

MINUTE ITEM
This Calendar Item No. 049
was approved as Minute Item
No. 49 by the State Lands
Commission by a vote of 3
to 0 at its 9/23/92
meeting.

CALENDAR ITEM

049

A 34
S 25

09/23/92
PRC 4627
Reese

GENERAL LEASE - RIGHT-OF-WAY USE

LESSEE:

Blue Range Mining Company, LP
305 W. Mercury Street
Butte, Montana 59701

AREA, TYPE LAND AND LOCATION:

A 12.97-acre parcel of State school land near Darwin, Inyo
County.

LAND USE:

Operation and maintenance of existing utility lines (four-
inch water pipelines, electric power line, and a telephone
line).

TERMS OF ORIGINAL LEASE:

Initial period:

Fifteen (15) years beginning May 9, 1977.

Renewal options:

One (1) successive period of ten years.

Surety bond:

\$3,000.

Public liability insurance:

Combined single limit coverage of \$150,000.

Consideration:

\$412.80 per annum; five-year rent review.

TERMS OF PROPOSED NEW LEASE PROVISIONS:

Initial period:

Ten (10) years beginning May 9, 1992.

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Surety bond:
\$3,000.

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

Special:
Lease prohibits fencing of the area or otherwise interfering with free public passage across the land.

CONSIDERATION:
\$412.80 per annum with the State reserving the right to fix a different rental on each fifth anniversary of the lease.

BASIS FOR CONSIDERATION:
Pursuant to 2 Cal. Code Regs. 2003.

APPLICANT STATUS:
Applicant is lessee of adjoining private property.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:
Filing fee and processing costs have been received.

STATUTORY AND OTHER REFERENCES:
A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.
B. Cal. Code Regs.: Title 3, Div. 3; Title 14, Div. 6.

AB 884:
N/A

OTHER PERTINENT INFORMATION:

1. 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 as a categorically exempt project. The project is exempt under Class 1, Existing Facilities, 14 Cal. Code Regs. 2905(a).

Authority: P.R.C. 21084 and 14 Cal. Code Regs. 15300.

2. Lessee has requested the Commission to renew the lease agreement for one successive period of ten years.

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3. Replacement of the State's lease PRC 4627 is for administrative purposes only and does not change or enlarge the estate or use from that granted in the original lease.
4. This activity involves lands identified as possessing significant environmental values pursuant to P.R.C. 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

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 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 1, EXISTING FACILITIES, 14 CAL. CODE REGS. 2905(a)
2. FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED FOR THE LAND PURSUANT TO P.R.C. 6370, ET SEQ.
3. AUTHORIZE ISSUANCE TO BLUE RANGE MINING COMPANY, LP, OF A TEN-YEAR GENERAL LEASE - RIGHT-OF-WAY USE, BEGINNING MAY 9, 1992 IN CONSIDERATION OF \$412.80 PER ANNUM; PROVISION OF A \$3,000 SURETY BOND; PROVISION OF PUBLIC LIABILITY INSURANCE FOR COMBINED SINGLE LIMIT COVERAGE OF \$2,000,000 FOR CONTINUED OPERATION AND MAINTENANCE OF EXISTING UTILITY LINES ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

EXHIBIT "A"

