MINUTE ITEM
This Calendar Item No. C96 was approved as Minute Item No. 96 by the California State Lands Commission by a vote of 3 to 0 at its 6-19-98 meeting.

CALENDAR ITEM
C96

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06/19/98
WP 2376.9
B. Young

GENERAL LEASE - PUBLIC AGENCY USE

APPLICANT:

United States Department of Agriculture, Forest Service,
Lassen National Forest
477-050 Eagle Lake Road
Susanville, CA 96130

AREA, LAND TYPE, AND LOCATION:

9.15 acres, more or less, of sovereign lands in Eagle Lake, near Susanville, Lassen County.

AUTHORIZED USE:

An existing public marina, launch ramp, courtesy dock, boat berths, fuel sales, retaining wall, breakwater, boat and personal water craft rentals, on the land shown on the attached Exhibit A.

LEASE TERM:

13 years and ten months, beginning March 1, 1998.

CONSIDERATION:

No monetary consideration. The consideration to the California State Lands Commission for granting this lease is the use and benefit to the public; provided, however, that the California State Lands Commission shall have the right to assess United States Department of Agriculture, Forest Service, Lassen National Forest a monetary rent for any reporting period in which revenues, derived from or attributable to use of the marina, exceed expenses of operating, maintaining or improving the facilities.

SPECIFIC LEASE PROVISIONS:

1. The United States does not carry or purchase insurance for its activities. All claims against it must be processed through the Federal Tort Claims Act. Therefore, the lease has been modified to not require the United States to carry insurance. However, the United States will require that its sublessees and concessionaires operating on State lands carry combined

single limit liability insurance coverage in the amount of $1,000,000.

2. Because the state and counties cannot tax the United States, the lease language requiring the United States to pay a possessory interest tax has been modified to relieve the United States of this obligation and to require that its sublessees and concessionaires pay any such taxes if levied.

3. Payment of Rent and Submittal of Reports by Sublessees: As a convenience to Lessee, Lessor agrees to invoice and collect rents and annual reports from Lessee's sublessees, permittees, and concessionaires to the extent that such parties conduct operations on or over the Leased Lands. Such collection of rent shall not be deemed an assumption of rent by such parties and Lessor shall continue to hold Lessee, and Lessee agrees to continue to be held, primarily liable for the rental obligations of this Lease. If Lessee elects to have Lessor perform such invoicing and collecting of rents and reports, Lessee shall provide Lessor with all pertinent information 90 days prior to the due date of the rents and reports.

4. Rules, Regulations and Taxes: Lessee shall be held to comply with Section 4, Paragraph 6 only to the extent that state and local law is not preempted by federal law.

5. Indemnity: To the extent permitted by federal tort law, Lessee shall indemnify and hold harmless Lessor, its officers, employees and agents as stated in Section 4, Paragraph 7 of this Lease. Lessee also agrees to amend its subleases, permits, and operating agreements to cause its sublessees, permittees and concessionaires to indemnify and hold harmless Lessor, its officers, employees and agents as stated in Section 4, Paragraph 7 of this Lease.

6. Insurance: Lessee is a public entity which is not self-insured and does not carry third party insurance. Lessor is informed and agrees that any claims against Lessee are governed by the Federal Torts Claims Act and that this is Lessee's sole remedy against Lessee in tort causes of action. Consequently, Lessor waives the insurance requirement expressed in Section 4, Paragraph 8 as to Lessee United States. Nevertheless, Lessee agrees to amend its subleases, permits, operating agreements to cause its sublessees, permittees and concessionaires to carry $1,000,000

in combined single limit insurance coverage, and to name the State of California and Lessor as additional insureds according to the provisions of Section 4, Paragraph 8.

7. Bond: Lessor waives the requirement expressed in Section 4, Paragraph 9 of this Lease for Lessee to provide a surety bond or other security device during the term of this Lease.

OTHER PERTINENT INFORMATION:

1. The United States Forest Service issued a 20-year Special Use Permit to the University Foundation of California State University, Chico, dated December 8, 1995, for the operation of a public marina and ancillary facilities (Gallatin Marina) at Eagle Lake near Susanville, Lassen County. The foundation was selected through a bid process, in which it was the only remaining bidder.

