

**CALENDAR ITEM
C104**

A 36
S 16

04/23/15
PRC 8108.2
C. Hudson

REVISION OF RENT

LESSEE:

Granite Construction Company, LLC
213 East Avenue M
Lancaster, CA 93535

AREA, LAND TYPE, AND LOCATION:

0.37 acre, more or less, of State lieu land within a portion of Section 28,
Township 11 North, Range 12 West, SBM, near the town of Mojave, Kern County

AUTHORIZED USE:

Continued use and maintenance of an existing underground water pipeline.

LEASE TERM:

10 years, beginning September 1, 2009.

CONSIDERATION:

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent under this lease and recommends that the rent be revised from \$100 per year to \$450 per year, effective September 1, 2015.

BACKGROUND:

School Lands were granted to the State of California by the federal government under the Act of March 3, 1853 (10 Stat. 244), and consisted of the 16th and 36th sections of land in each township (with the exceptions of lands reserved for public use, lands taken by private land claims, and lands known to be mineral in character). In cases of preemption due to the exceptions described above, the State was given the opportunity to select replacement lands from the United States in lieu of a Section 16 or a Section 36. These replacement lands are now known as Indemnity School Lands or Lieu Lands.

CALENDAR ITEM NO. **C104** (CONT'D)

OTHER PERTINENT INFORMATION:

1. On December 17, 2009, the Commission authorized a General Lease – Right-of-Way Use with Granite Construction Company, LLC. The lease will expire on August 31, 2019.
2. The underground water pipeline is used by the Lessee in conjunction with its quarry and construction materials production facility on the property adjacent to the Lease Premises to convey water for the reclamation and crushing underground overburden rock to make aggregate.
3. Staff conducted the rent review and recommends the rent be increased to \$450 per year, effective September 1, 2015.
4. The staff recommends that the Commission find that the subject revision of rent does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060, subdivision (c)(3), and 15378.

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

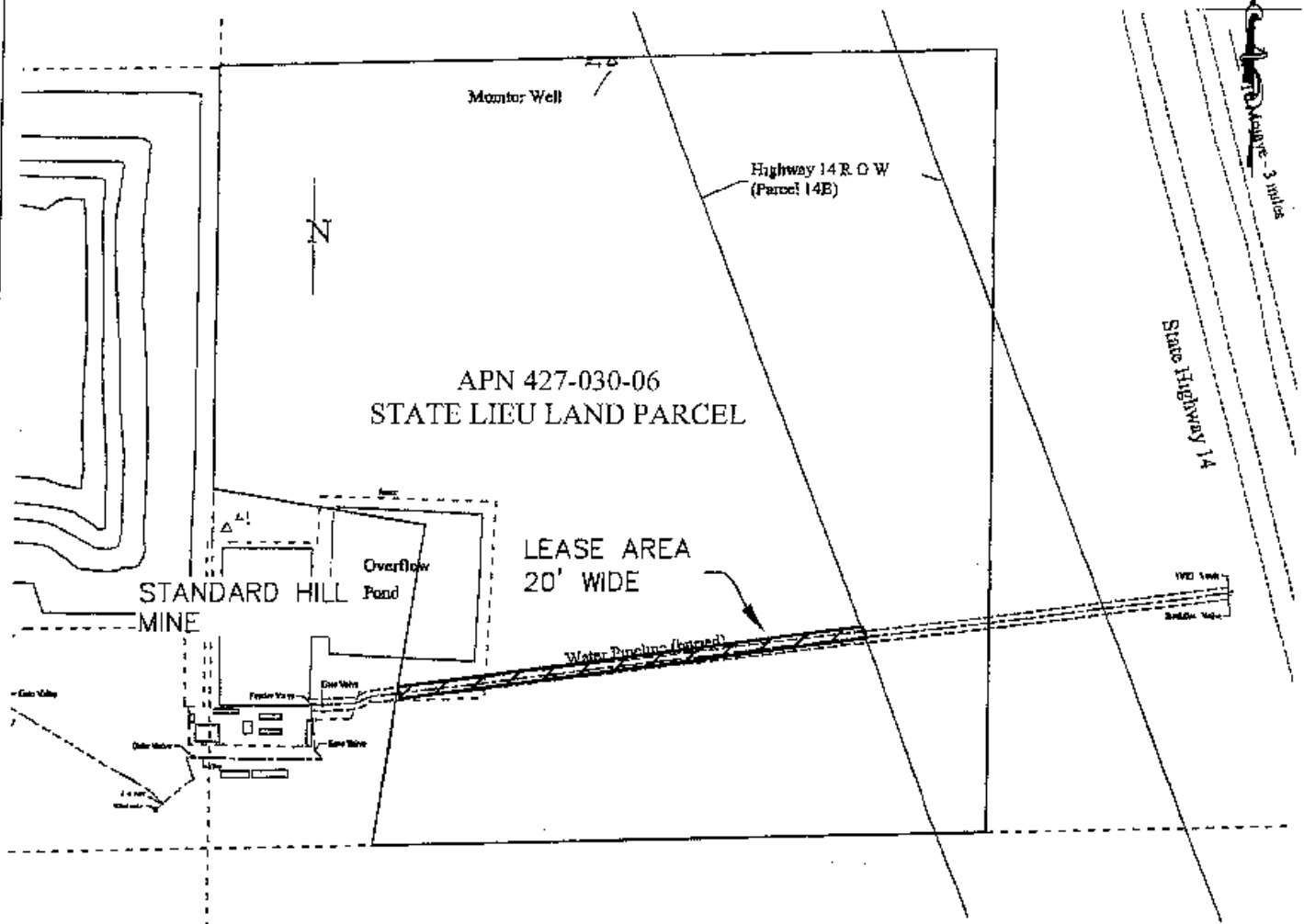
Find that the subject revision of rent is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by the Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 8108.2 from \$100 per year to \$450 per year, effective September 1, 2015.

NO SCALE

SITE



WATER PIPELINE – STATE LIEU LAND SECTION 28, T11N, R12W, SBM, NEAR THE TOWN OF MOJAVE

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

PRC 8108.2
 GRANITE
 CONSTRUCTION
 APN 427-030-06
 GENERAL LEASE –
 RIGHT-OF-WAY USE
 KERN COUNTY



RGB 12/11/14

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.