owens Lake, Inyo County.

AUTHORIZED USE:

Backfill trenches and remove berms.

LEASE TERM:

Three years, beginning July 1, 2004.

CONSIDERATION:

\$675 annual rental, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

SPECIFIC LEASE PROVISION:

Insurance:

Liability insurance of no less than \$1,000,000.

OTHER PERTINENT INFORMATION:

1. Applicant has permission to access the lease premises.
2. The proposed project involves restoring lands within Owens Lake that were inadvertently disturbed during construction of a private project located on private lands adjacent to the southern boundary of Owens Lake.
3. In April, 2004, the California Department of Fish and Game (CDFG) prepared a Negative Declaration for a private project to create habitat for

CALENDAR ITEM NO. C25 (CONT'D)

migratory waterfowl for the purposes of recreational hunting, and for the aesthetic values of wetland habitat to be located on privately owned lands adjacent to Owens Lake.

During implementation of the habitat project, the Applicant discovered that the survey prepared for construction of the habitat project erroneously identified lands of the State as private property and trenches and berms were inadvertently constructed on sovereign lands. This error was recently brought to Commission staff's attention, and the Applicant is now applying for a lease to remove the berms and backfill the trenches to restore the State's property.

The CDFG has issued a Lake and Streambed Alteration Agreement No. 1600-2003-5103-R6 for the habitat project, and has no objection to the proposed restorative efforts. The California Regional Water Quality Control Board issued a General Permit to Discharge Storm Water Associated with Construction Activity #6B14C328370. The Applicant has obtained a grading permit from Inyo County for the project.

The private habitat project subsequently received grant funding from the CDFG as qualifying mitigation to offset environmental impacts occurring on private property from a separate unrelated mining project not located on State-owned land.

4. A Negative Declaration was prepared and adopted for this project by the CDFG. The Commission's staff has reviewed such document. A Mitigation Monitoring Program was not adopted by the Lead Agency.
5. This activity involves lands which have NOT been identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. However, the Commission has declared that all state school lands and submerged 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 sections 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 Title 2, California Code of Regulations, section 2954 is not applicable.

CALENDAR ITEM NO. **C25** (CONT'D)

APPROVALS OBTAINED:

California Department of Fish and Game
California Regional Water Quality Control Board
Inyo County

EXHIBIT:

A. Location and Site Map

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

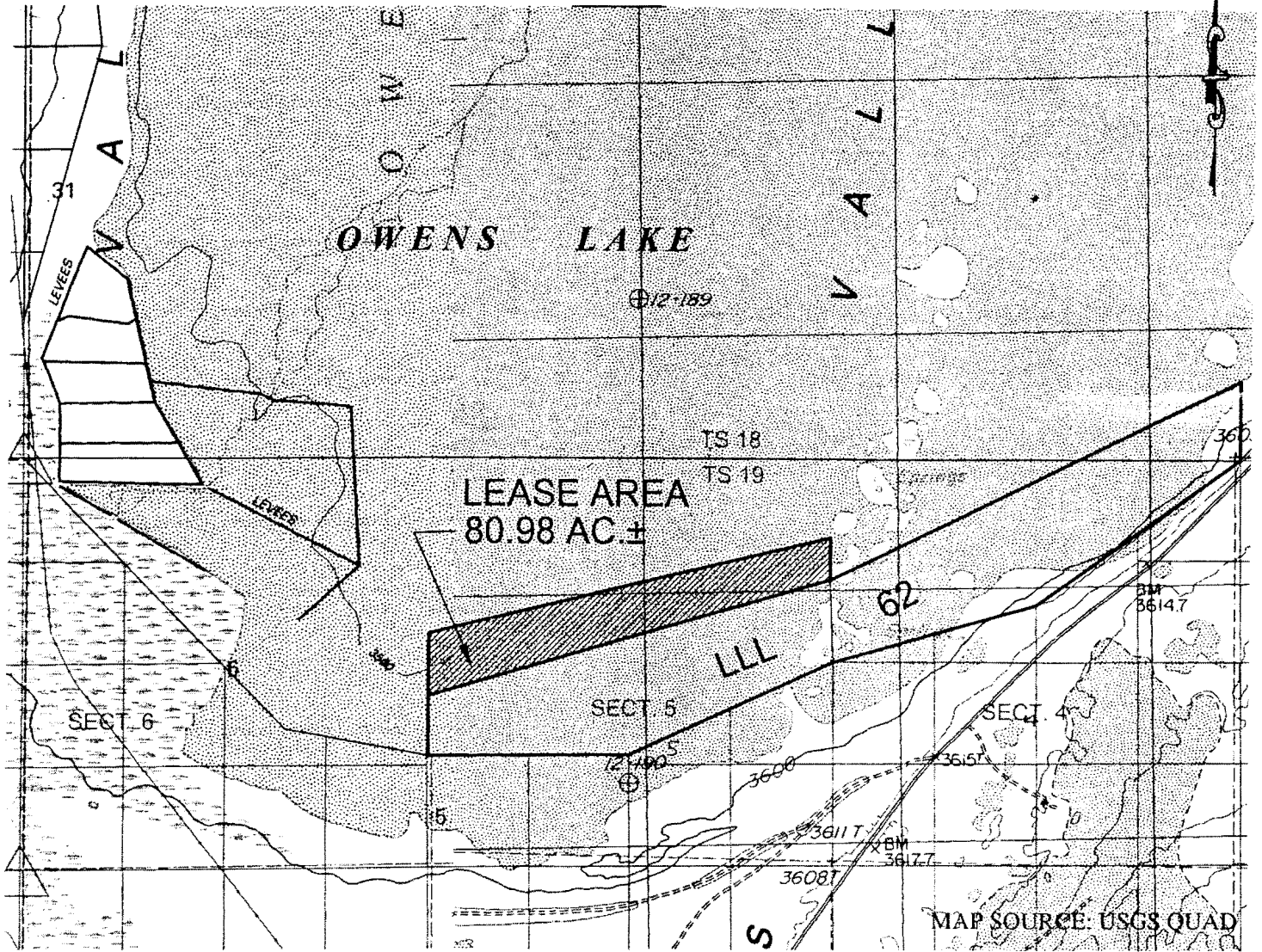
FIND THAT A NEGATIVE DECLARATION WAS PREPARED AND ADOPTED FOR THIS PROJECT BY THE CALIFORNIA DEPARTMENT OF FISH AND GAME AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