2. Gallatin Marina facilitates public use of Eagle Lake by providing free public access and parking, boat launching, courtesy dock, restrooms, refuse collection and disposal, and a fish cleaning station. The marina also offers, at no charge, a minimum of three berths for hourly short term day use public dockage, and one berth free of charge for use by the California Department of Fish and Game. The breakwater provides access for fishing, picnicking, and bird watching. Boat and personal watercraft rentals are available for water recreation; bicycle rentals are available for use on paved trails along the lake. Also available are boat berths for long term or seasonal rental, dry dock storage, telephones, laundry and shower facilities. Also, as part of the operation, the Chico Foundation promotes and organizes special recreational events and programs for the public.

3. Any profits that may be generated from the Marina are to be considered for utilization in the sponsorship of graduate students from the CSU Chico Recreation and Parks Department to do graduate research at Eagle Lake.

4. A Finding of No Significant Impact (FONSI) was prepared and adopted for this project by the United States Forest Service. The document was circulated for public review as broadly as State and local law may require, and notice was given meeting the standards in Title 14, California Code of

Regulations, section 15072(a). Therefore, pursuant to Title 14, California Code of Regulations, Sections 15221 and 15225, the staff recommends the use of the federal FONSI in place of a Negative Declaration.

5. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 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.

EXHIBIT:

A. Site and Location Map

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE FINDING OF NO SIGNIFICANT IMPACT, PREPARED AND ADOPTED FOR THIS PROJECT BY THE UNITED STATES FOREST SERVICE, MEETS THE REQUIREMENTS OF THE CEQA. THEREFORE, PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTIONS 15221 AND 15225, ADOPT SUCH FEDERAL DOCUMENT FOR USE IN PLACE OF A NEGATIVE DECLARATION.

SIGNIFICANT LANDS INVENTORY FINDING:

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

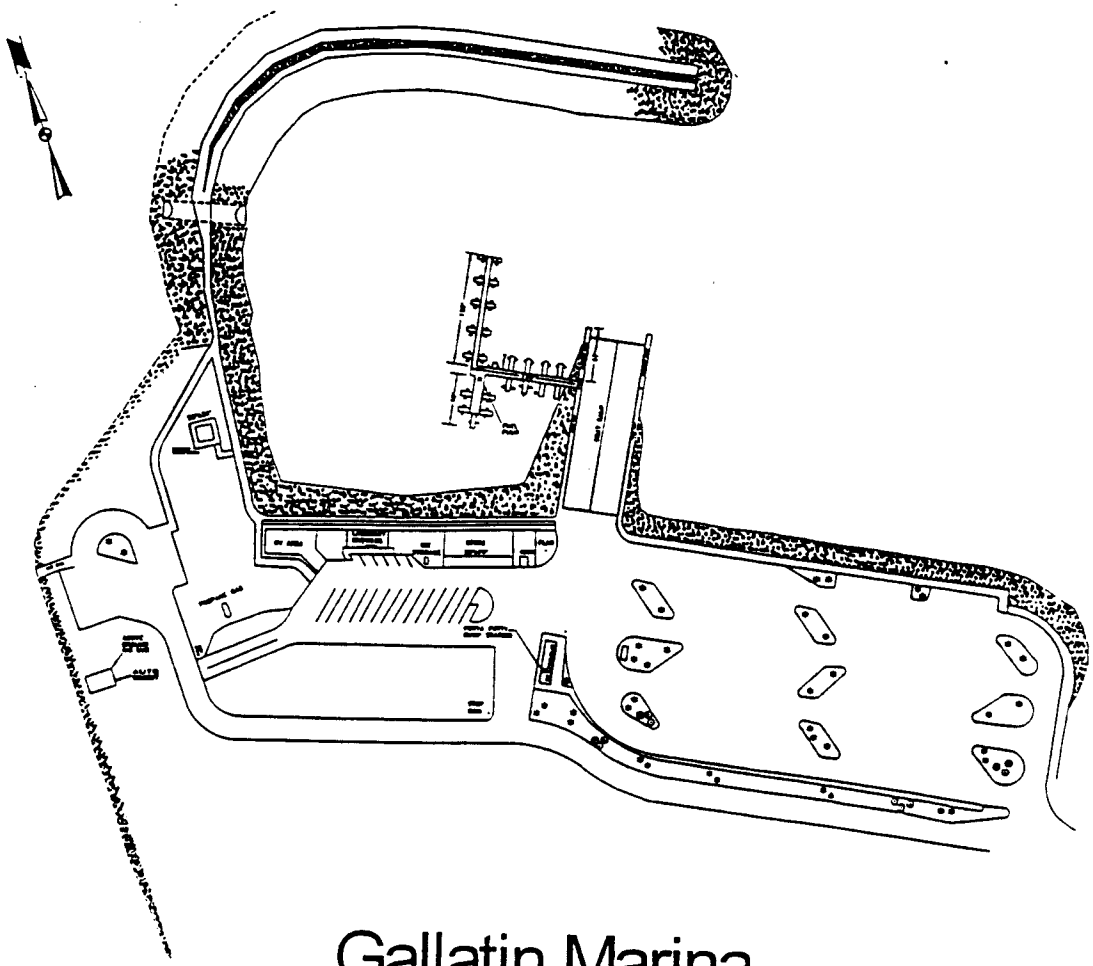
AUTHORIZATION:

