MINUTE ITEM
This Calendar Item No. C59 was approved as Minute Item No. 59 by the California State Lands Commission by a vote of 3 to 0 at its 11/07/97 meeting.

CALENDAR ITEM
C59

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11/07/97
PRC 7895.2
E. Kruger

CONSIDER ACCEPTANCE OF THE FULL QUITCLAIM DEED OF STATE MINERAL EXTRACTION LEASE NO. PRC 7895.2 (80 ACRES OF STATE RESERVED MINERAL INTEREST SCHOOL LAND NEAR WENDEL), LASSEN COUNTY

LESSEE:

Baldwin Contracting Company, Inc.
Attn: Mr. James Gaumer, President
1764 Skyway
Chico, CA 95928

BACKGROUND:

State Mineral Extraction Lease No. PRC 7895.2 (Lease) was issued to Baldwin Contracting Company, Inc., (Baldwin) on June 1, 1996, and contains 80 acres of State 100 percent reserved mineral interest school land in the vicinity of Wendel in Lassen County, California (leased land). Baldwin used the leased land for sand and gravel production, and has reclaimed the site to the satisfaction of the surface owner, who is obligated to the County to ensure that reclamation is performed in accordance with the approved Reclamation Plan.

Public Resources Code section 6804.1 and Lease Paragraph 25 allow Lessee to make at any time a written quitclaim of all rights under the lease. The quitclaim will be effective when it is filed with the State subject to the continued obligation of Lessee and its surety to pay all accrued rentals and royalties and to abandon the leased land in accordance with Lassen County Use Permit No. SM930001.

On September 15, 1997, the Commission's Long Beach office staff received the document "(Full) Quitclaim Deed". This document was dated September 12, 1997, and quitclaims back to the State all of Lessee's right, title and interest in the leased land as described in Exhibit A of State Mineral Extraction Lease No. PRC 7895.2 with an effective date of June 1, 1996. On April 14, 1997, the Lessee notified the State that all operations were terminated and request the lease be canceled. The letter was misfiled and not discovered until

September 12, 1997, whereupon, a quitclaim was requested and filed on September 15, 1997. Because the Lessee's notice of termination was timely filed before the annual rental and advance royalty was due (June 1, 1997), it is recommended that the Commission waive its payment. A review of the Commission's files reveals that no default exists on the lease, that Lessee has complied with all applicable laws and lease provisions and has paid all other rentals and royalties due.

STATUTORY AND OTHER REFERENCES:

A. Public Resources Code section 6804.1 and Lease Paragraph 25.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 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 the CEQA and the State CEQA Guidelines.

   Authority: Public Resources Code section 21084 and Title 14, California Code of Regulations, section 15378.

EXHIBIT:

A. Land Description

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THE ACTIVITY EXEMPT FROM THE REQUIREMENTS OF THE CEQA, PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

AUTHORIZATION:

1. ACCEPT FROM BALDWIN CONTRACTING COMPANY, INC., (LESSEE) THE FULL QUITCLAIM DEED FOR STATE MINERAL EXTRACTION LEASE NO. PRC 7895.2, DATED SEPTEMBER 12, 1997, WHEREIN THE LESSEE QUITCLAIMS BACK TO THE STATE ALL RIGHT, TITLE AND INTEREST IN THE LEASED LAND DESCRIBED IN EXHIBIT A OF STATE MINERAL EXTRACTION LEASE NO. PRC 7895.2 DATED JUNE 1, 1996.

2. RELEASE BALDWIN CONTACTING COMPANY, INC., FROM ALL OBLIGATIONS UNDER STATE MINERAL EXTRACTION LEASE PRC 7895.2 EFFECTIVE SEPTEMBER 15, 1997, THE FILING DATE OF THE QUITCLAIM DEED AND WAIVE THE RENTAL AND ADVANCE ROYALTY DUE ON JUNE 1, 1997.

3. AUTHORIZE THE EXECUTION OF ANY DOCUMENT NECESSARY TO EFFECT THE COMMISSION'S ACTION.

EXHIBIT "A"

LAND DESCRIPTION

W1/2 of NW1/4 of Section 27, Township 28 North, Range 17 East, Mount Diablo Base and Meridian, Lassen County, containing 80 acres more or less of State 100% reserved mineral interest land.