PRC 4627.2

LAND DESCRIPTION

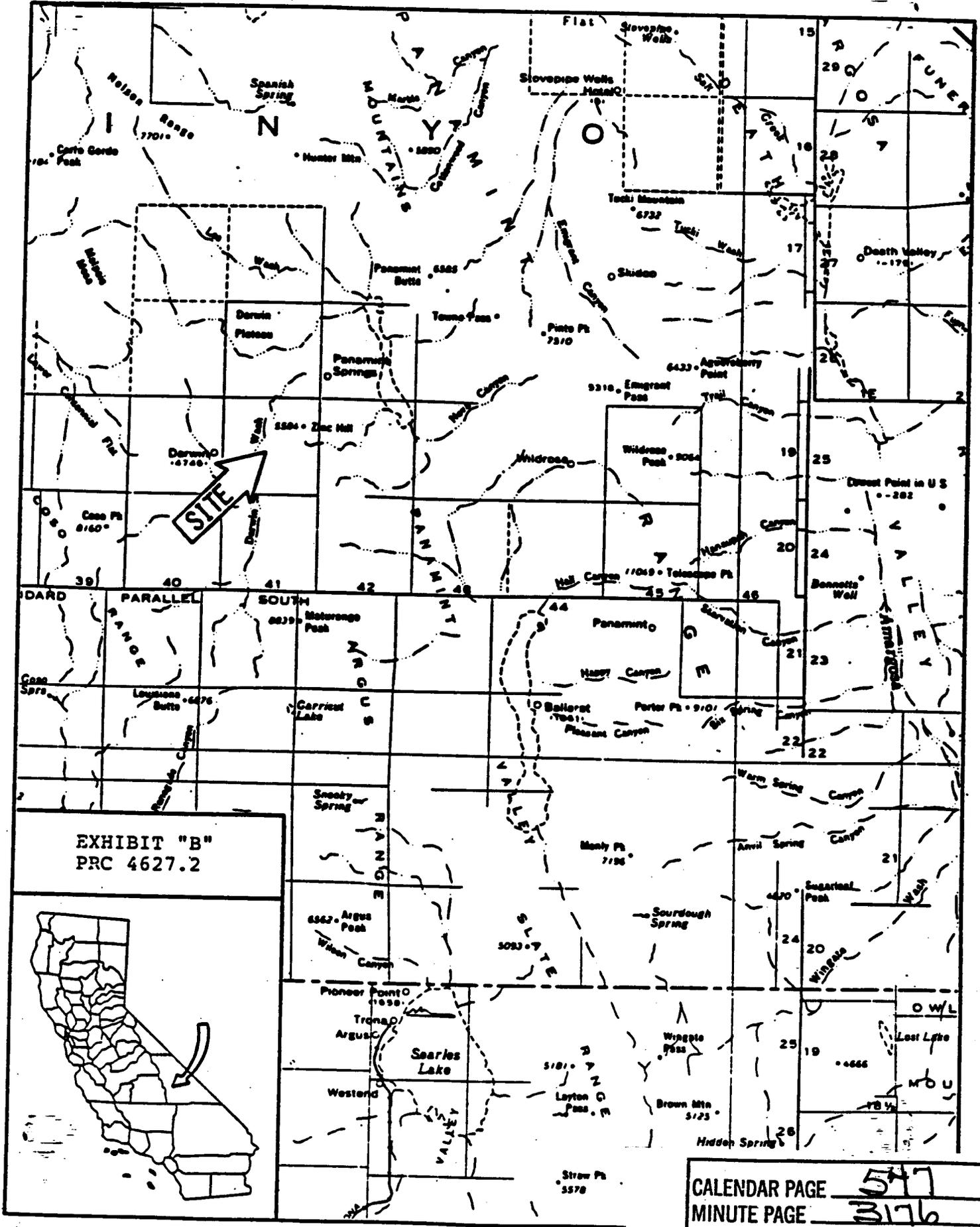
A parcel of State-owned school land situated in Section 16, T 19 S, R 41 E, M.D.M., Inyo County, California, more particularly described as follows:

BEGINNING at the West 1/4 corner of said Section 16; thence S 0° 31' 20" W, 185.85 feet; thence N 85° 13' 40" E, 2625.47; thence N 39° 29' 00" E, 80.68 feet along the northwest side line of the Reddy Millsite; thence N 86° 42' 50" W, 1669.07 feet; thence S 78° 22' 00" W, 315.17 feet; thence S 86° 52' 20" W, 619.16 feet; thence S 0° 31' 20" W, 89.23 feet to the point of beginning.

END OF DESCRIPTION

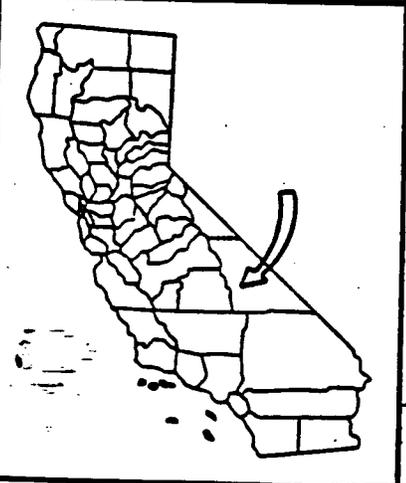
REVIEWED JUNE, 1992 BY LLB.

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SITE

EXHIBIT "B"
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