AUTHORIZE ISSUANCE TO THE UNITED STATES DEPARTMENT OF AGRICULTURE, FOREST SERVICE, LASSEN NATIONAL FOREST (USFS) OF A GENERAL LEASE - PUBLIC AGENCY USE, AND

APPROVAL OF THE USFS TO ENTER INTO A SPECIAL USE PERMIT WITH THE UNIVERSITY FOUNDATION OF CALIFORNIA STATE UNIVERSITY, CHICO, DATED DECEMBER 8, 1995 , FOR THE OPERATION OF AN EXISTING PUBLIC MARINA, LAUNCH RAMP, COURTESY DOCK, BOAT BERTHS, FUEL SALES, RETAINING WALL, BREAKWATER, BOAT AND PERSONAL WATER CRAFT RENTALS ON THE LAND SHOWN ON EXHIBIT A, ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; BEGINNING MARCH 1, 1998, FOR A TERM OF 13 YEARS AND TEN MONTHS, NO MONETARY CONSIDERATION EXCEPT AT SUCH TIMES THAT REVENUES EXCEED EXPENSES, IN WHICH LESSEE SHALL PAY 5% OF ITS GROSS INCOME AND NOT LESS THAN $250 PER YEAR; THE PUBLIC USE AND BENEFIT; WITH THE STATE RESERVING THE RIGHT AT ANY TIME TO SET A MONETARY RENT IF THE COMMISSION FINDS SUCH ACTION TO BE IN THE STATE'S BEST INTEREST; LIABILITY INSURANCE IN THE AMOUNT OF NO LESS THAN $1,000,000.

NO SCALE

SITE MAP



Gallatin Marina

NO SCALE

LOCATION

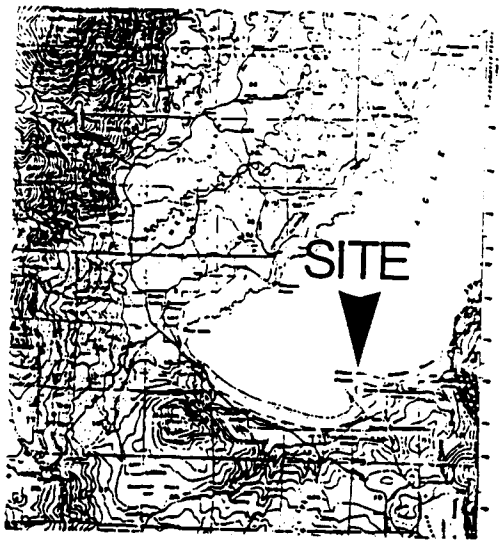


Exhibit A

PRC 2376.9

APN 89-030-11

Eagle Lake

LASSEN COUNTY

This Exhibit is solely for purposes of generally defining the lease premises, 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.

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RJ 10/97