AVINUTE ITEM This Calunder Item No. <u>C17</u> was apply yed as Minute Item No. <u>by 500 state Lands</u> Completed h by a vote of <u>C</u>

CALENDAR ITEM

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06/30/87 PRC 5991 Pelka

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APPROVAL OF ACCEPTANCE OF A QUITCLAIM DEED

LESSEE:

Western-Pacific Construction Materials Co. 3510 S.W. Bond Avenue Portland, Oregon 97201

AREA, TYPE LAND AND LOCATION: Approximately 110 acres of submerged land near Middle Ground Island, Suisun Bay, Contra Costa and Solano counties.

LAND USE: Commercial extraction of sand and gravel by hydraulic dredging.

TERM: Mineral extraction lease was issued effective June 1, 1981 for a five-year term. Staff received lease quitclaim deed on May 27, 1982.

REASON FOR QUITCLAIM:

Western Pacific Construction Materials Co. claimed per letter dated March 24, 1982 that the economy effected Western Pacific as it had all other construction industries. Sand sales decreased to the point where they could not utilize their existing sand resources and cut backs had to be made. Western Pacifics efforts to obtain permits from Federal, State and local governmental agencies and their requests for reclamation plans, sand recharge rales and economic justification have reinforced the company's decision to quitclaim this lease area.

Staff on several occasions requested payment of the \$15,000 minimum annual royalty in accordance to the terms and conditions of the mineral extraction lease even though no sand

(ADDED 06/25/87)

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CALENDAR ITEMC 17 (CONT'D)

and gravel was ever extracted. No payment other than ?-1/2 years rent which was retained from the \$1,000 bid deposit was ever received. Staff counsel recently advised that it would be very difficult for the State to recover the unpaid minimum royalty.

PREREQUISITE ITEM:

Quitclaim deed duly executed by Lessee.

STATUTORY AND OTHER REFERENCES: A. P.R.C. 6804.1.

B. Paragraph 28 of the Lease.

- C. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.
- D. Cal. Adm. Code: Title 2, Div. 3; Title 14, Div. 6.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA, because it is mot a "project" as defined by CEQA and the State CEQA Guidelines.

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

EXHIBITS: A. Land Description. B. Site Map.

C. Detailed Site Map.

IT IS RECOMMENDED THAT THE COMMISSION:

- 1. FIND THAT THIS ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061, BECAUSE IT IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL ADM. CODE 15378.
- 2. SCCFPT THE QUITCLAIM DEED OF MINERAL EXTRACTION LEASE PRC 5991.2, FILED BY WESTERN PACIFIC CONSTRUCTION MATERIALS CO. ON MAY 27, 1982.

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EXHIBIT "A"

LAND DESCRIPTION

NORTH MIDDLE GROUND

PRC 5991.1

A parcel of State-owned sovereign land in the bed of Suisun Bay, Contra Costa and Solano Counties, California, said parcel described as follows:

COMMENCING at the corner common to Sections 4, 5, 2, and 9, T2N, R1W, MDM, thence along the following six (6) courses:

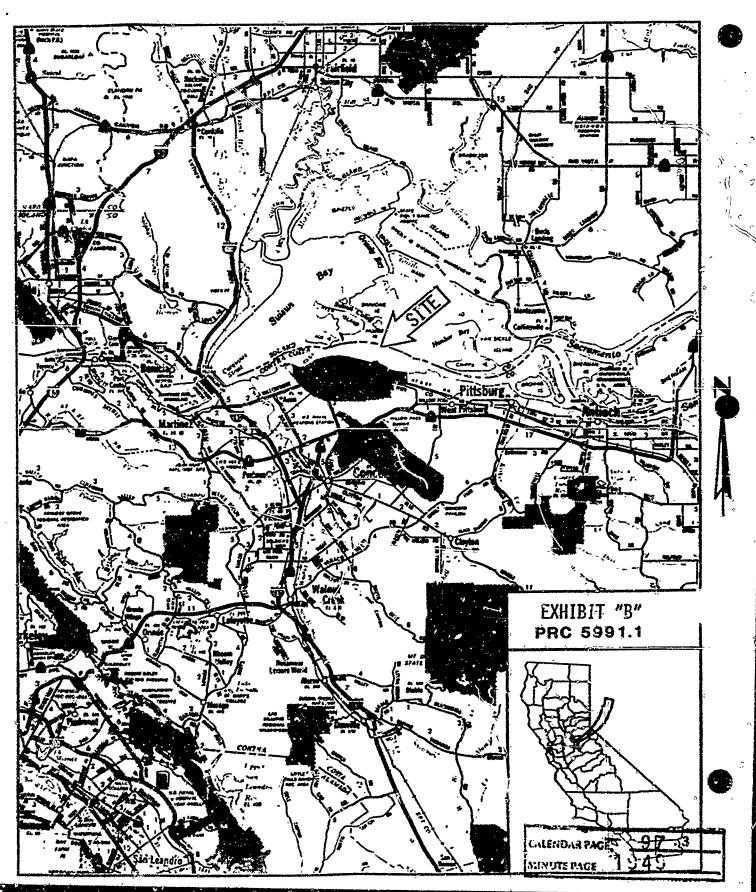
1.	North	1,320.00	feet;
2.	N 30° E	78.54	feet;
2. 3.	East	1,320.00	fit;
4.	N 1° W	4,200.00	feet;
5.	East	2,700.00	feet; and
5.	North	3,992.62	feet to the POINT OF BEGIMMING;
	thence the		four courses:
7.	North	1,157.38	feet:
8.	West	4,149.97	
9.	South		feet; and

10. East 4,149.97 feet to the point of beginning

END OF DESCRIPTION

PREPARED JUNE 30, 1980 BY TECHNICAL SERVICES UNIT, ROY MINNICK, SUPERVISOR.

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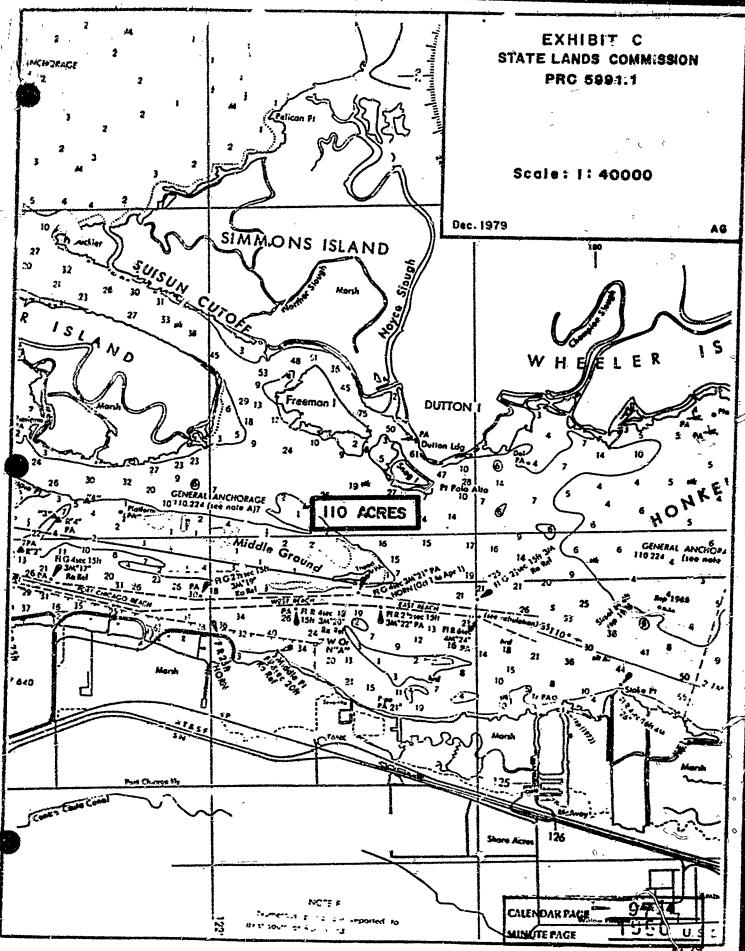


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