AUTHORIZATION:

AUTHORIZE ISSUANCE TO AGRARIAN RESEARCH AND MANAGEMENT COMPANY, LTD. OF A GENERAL LEASE – RESTORATION USE, BEGINNING JULY 1, 2004, FOR A TERM OF THREE YEARS, FOR BACKFILLING TRENCHES AND REMOVING BERMS AS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; ANNUAL RENT IN THE AMOUNT OF \$675, WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENT PERIODICALLY DURING THE LEASE TERM, AS PROVIDED IN THE LEASE; LIABILITY INSURANCE OF NO LESS THAN \$1,000,000.

NO SCALE

SITE



AGRARIAN RESEARCH, OWENS LAKE

NO SCALE

LOCATION

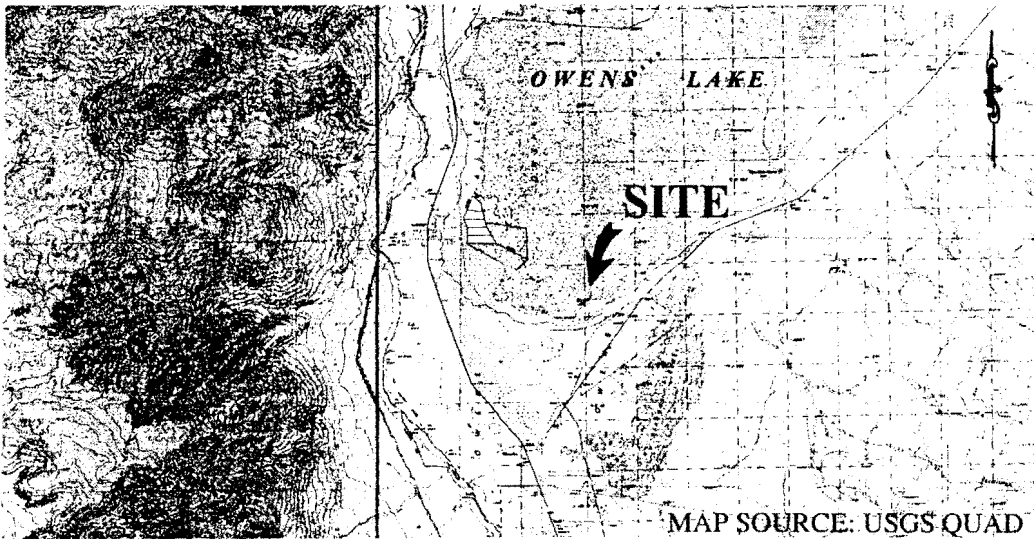


Exhibit A

W 26145
 AGRARIAN RESEARCH
 GENERAL LEASE
 OWENS LAKE
 INYO COUNTY



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.

CALENDAR PAGE

MINUTE PAGE

MJ 05/06